



Developer Incentive Programs for Green Building Projects: Information Sheet

A part of the Buildings Handbook

Incentives for green building projects, such as speeding up building approvals for low-emission projects, financial incentives, or density bonuses, can help offset the capital costs associated with low-emission technologies and materials and encourage early adopters.

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Initiatives

Climate Caucus has ranked the following initiatives from beginner to expert, based on Complexity to implement, Staff time & expertise, and Political capital. Please note, these rankings are our own best judgements.

-  Green Square = Beginner
-  Blue Square = Intermediate
-  Black Diamond = Advanced
-  Double Black Diamond = Expert

Greenstreaming

The Basics:

- Greenstreaming, or “fast-tracking” is an incentive that local governments can offer developers to achieve energy efficiency (or other environmental objectives) in new developments.
- Need to ensure wait times actually decrease for these applications and be sure to consider potential impacts on wait times for non-green building applications.

Examples:

- City of Toronto, [Toronto Green Standard](#), ON
 - The Toronto Green Standard (TGS) provides guidelines for sustainable development.
 - Developers meeting TGS requirements may qualify for various incentives, including priority processing of planning applications and reduced municipal fees.
- City of Ottawa, [High Performance Development Standards](#), ON
 - Provides incentives for projects that exceed minimum energy efficiency standards including a streamlined approval process and reduced development charges.

Feebates

The Basics:

- A building permit rebate program, or “feebate” is an incentive program that rebates a portion or all of a fee to incentivise achieving environmental objectives, such as higher energy efficiency in buildings

Examples:

Case Study - City of Toronto, [Development Charge Refund Program](#), ON

The program offers a partial refund on development charges paid, for verified Tier 2 or higher sustainable and high-performance development projects, as defined under the



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[Toronto Green Standard \(TGS\)](#). Certified development projects are profiled by the City of Toronto for their high achievements.

Density Bonuses

The Basics:

- A density bonus allows development at a level of density that surpasses the allowable FSR under the OCP or neighbourhood plan in exchange for providing community amenities (which help a community meet its goals).
- These amenities typically include parks, heritage preservation, and affordable housing.
- Or a community may offer increased density in exchange for greener development as an amenity to the community.
- Density bonuses must be established in zoning bylaws that set out the specific conditions needed in order to receive the increased FSR.
- This can be a significant incentive, especially where land use values are high.

Examples:

Case Study - City of Vancouver, [Zero Emissions Building Plan](#), BC

Vancouver's Zero Emissions Building Plan includes incentives such as allowing certain buildings, including Certified Passive Houses, or International Living Future Institute Zero Energy Standard projects to have a 5% FSR increase. The [Zero Emissions Building Catalyst Policy](#) outlines the ability of the Director of Planning to use discretion to advance multifamily projects built to zero emission standards. Relaxation of some regulations are available for projects designed for Passive House or Zero Energy certification. An increase of up to 5% in permitted floor area is available in district schedule areas. See also Zero [Emissions Building Catalyst Guidelines PDF file \(252 KB\)](#)



- Town of East Gwillimbury, [Sustainable Development Incentive Program](#), ON
 - In partnership with York Region, the SDIP gives developers the opportunity to obtain additional servicing allocation (sewer capacity), by satisfying various sustainability requirements.
 - See the [SDIP](#) guide for more details.
- City of Charlottetown, [Zoning and Development Bylaw](#), PEI
 - Can apply for bonus height and density in exchange for securing specific public benefits including preservation of a heritage resource, providing affordable housing, providing green space or public art, investment in active transportation or public transit and a LEED-gold standard certified building or equivalent sustainability qualification ([page 26](#)).

Support Third-Party Certification Programs /

The Basics:

- Certification can encourage building developer/owner to implement green building practices by increasing the buildings' value
- Common Certifications Include:
 - [LEED \(Leadership in Energy and Environmental Design\)](#)
 - Most common in Canada administered by non-profit U.S. Green Building Council (USGBC)
 - Certification is available for many types of projects, including homes, existing buildings, new construction, retail, and core and shell projects
 - Projects pursuing LEED certification earn points for green building strategies across several categories. Based on the number of points achieved, a project earns one of four LEED rating levels: Certified, Silver, Gold or Platinum
 - A simple process: Building design team collects data and sends to USGBC to examine
 - [BREEAM \(The Building Research Establishment Environmental Assessment Method\)](#)
 - An international program most common in the UK
 - Uses licensed assessors to collect evidence for certification
 - Considered more rigorous and academic than LEED



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- Administered by for-profit parent company, Building Research Establishment (BRE)
- [Living Buildings Challenge](#)
 - A certified program based on a building's performance over a 12 month period
 - Living buildings are self-sufficient and remain within the resource limits of their site, follow a regenerative design, and create a positive impact on natural systems
- [Zero Carbon Building Standards](#)
 - Created in Canada by the Canada Green Building Council
 - Consists of a performance and design standard
 - Establishes a clear path to zero operational carbon and a 40 percent reduction in new construction embodied carbon by 2030
- Consider getting municipal buildings green building certified where beneficial

Additional Resources

- [Clean Air Partnership - Towards Low Carbon Communities: Creating Municipal Green Development Standards, An Implementation Toolkit for Municipal Staff](#)
- [BC Energy Step Code - A Best Practices Guide for Local Governments \(pg 20-34\)](#)
 - Lays out policy tools, including greenstreaming and feebates which local governments can use to incentivize update of BC Energy Step Code
- [Efficiency Canada - What municipalities need to know about Canada's Net-Zero Emissions Building Codes \(pg 33. - Here's what Municipalities Can Do Before the Code Arrives\)](#)
- [Community Energy Association - Green Development Standards Toolkit \(webinar\)](#)

Climate Caucus Resources

[Climate Caucus Municipal Grants List](#) - detailed list of relevant municipal grants

[Policies and Resources Library](#) - list of motions, bylaws, council reports and briefing notes



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