

Land Use & Climate Change Advisory Committee

Background Paper: Recommendation Statement with Preliminary Cost Information Developer Incentives That May Require Statutory Amendments

Recommendation 5b

Encourage the use of financing tools, such as tax incentives, for use by local governments to encourage compact development in urban centers or other targeted areas within urban growth areas. The LUCC recommends the legislature consider statutory amendments as needed that would encourage compact development in urban growth areas or urban centers.

Potential incentives include:

- Allow less expensive types of construction for mixed-use in-fill projects or ensure that height and/or bonus density incentives are permitted under current building code (Is Type 1 construction supported by the market?)
- Provide tax incentives for voluntary carbon emission reductions

The LUCC recommends further study or examination of these ideas through the formation of task force to identify and consider potential incentives to encourage compact development in urban growth areas or urban centers.

General assessment of state and local resources needed, financial and otherwise, needed to fully implement the idea.

Based on previous experience and depending on the scope of the study, CTED estimates a realistic range to conduct the process and issue the report is \$70,000 to \$500,000.