

Sustainable Development Incentives

Article 6

Effective Date: 11/10/2011



Town of Bluffton Unified Development Ordinance

6.1 Introduction and the Growth Framework Map

6.1.1 Intent

The Town strives to provide a sustainable, environmentally conscious, and business friendly community. In this regard, the intent of this Article is to provide applicants options and incentives to integrate sustainable growth principles for neighborhood development and building construction, as well as promote workforce/affordable housing goals.

A portion of this Section is facilitated through the use of a Growth Framework Map which sets forth a land use vision that assumes that growth should be sustainable as stated in the Town of Bluffton Comprehensive Plan. The Growth Framework Map is structured to suggest patterns of growth into “place types” that are intended to result in a growth pattern that respects the Town’s natural resources, historic fabric, diverse housing, access to nature, mixed-use activity centers, street network and neighborhood structure. Place types are made up of centers and edges with varying degrees of residential and non-residential intensity. Centers consist of locations where a range of uses and density establishes context and character. Edges are either natural (such as a wetland, lake, or coastal marsh) or man-made such as a highway, parkway, or utility easements.

The Town of Bluffton recognizes that a growth framework is necessary to prepare for a more compact and sustainable future. The Town further recognizes that certain areas are best suited for a more intense land development scenario while other areas are more suited for a lower intensity of land use. To effectively and efficiently provide public services, attract desired investment, protect property values, and protect key natural resources, this growth framework is vital as the Town of Bluffton increases in population.

6.1.2 Applicability

This Article shall apply to all development or redevelopment located within a Place Type as designated on the Growth Framework Map, as adopted herein, and/or located within an already existing neighborhood as defined in the Town’s Comprehensive Plan. Each application shall be judged on its own merit and the request for approval of Sustainable Development Incentives defined herein, shall be made at the time the applicable application is submitted.

The Growth Framework Map shall serve as a guiding document to facilitate preferred growth scenarios and is composed of the following Place Types:

- A. Rural Crossroads: Located at the intersection of two or more rural roads, the Rural Crossroads provide a small amount of locally serving retail in a rural context. Generally, rural crossroads should have a distinct boundary from nearby agricultural uses or the natural environment;
- B. Hamlet: Located in less urbanized areas, Hamlets typically exist at the edge of rural and developed areas. A Hamlet is made up on a single center with a small retail area and is surrounded by sparsely developed residential areas and rural businesses. The retail area and surrounding residential area of the hamlet transitions into agricultural areas or natural settings;
- C. Village: Located in highly developed areas or those areas to be developed, a Village consists of a single center surrounded by compact, complete and connected neighborhoods providing support for a mixed-use area with moderate intensity. The mixed-use development occurs at the intersection of larger neighborhoods and along corridor connecting multiple neighborhoods; and

- D. **Town Center:** Located in the most intensely developed areas or those areas to be intensely developed, Town Centers consist of compact, complete, and highly connected neighborhoods that support a larger, most intense mixed-use development condition. Buildings within the Town Center are usually larger, attached, and may be up to five stories in height.

6.1.3 Approval Authority

Sustainable Development Incentives, as described herein, shall be determined and approved by Town Council, unless approval authority is delegated to Town Manager through Town Council Resolution.

6.1.4 Calculation of Fee(s), Refund(s), Waiver(s)

Sustainable Development Incentives shall be calculated as described in this Article using the Master Fee Schedule and/or applicable Development Agreement in effect at the time the application requesting Sustainable Development Incentives is determined complete by the UDO Administrator. Refund(s), as described in this Article, refer to fees paid by the applicant for the application requested prior to approval of incentives. Waiver(s), as described in this Article, refer to future fees applicable to the application that the approval authority has determined are no longer due as part of the overall approved incentives.

6.2 Design Parameters

The following land use scenarios and development characteristics shall apply to development and/or redevelopment within the place type designations as illustrated on the Growth Framework Map. Further, as applicable per the below Table, Article 4, Zoning Districts shall serve as a baseline for implementation.

Table 6.2: Design Parameters	Rural Crossroads	Hamlet	Village	Town Center
Activity Mix	Retail, Service, Agricultural, Community/Civic Use	Retail, Service, Residential, Agricultural, Community/Civic Use	Retail, Service, Residential, Community/Civic Use	Retail, Service, Residential, Community/Civic Use
Mix of Uses	Horizontal Mixed Use	Horizontal Mixed Use	Horizontal and Vertical Mixed Use	Horizontal and Vertical Mixed Use
Character of Buildings	Detached Residential, Agricultural Buildings, Other Detached Buildings	Detached Residential, Agricultural Buildings, Other Detached Buildings	Attached and Detached Residential Buildings, Attached and Detached Non-Residential Buildings	Mostly Attached Buildings
Place Type Scale	Size: 0.5-5 acres	Size: 6-80 acres	Size: 160+ acres	Size: 200+ acres
Zoning District Allocation	0-10% AG 20-50% RG 30-80% RMU	0-20% RMU 20-50% RG 30-70% NC	10-30% RG, NG-HD 20-60% NC, NCE-HD 10-30% GM	5-10% RG, NG-HD 30-70% NC, NCE-HD 30-70% GM

6.3 Sustainable Neighborhood Design

6.3.1 Intent

The intent of this Section is to incentivize sustainable neighborhood design and development through the implementation of Smart Growth Principles within in the Town of Bluffton.

6.3.2 Applicability

This Section shall apply to applicable applications for development and/or redevelopment within the Place Types identified on the Growth Framework Map. The application shall meet the criteria identified herein.

6.3.3 Standards

In order to meet the minimum threshold for qualification for incentives as described in Section 6.3.4, a development and/or redevelopment project must score a minimum of 15 out of a total of 20 points from the following criteria:

A. Redevelopment Site (Total 3 Points)

1. Redevelopment Site: Reuse of previously developed site results in a reduction of more than 15% of impervious surface coverage (1 points).
2. Historic Buildings: Preservation, renovation and / or adaptive reuse of a structure that meets criteria for Town of Bluffton Historic Sites Inventory (1 point)
3. Infill Development: Small infill development that meets all of the following requirements (1 point):
 - a. Project is located within an area of Bluffton with existing infrastructure and utilities;
 - b. Project is not part of five or more contiguous vacant lots in a subdivision;
 - c. Project's residential density is in accordance with the base zoning specifications, and is at a gross density not less than four units per gross acre; and
 - d. Project does not exceed two thousand five hundred (2,750) square feet in any residential unit, excluding space allocated to porches, carports, garages, and other accessory structures.

B. Compact, Complete, and Connected Development (Total 3 Points)

1. Diversity of Uses Planned within an Integrated Access System: Diversification of land use that meets all of the following requirements (1 point):
 - a. Diversity of non-residential land use types (retail, office, institutional, civic) in addition to residential; and
 - b. Diversity of residential building types.
2. Pedestrian System: A connected pedestrian system that meets all of the following requirements (1 point):
 - a. Dedicated off-street paths / trail system and/or bikeways are provided in addition to required sidewalks to abutting neighborhoods; and

- b. Provision of pedestrian amenities such as street trees, wider sidewalks, pedestrian-scale lighting, special paving, benches, etc.
3. Lowcountry Architecture Vernacular: All proposed structures meet the Old Town architectural requirements of Article 5 (1 point).

C. Environmental Sustainability (Total 6 Points)

1. Dedicated Stream Restoration or Wetland Creation or Restoration: Restoration or creation of a dedicated stream or wetland (1 point).
2. Native Plants: Utilize at least 80% of native plants (1 point).
3. Tree Mitigation: Provide tree replanting plan that provides 120% of minimum required plantings. If property cannot sustainably support the tree planting a fee in lieu shall be paid into the Town of Bluffton Tree Bank as prescribed in Article 5 (1 point).
4. Save Trees above 20 inches Minimum Caliper: Protect 50% of all hardwood trees 20 inches minimum caliper DBH (1 point).
5. Exceed Minimum Riparian Buffer Requirements: Provide an additional 25 feet of dedicated buffer in excess of minimum requirements provided in Article 5. (1 point).
6. Exceed Minimum Wetland Buffer Requirements: Provide an additional 25 feet of dedicated wetland buffer in excess of minimum standards as defined by the South Carolina Department of Health and Environmental Control – Office of Critical Resource Management (1 point).

D. Water Conservation / Efficiency / Management (Total 3 Points)

1. Installation of Greywater System: Provide a greywater system (1 point).
2. Rainwater Harvesting System: Provide a rainwater harvesting system that meet all of the following requirements (1 point):
 - a. Collect and make use of water runoff from minimum 50% of roof area; and
 - b. Provide storage system and monitoring device and maintenance / management program.
3. Water-Permeable Walkways: Provide water-permeable walkways that meet all of the following requirements (1 point):
 - a. Use water-permeable materials in 50% or more of pathways; and
 - b. Provide maintenance program.

E. Energy Efficiency (Total 3 Points)

1. Light Pollution Reduction: install sensors or timers on all exterior site lighting fixtures including signage (1 point).
2. Solar Orientation: Orient at least 50% of structures in a manner to make available solar strategies (1 point)
3. Reduce Heat-Island Effect of Paving: Use light-colored or high albedo materials and/or porous paving with a minimum Solar Reflective Index of 0.6 or over for at least 50% of the site hardscape (1 point).

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F. Operations and Maintenance Education (Total 2 Points)

1. Home Owner Association (HOA) Documents: Require sustainability of green site features and long-term maintenance requirements in HOA documents as recorded with the Office of the Register of Deeds of Beaufort County. (1 point).
2. Maintenance Manual for Owner / HOA / Manager: Provide a manual that includes information on how to maintain the green features of the site, including paving materials, landscaping maintenance, stormwater management maintenance, and encourages additional green activities such as recycling, gardening, etc. This Manual shall be recorded with the Office of the Register of Deeds of Beaufort County. (1 point)

6.3.4 Incentives

- A. Upon Town of Bluffton approval, any new development and/or redevelopment application is eligible for the incentives described herein. Incentives may be provided for the following application and/or development agreement fee types:
 1. Master Plan Application;
 2. Development Plan Application;
 3. Subdivision Plan Application;
 4. Development Agreement Application; and
 5. Development Agreement Fees:
 - a. Interim Development Agreement Fee; and/or
 - b. Boat Ramp Repair Fund Fee.
- B. As applicable, the Town of Bluffton may issue an application and/or development agreement fee reduction for the application types identified in Section 6.3.4.A, based upon the following schedule:
 - a. 15-19 points: Town of Bluffton shall provide a 25% fee reduction; or
 - b. 20 points: Town of Bluffton may provide a 50% fee reduction.

6.4 Sustainable Building Design

6.4.1 Intent

The intent of this Section is to incentivize sustainable building design and construction through the implementation of Smart Growth principles within the Town of Bluffton.

6.4.2 Applicability

This Section shall apply to applicable applications for building construction that is located within a place type or existing neighborhood as designated on the Growth Framework Map or specified in the Town's Comprehensive Plan. The application shall meet the criteria identified herein.

6.4.3 Standards

The most recent standards of the United States Green Building Council Leadership in Energy and Environmental Design (LEED) program LEED program or other similar national or state program as approved by the UDO Administrator for buildings shall serve as the standards of this Section.

6.4.4 Incentives

Upon Town of Bluffton approval, any habitable building demonstrating LEED or similarly approved certification may be eligible for a Building Permit/Plan Check rebate based upon the following schedule, except that any third party plan check review fees shall be exempt from this Section:

- a. LEED Certified or similar rating: Town of Bluffton shall provide a 20% fee rebate;
- b. LEED Silver Certified or similar rating: Town of Bluffton may provide a 30% fee rebate;
- c. LEED Gold Certified or similar rating: Town of Bluffton may provide a 40% fee rebate; or
- d. LEED Platinum Certified or similar rating: Town of Bluffton may provide a 50% fee rebate.

6.5 Workforce/Affordable Housing

6.5.1 Intent

The intent of this Section is to implement the Town's Workforce/Affordable Housing Goals as identified in the Comprehensive Plan by providing incentives that will result in the provision of housing that is affordable to low and moderate-income families.

6.5.2 Applicability

This Section shall apply to applicable applications for the development of workforce/affordable housing units that are located within a place type and/or existing neighborhood as designated on the Growth Framework Map or specified in the Town's Comprehensive Plan. The application shall meet the criteria identified herein.

6.5.3 Standards

A. General Standards.

1. The development must contain residential uses, of which at least 20% of the total number of dwelling units shall qualify as workforce/affordable housing pursuant to this section. A mixture of housing types as well as uses is encouraged to be integrated throughout the development

B. Specific Standards.

1. Prior to the submittal of the applicable application for incentive described in Section 6.5.4, a workforce/affordable housing plan must be submitted to the Town of Bluffton for approval. The plan shall contain, at a minimum, the following information:
 - a. A general description of the entire development, including whether the development will contain owner-occupied or rental units, or both;

- b. The total number and type of market-rate units and workforce/affordable housing units in the development;
 - c. The number of bedrooms in each market-rate unit and each workforce/affordable unit;
 - d. The square footage of each market-rate unit and each workforce/affordable housing unit;
 - e. The location within any multi-family residential structure and any single-family residential development of each workforce/affordable housing unit;
 - f. The proposed ownership of workforce/affordable housing units shall be described in detail; and
 - g. Any commitment by local, state, or federal entity shall be identified.
2. The provisions of this Ordinance shall apply to the development and use of the property.
 3. All workforce/affordable housing units shall be marketed to the public in the same manner as the market-rate units.
 4. Owner-occupied workforce/affordable housing shall meet the following criteria:
 - a. **Eligibility.** Sale of owner-occupied workforce/affordable housing units is limited to individuals and families earning no more than 120% of the gross Area Median Income (AMI) for Beaufort County, as published annually by the U.S. Department of Housing and Urban Development and adjusted for household size. The workforce/affordable housing unit shall serve as the owner's primary residence for the duration of ownership or until the deed restrictions required by this Section have expired.
 - b. **Eligibility determination process.** Prospective buyers of new workforce/affordable housing units shall be screened and determined eligible by an individual or agency approved by the Town of Bluffton to make such eligibility determinations prior to closing. Prior to closing on a new workforce/affordable housing unit, the approved individual or agency determining eligibility shall submit an affidavit to the Town of Bluffton that sets forth the sale price and verifies the unit will be occupied by persons qualified pursuant to the requirements of this Section, in addition to any other information deemed appropriate and necessary by the UDO Administrator.
 - c. **Maximum housing cost.** The monthly mortgage payments shall include principal, interest, property taxes, homeowner insurance, private mortgage insurance, maintenance costs, and condominium or homeowners association fees, and shall total no more than 35% of the buyer's gross monthly household income.
 - d. **Closing costs and related fees.** The buyer of a workforce/affordable housing unit shall not pay more in closing costs than is reasonable and customary as approved by the Town of Bluffton. Buyer and seller, in accordance with their contractual obligations, shall pay reasonable and customary real estate commissions. It is reasonable and customary that the seller pays a commission to his/her real estate broker, who then shares the commission with the cooperating real estate broker representing the buyer.
 - e. **Term of affordability.** Resale of workforce/affordable housing units shall be limited by deed restriction to the original sales price, adjusted for inflation, and to a purchaser eligible, as described above, for a period of not less than ten years after issuance of the certificate of occupancy. The increase permitted for inflation shall be

based upon the increase in the Consumer Price Index (CPI). The deed restrictions shall include but not be limited to the following:

- (1) A copy of such executed deed restrictions shall be submitted to the Town of Bluffton for approval prior to issuance of a Certificate of Occupancy for any portion of the development.
 - (2) The deed restrictions shall require notice to the Town of Bluffton of any conveyance of the workforce/affordable housing unit, and verification by an individual or agency approved by the Town of Bluffton to make such eligibility determinations that the purchaser is qualified pursuant to the requirements of this section. Prior to closing on a resale workforce/affordable housing unit, the approved individual or agency determining eligibility shall submit an affidavit to the Town of Bluffton that sets forth the sale price, verifies the purchase price is in accordance with permitted inflationary adjustments, and verifies the unit will be occupied by persons qualified pursuant to the requirements of this Section, in addition to any other information deemed appropriate and necessary by the UDO Administrator.
- f. **Increase in household income during occupancy.** Should a household's income increase to an amount above 120% of the Area Median Income while occupying a workforce/affordable housing unit, the household shall not be required to vacate the unit.
- g. **Vacation of housing unit.** Upon vacating the premises, the unit shall be sold, or made publically available for sale, to a qualifying household pursuant to the requirements of this Section.
5. Renter-occupied workforce/affordable housing shall meet the following criteria:
- a. **Eligibility.** Rental of workforce/affordable housing units is limited to individuals and families earning no more than 80% of the Area Median Income for Beaufort County, as published annually by the U.S. Department of Housing and Urban Development and adjusted for household size. The workforce/affordable housing unit shall serve as the renter's primary residence for the duration of the lease.
 - b. **Eligibility determination process.** Prospective renters of workforce/affordable housing units shall be screened and determined eligible by an individual or agency approved by the Town of Bluffton to make such eligibility determinations prior to closing. Prior to executing a lease on a new workforce/affordable housing unit, the approved individual or agency determining eligibility shall submit an affidavit to the Town of Bluffton that sets forth the lease price and verifies the unit will be occupied by persons qualified pursuant to the requirements of this Section, in addition to any other information deemed appropriate and necessary by the UDO Administrator.
 - c. **Rent levels.** The maximum rent level for workforce/affordable housing units is based on the schedule of Fair Market Rents for Beaufort County, as published annually by the U.S. Department of Housing and Urban Development.
 - d. **Lease terms.** A minimum lease term of six months is required for all workforce/affordable housing units so as to avoid short-term rentals.
 - e. **Term of affordability.** Rental workforce housing units shall be limited by deed restriction to remain affordable, as defined herein, for a period of not less than ten years after issuance of the certificate of occupancy.
 - (1) A copy of such executed deed restrictions shall be submitted to the Town of Bluffton for approval prior to issuance of a Certificate of Occupancy for any portion of the development.

(2) The deed restrictions shall require notice to the Town of Bluffton of any lease renewal or new rental contract for the workforce/affordable housing unit, and verification by an individual or agency approved by the Town of Bluffton to make such eligibility determinations that the tenant is qualified pursuant to the requirements of this section. Prior to execution of a new or renewal lease on a workforce/affordable housing unit, the approved individual or agency determining eligibility shall submit an affidavit to the Town of Bluffton that sets forth the lease price, verifies the lease price is in accordance with the applicable Fair Market Rent, and verifies the unit will be occupied by persons qualified pursuant to the requirements of this Section, in addition to any other information deemed appropriate and necessary by the UDO Administrator.

f. **Increase in household income during occupancy.** Should a household's income increase to an amount above 80% of the median family income while occupying a rental workforce/affordable housing unit, the household shall not be required to vacate the unit immediately. The tenant may renew the lease for one additional term, not to exceed one year. Upon vacating the premises, the rental unit shall be rented or made available for rent to a qualifying household pursuant to the requirements of this Section.

6. Deed restrictions are required to achieve the following:

- a. Standard deed restrictions for all workforce/affordable housing units produced pursuant to the requirements of this Section are required and subject to approval by the Town of Bluffton.
- b. Such restrictions shall include, at a minimum, the following elements in conformance with this Section:
 - (1) Duration.
 - (2) Occupancy requirement and restrictions against leasing/subleasing.
 - (3) Restriction on resale.
 - (4) Requirement to notify the Town of Bluffton in the case of conveyance, lease renewal, or establishment of a new rental contract.

6.5.4 Incentives

A. Upon Town of Bluffton approval, any workforce/affordable housing development application is eligible for the incentives described herein. Incentives may be provided for the following application and/or development agreement fee types:

1. Master Plan Application;
2. Development Plan Application;
3. Subdivision Plan Application;
4. Building Permit Application;
5. Development Agreement Fees:
 - a. Interim Development Agreement Fee; and/or
 - b. Boat Ramp Repair Fund Fee.

B. As applicable, the Town of Bluffton may issue an application and/or development agreement fee rebate for the application types identified in Section 6.5.4.A, based upon the following

schedule:

1. 20%-30% of total project dwelling units are determined to be workforce/affordable housing units: Town of Bluffton shall provide a 25% fee reduction for all applicable applications. The Building Permit Application and Development Agreement Fee rebates shall be limited to those dwelling units that qualify as workforce/affordable.

6.6 Development Agreement Transfer of Development Rights

6.6.1 Intent

The intent of this section is to provide incentives for those properties within the Town of Bluffton and under the purview of a Development Agreement to develop or redevelop in a manner that is in accordance with this Unified Development Ordinance, the Growth Management Framework Map, and the Town of Bluffton Comprehensive Plan.

6.6.2 Applicability

This Section shall apply to all development or redevelopment of property that is under the purview of a Development Agreement in the Town of Bluffton and within the Place Types identified on the Growth Framework Map. The application shall meet the criteria identified herein.

6.6.3 Standards

In order to qualify for the incentives described herein, development or redevelopment of property that is under the purview of a development agreement in the Town of Bluffton shall utilize the Town of Bluffton's Transfer of Development Rights Program and/or transfer of Assignment of Rights and Assumptions within the purview of the respective Development Agreement to facilitate growth within the respective place type as illustrated on the Growth Framework Map.

6.6.4 Incentives

- A. Upon Town of Bluffton approval, any Development Agreement Transfer of Development Rights proposal is eligible for the incentives described in herein. Incentives may be provided for both the sending zone and receiving zone for the following application and development agreement fee types:
 1. Development Agreement Application;
 2. Concept Plan Application;
 3. Master Plan Application;
 4. Development Plan Application;
 5. Subdivision Plan Application;
 6. Building Permit/Plan Check Application;
 7. Transfer of Development Rights Application; and/or
 8. Development Agreement Fees:
 - a. Interim Development Agreement Fee; and/or
 - b. Boat Ramp Repair Fund Fee.
- B. The Town of Bluffton may issue application and/or Development Agreement fee reductions for the applications and/or development agreement fees identified in Section 6.6.4.A which are determined by the Town of Bluffton to comply with this Unified Development Ordinance, the Growth Framework Map, and the Town of Bluffton Comprehensive Plan.