

## Peer City Incentives for Development

### Raleigh

#### I. Purpose and Intent

- a. **Sec. 1.1.4.11** – The UDO aims to **remove barriers and provide incentives for walkable projects**.

#### II. Open Space Allocation Bonuses

- a. **Sec. 2.5.2.1.2 & Sec. 9.2.3.A.1.d** – Developments that **exceed required natural resource buffer widths** may earn **bonus credits** toward their open space requirement.
  - i. Applies to:
    1. Conservation Development & Compact Development (Sec. 2.5)
    2. Planned Development (Sec. 4.7)
  - ii. **Bonus Calculation:**
    1. Credit factor = Required Buffer Area / Proposed Buffer Area
    2. Example: 10% more buffer = 0.9 credit factor; 100% more = 0.5 factor
    3. Bonus can offset up to **50%** of the required open space.
    4. **Does not apply** to stormwater open space requirements (Sec. 9.2).

#### III. Frequent Transit Development Option

- a. **Sec. 3.4.4 & 3.7 / 3.7.1** – **Height bonuses** and **zoning flexibility** are available near Frequent Transit Areas (15-minute headways or better).
  - i. **Detached Zone (Sec. 3.4.4):**
    1. Standard limit: 3 stories or 50 ft.
    2. Bonus: Additional height allowed near transit routes if urban design standards are met.
  - ii. **General Bonus Rules (Sec. 3.7):**
    1. **Eligible Uses:** Apartments, mixed-use, small offices, and civic buildings.
    2. **Height Increases:**
      - a. Apartments/mixed-use: +2 stories (up to 5 stories max)
      - b. General use: +1 story (up to 4 stories max)
    3. **Conditions:**
      - a. **No drive-throughs**
      - b. Must meet **urban design standards** (e.g., Urban Limited frontage or mapped frontage type).
      - c. **Bonus is ineligible** in TOD or BRT zones.
  - iii. **Affordable Housing Bonus (Sec. 3.7.1):**
    1. Apartments/mixed-use up to 80 ft. allowed if:

- a. **20% of bonus-story units are affordable** (less than or equal to 60% AMI, for 30 years minimum).
2. General-use buildings: up to 4 stories or 68 ft.
3. **Public space required** for 5-story buildings (Sec. 1.5.3. C).

#### IV. Stormwater Amenities Incentives

- a. **Sec. 7.2.6 – Stormwater facilities** (retention ponds, detention basins) can serve as **site amenities** if designed for public use.

- i. **Amenity Requirements:**

1. **Basic (required):** Integrated into site design, accessible, limited hard surfaces, and eco-friendly mosquito control.
2. **Supplemental (choose 2):**
  - a. *Retention ponds:* Aerator, walking trails, natural landscaping, public features
  - b. *Detention basins:* Recreational grading, walking trails, public features.

- ii. **Bonuses for Meeting Amenity Standards:**

1. Can count stormwater features toward the **required landscaping**.
2. Only **80% of plantings are required** in those areas.

- iii. **If Standards Aren't Met:**

1. Must **screen with landscaping**
2. Fences must have external plantings
3. To retain bonuses, broken amenity features must be fixed within 30 days.

- iv. **Summary:**

1. Build a high-quality stormwater amenity? Get flexibility.
2. Skip the amenities? Hide it with trees.

#### V. Hardship Relief for Historic Properties

- a. **Sec. 11.8.3 – Designed to aid owners of historic properties** facing financial hardship due to preservation rules.

- i. **Available Relief:**

1. **Regulatory Flexibility:** Zoning/code modifications to reduce compliance costs
2. **Financial Assistance:**
  - a. Potential tax relief
  - b. Public/private grants or loans
  - c. Property acquisition (if warranted)
3. **Tailored Repair Plans:** Limited restoration instead of full compliance

4. **Temporary Stay:** Delays enforcement while a Hardship Review Panel evaluates claims.

**ii. Eligibility Requirements:**

1. Must provide detailed financials, property valuations, estimates, and maintenance records.
2. Must work in **good faith** with the City and explore alternatives to demolition.

**iii. Decision Process:**

1. A 3-member expert panel evaluates hardship
2. Historic Development Commission creates Relief Plan
3. The city must approve the final plan before it's implemented.

**iv. Bottom Line:**

1. If you **can't afford to comply** with preservation mandates, and your hardship is genuine, you may receive:
  - a. Modified standards
  - b. Financial help
  - c. Or a reduced-scope preservation plan.

## **Explanation**

Raleigh's Unified Development Ordinance (UDO) includes a range of incentives designed to promote walkable, sustainable, and affordable development while supporting historic preservation and environmental protection. These incentives give developers more flexibility in meeting zoning standards and reward those who exceed baseline requirements.

One major incentive encourages the preservation of natural areas such as forests, wetlands, or streams. Developers who set aside more open space than required can receive credit toward their overall open space obligation—up to 50%—based on how much extra land they preserve. This allows for more environmentally sensitive development while giving builders greater design flexibility.

Another key incentive allows for increased building height near high-frequency bus routes. In zoning districts that typically limit buildings to three stories or 50 feet, developers may build taller structures if they meet specific criteria. For example:

- Apartment or mixed-use buildings may rise to five stories.
- Office or civic buildings may reach four stories.

To qualify, the development must be pedestrian-friendly, follow specific design standards, and, in some cases, dedicate at least 20% of upper-floor units to affordable housing for a minimum of 30 years. However, this height bonus is not permitted in areas designated for Bus Rapid Transit (BRT) or Transit-Oriented Development (TOD).

Stormwater features can also serve a dual purpose. If ponds or basins are designed to be visually appealing, include walking paths or habitat areas, and are accessible to the public, they may count toward landscaping requirements. If they do not meet these standards, developers are required to screen them with dense plantings.

Finally, owners of historic properties facing financial or regulatory challenges may be eligible for special assistance. This can include zoning or building code adjustments, financial support like grants or tax relief, or simplified repair plans tailored to their financial capacity. Preservation experts and a special

board review these cases individually to ensure a balanced approach between historic preservation and economic feasibility.

## **Greensboro**

### **I. Section 30-4-1.3: Application Requirements**

- a. Green Project Incentives:** Applicants may qualify for partial refunds of subdivision or site plan review fees if their project earns green building certification (e.g., LEED, Green Globes, EarthCraft, NC HealthyBuilt Homes, NAHB's Green Building Program).
- b.** These incentives encourage environmentally responsible development, with the potential for future expansions of such programs.

### **II. Section 30-10-4.1: Plant Materials**

#### **a. Drought-Tolerant Landscaping Incentives**

- i.** Using drought-tolerant species allows developers to meet size requirements with smaller (and more affordable) trees:
  - 1. Canopy Trees:**
    - a.** Drought-tolerant: 2-inch diameter
    - b.** Other species: 3-inch diameter
  - 2. Understory Trees:**
    - a.** Drought-tolerant: 1-inch diameter
    - b.** Other species: 2-inch diameter
- ii.** This reduces upfront costs for purchase, transport, and planting.

### **III. Section 30-12-5.4: Watershed District Performance Scoring (Table 12-10)**

#### **a. How the Scoresheet Works**

- i.** This point-based system applies to developments in General Watershed Areas. To qualify under the low-density development option, a project must earn at least **120 points** based on environmentally beneficial design choices.

#### **b. Key Scoring Categories and Incentives**

- i. Building Clustering** (*up to 25 points*)
  - 1.** Preserve open space by clustering structures. Maximum preservation earns full points.
- ii. Limiting Impervious Surfaces** (*up to 25 points*)
  - 1.** Minimize paved areas.
    - a.** 0-3% Built-Upon Area (BUA): 25 points
    - b.** 15-20% BUA: 5 points
- iii. Distance from FEMA Flood Zones** (*up to 25 points*)
  - 1.** The farther the development is from floodways, the more points are awarded.
    - a.** **2,000 feet away: 25 points**
- iv. Favorable Soil Conditions** (*up to 10 points*)

1. Sites with “slight” soil limitations earn more points due to better permeability and construction suitability.
- v. Natural Drainage Preservation** (*up to 25 points*)
  1. Retain or enhance water flow instead of replacing it with artificial systems.
    - a. Best practices (preserve and improve): 25 points
- vi. Grading and Slope** (*up to 25 points*)
  1. Develop on flatter land (0-6% slope) to reduce environmental disruption and earn more points.
- vii. Stream Buffers** (*up to 25 points*)
  1. Maintain 50-foot wooded buffers along streams for maximum credit.
- viii. Stormwater Control** (*up to 25 points*)
  1.  $\text{Points} = \% \text{ stormwater managed} / 4$ .
    - a. 100% control = 25 points
- ix. Sewer Service Connection** (*10 points*)
  1. Connecting to a public sewer instead of a septic system earns full credit.
- x. Green Street Design** (*up to 10 points*)
  1. Use vegetated ditches instead of curbs and pipes for runoff treatment.
- xi. Tree Preservation and Replanting** (*up to 33 points*)
  1.  $\% \text{ of land left wooded} / 3 = \text{points}$
  2.  $\% \text{ of land replanted densely} / 6 = \text{points}$
- c. Bonus Points for Additional Sustainable Features**
  - i. Limit driveways on non-residential projects (1 per 300 ft.): 5 points.
  - ii. Create wetlands onsite: up to 20 points.
  - iii. Implement other green features (e.g., rain gardens, pervious pavement): 10 points.
- d. Watershed Scoresheet Summary**
  - i. The more environmentally responsible your project is, the more points you can earn, helping you reach the 120-point threshold. Key strategies include:
    1. Preserving woods and stream buffers,
    2. Using drought-tolerant and native species,
    3. Managing stormwater naturally,
    4. Reducing impervious surfaces and infrastructure needs.

## Explanation

Greensboro's development regulations include a set of incentives aimed at promoting environmentally responsible building practices. Developers must submit standard applications and pay the usual processing fees. Still, they can receive partial refunds if their projects meet recognized green building

standards such as LEED, Green Globes, or EarthCraft. This rebate system encourages builders to adopt sustainable practices by offering financial incentives for eco-friendly design.

The city also promotes water-efficient landscaping. Developers are encouraged to use drought-tolerant plants, which can reduce both long-term maintenance costs and environmental impact. For instance, shade trees that require less water can be planted at a smaller initial size—2 inches in diameter instead of the typical 3 inches. Similarly, understory trees can be planted at just 1 inch in diameter if drought-resistant. To promote plant health and ecological diversity, Greensboro limits the number of any single species used in a landscape plan, requiring at least 40% of plantings to be native and setting caps on species dominance ranging from 20% to 60%. The ordinance also includes location-specific planting requirements: trees beneath utility lines must remain under 20 feet tall, and evergreen shrubs used to screen parking lots and service areas must start at 18 inches tall and grow to a mature height of at least 3 feet and a spread of 2.5 feet.

Greensboro uses a point-based system to regulate low-density development for projects located in sensitive environmental areas, such as the General Watershed Area (GWA). To gain approval, developers must earn at least 120 points by incorporating various environmentally friendly design strategies. Points are awarded for preserving open space through clustered building patterns, minimizing impervious surfaces, avoiding floodplains, and protecting water bodies. Additional points can be earned by selecting development sites with gentle slopes, maintaining natural buffers along streams, implementing effective stormwater management, using public sewer systems, creating tree-lined or “green” streets, retaining existing trees, planting new woodland areas, and integrating natural features like wetlands or reducing curb cuts on busy roads.

These policies promote more sustainable, cost-effective, and environmentally conscious development across Greensboro.

## **Durham**

### **I. Affordable Housing Bonus (Sec. 6.6)**

#### **a. Eligibility Requirements**

- i. At least 15% of units must be affordable to households at or below 60% AMI.
- ii. Minimum project size: 15 units (or adds 15 units to existing development).
- iii. Affordable units must be delivered before or concurrent with bonus units.

#### **b. Benefits Offered:**

- i. **Density:** 2 bonus units per affordable unit; up to 75 units/acre or base zoning max (whichever is greater).
- ii. **Dimensional Standards:**
  1. Lot size and yard setbacks reduced by 20% (RU-5, RU-5(2), small lot option) or 35% (all others).
- iii. **Height:** +1 story or +15 feet (up to 9 stories/100 ft., depending on context).
- iv. **Design Flexibility:** Affordable units must be integrated, not distinguishable by design or finish.
- v. **TIA Exemption:** Minor traffic increases above the original TIA don't trigger a new zoning map change.

#### **c. Where It Applies (Sec. 6.1.2):**

- i. Suburban, Urban, and Compact Neighborhood Tiers.

#### **d. Design Districts (Article 16)**

- i. **CD and CSD:** No density cap when bonus is applied.
    - ii. **Height Bonuses:** +60 ft. (Core), +45 ft. (S1); stackable with other provisions (green roof, historic preservation, etc.).
  - e. **Mixed-Use (MU) Developments (Sec. 6.11.7):**
    - i. Affordable units are excluded from use percentage caps.
    - ii. Affordable units must be distributed proportionally across project phases (min. 10% per phase).
  - f. **Tree Preservation (Sec. 8.3):**
    - i. Reduced preservation requirement (30% to 20% in Suburban Tier).
    - ii. Affordable housing qualifies for this reduction.
  - g. **Small Lot & Flag Lot Options (Sec. 7.1.2 & 6.12.5):**
    - i. Using the bonus satisfies the sustainable feature requirement.
    - ii. Allows narrower lot widths and reduced pole width for flag lots.
  - h. **Development Plan Changes (Sec. 3.5.12.F):**
    - i. Does **not** require zoning map change or development plan amendment.
- II. **Major Roadway Density Bonus (Sec. 6.3.3B, 6.4.3A)**
  - a. **Eligibility:**
    - i. Site must have 500+ feet of frontage on:
      - 1. A major thoroughfare or boulevard (non-limited access), or
      - 2. A service road that provides access to a limited-access road.
  - b. **Benefits:**
    - i. One additional unit per acre in the RS-M District.
    - ii. Can include right-of-way over 50 feet in density calculations.
  - c. **Where It Applies (Sec. 6.1.2):**
    - i. Suburban and Urban Tiers only.
- III. **Density-Related Flexibility (Various Sections)**
  - a. **General Rules (Sec. 6.12.4):**
    - i. Round up fractional units 0.5 or greater.
    - ii. Dedicated land for public streets/facilities counts toward density.
  - b. **Residential Urban (RU) and Compact (RC) Districts:**
    - i. Increased density is allowed only via the Affordable Housing Bonus or the Major Roadway Density Bonus.
  - c. **Cluster Subdivision Bonus (Sec. 6.7):**
    - i. Smaller lots permitted in exchange for increased common open space.
  - d. **Vertical Integration Bonus (Sec. 6.5.3):**
    - i. Vertical mixed-use projects can get a 50% density bonus in RC districts.

#### IV. **Additional Incentives & Credits**

- a. **Tree Preservation Credits (Sec. 8.3):**
  - i. Preserving a major specimen tree = 1.5x credit toward tree coverage.
  - ii. Preserved trees can also count toward buffer and landscaping requirements.
- b. **Parking (Urban & Compact Neighborhood Tiers):**
  - i. Affordable units do **not** count toward parking maximums.
- c. **Flag Lots & Small Lots (Secs. 6.12.5 & 7.1.2):**
  - i. Bonus-related projects may use reduced pole widths and lot dimensions.
  - ii. A sustainable feature (Affordable Housing Bonus counts) must be included.
- d. **Alternative Streetscape Plans (Article 16):**
  - i. Design Districts allow customized streetscape elements through ASPs.
- e. **Statutory Development Agreements (Sec. 3.26):**
  - i. Lock in negotiated incentives like bonus height, density, or phasing flexibility.

#### V. **Non-Affordable Density Bonus Amendment Required (Sec. 3.5.12. D. 3. d):**

- a. Density bonuses unrelated to affordable housing require an amendment to the development plan.
- b. A zoning map change may be necessary if multiple amendment criteria are triggered.

#### **Affordable Housing Bonus (Section 6.6)**

The Affordable Housing Bonus allows developers to exceed standard development limits, such as density, height, and dimensional requirements, if they provide meaningful and integrated affordable housing. To qualify, a development must include at least 15 dwelling units (or add that many to an existing site), with a minimum of 15% reserved for households earning 60% of the Area Median Income (AMI) or less.

##### **Key benefits include:**

- Up to 75 dwelling units per acre (or the base zoning max, whichever is higher).
- Two additional market-rate units are permitted for each affordable unit provided.
- Reductions in lot size and setback requirements (20%-35%, depending on context).
- An increase in building height – up to one extra story or 15 feet (whichever is less), with maximums of up to 9 stories and 100 feet in specific contexts.
- Affordable units must be integrated and indistinguishable in design and materials from market-rate units.

The bonus can be used in the Suburban, Urban, and Compact Neighborhood tiers. It also simplifies the approval process by exempting projects from development plan amendments and zoning map changes otherwise triggered by increased density or minor traffic increases.

In Design Districts (DD, CD) and Compact Suburban Districts (CSD), the bonus provides significant development potential:

- **CD/CSD:** No density cap when the bonus is used.



- **Height increases:** Up to 60 feet in Core subdistricts and 45 feet in Support subdistricts. These may be combined (stacked) with other eligible height incentives like green roofs or historic preservation.

In mixed-use projects, affordable units are excluded from percentage use caps, and developers must deliver at least 10% of those units in each project phase.

Tree preservation standards are also relaxed: only 20% tree coverage is required (instead of 30%) in the Suburban Tier for projects using this bonus. The bonus also qualifies as a sustainability feature for small and flag lots, unlocking more flexible site configurations.

### **Major Roadway Density Bonus**

In the RS-M zoning district and other applicable areas, developers may build one additional dwelling unit per acre if their site has at least 500 feet of frontage on a major road, boulevard, or service road (as long as it's not a limited access highway). Additionally, projects on roads wider than 50 feet may count excess right-of-way towards their density calculation, allowing them to build more units than permitted.

This bonus is available only in the Suburban and Urban Tiers.

### **Density Flexibility and Related Tools**

Several provisions support higher density or creative development layouts:

- **General Density Adjustments (Sec. 3.12.4):** Developers may round up when calculations yield fractional units (0.5 or more), and can include land dedicated to public use (like streets or parks) in their density totals.
- **Cluster Subdivisions (Sec. 6.7):** Smaller lots are allowed in exchange for more open space, encouraging natural preservation and flexible layouts.
- **Vertical Integration in RC Districts:** Projects with at least 65% of the floor area being residential and 75% of the ground floor being nonresidential may receive a 50% density bonus.
- **Townhouse and Multiplex Options (Sec. 6.4.3):** Along major roads, developers can use narrower lots and infill housing types like townhouses and multiplexes, provided they comply with compatibility and design standards.

### **Additional Incentives and Credits**

- **Specimen Tree Credit:** Preserving a major specimen tree grants 1.5 times credit toward tree coverage requirements.
- **Tree Coverage Sharing:** Preserved trees can count toward other landscaping or buffering standards.
- **Parking Exemptions:** In Urban and Compact Neighborhood tiers, affordable units don't count toward maximum parking limits.
- **Flag Lots and Small Lot Developments:** Use of the Affordable Housing Bonus satisfies the sustainable feature requirement, enabling narrower driveways and more compact layouts.
- **Alternative Streetscape Plans (ASPs):** Design Districts permit customized streetscapes, pending approval.
- **Statutory Development Agreements (Sec. 3.26):** Developers can negotiate and lock in specific incentives such as phased implementation, additional density, or height increases.

### **Administrative Requirements and Limitations**

- **Non-Affordable Housing Density Bonuses (Sec. 3.5.12. D. 3. d):** Increases in density unrelated to affordable housing must be processed as amendments to the development plan. A complete zoning map change may be required if multiple amendment criteria are triggered.
- **Affordable Housing Exemptions (Sec. 3.5.12.F-G):** Projects using the Affordable Housing Bonus are not subject to this amendment or TIA-related map change requirements.

### Explanation

Durham's Unified Development Ordinance (UDO) offers various development bonuses to encourage affordable housing, preserve natural features, and promote creative design. These incentives give developers more flexibility while helping the city grow in an inclusive, sustainable, and well-planned way.

One of the most significant tools is the Affordable Housing Bonus. If a residential project includes at least 15 homes and sets aside 15% of them for lower-income households, the developer becomes eligible for a suite of benefits:

- Two additional units may be built for each affordable one.
- Buildings can be up to one story or 15 feet taller than usual.
- Lot sizes and setbacks can be reduced, making more efficient use of land.
- Affordable units must match market-rate homes in appearance and quality.
- Minor traffic increases don't trigger a new traffic impact study.

These bonuses apply across most of Durham, but even greater flexibility is available in designated "Design Districts." There, developers can build significantly taller structures—up to 60 feet higher in some cases—and there are no caps on how many residential units they can add, as long as the affordability requirements are met.

Another incentive applies to properties with at least 500 feet of frontage along major roads (excluding highways). In these cases, developers can build one additional unit per acre, and sometimes even more if the adjacent road is wide enough, since a portion of that right-of-way can count toward the project's density. This option is only available in the city's suburban and urban tiers.

The UDO also includes several rules that improve site efficiency and make the development process more flexible:

- Developers can round up when calculating how many housing units a project is allowed (e.g., 10.5 becomes 11).
- Land donated for public use, such as roads or parks, still counts toward total development potential.
- In certain areas, developers can build on smaller lots if they preserve more open space.
- Projects that include a mix of housing and ground-floor retail or office space (vertical integration) can receive up to a 50% density increase, as long as most of the building is residential and the ground floor is primarily commercial.

Additional incentives reward developers who preserve large, mature trees, which can help meet tree preservation requirements. In denser areas, affordable units are excluded from parking minimums, easing site design constraints. The affordable housing bonus also unlocks extra flexibility for tricky lots, such as narrow or irregularly shaped parcels, and allows developers in Design Districts to propose their street layouts. For large-scale projects, developers can enter into formal agreements with the city that guarantee their approved bonuses for the entire project duration.

If developers seek bonuses without including affordable housing, they typically must complete extra steps, such as requesting zoning changes or revising development plans. However, by including affordable units, they can bypass these processes, saving time and money.

## Winston-Salem/Forsyth County

### I. **Density Bonuses in Planned Residential Developments (PRDs)**

#### a. **Section 5.2.66G – Incentives for Density Bonuses**

- i. Developers may increase residential density **above the standard limit** if their PRD preserves **more open space** than the minimum required.
- ii. The specific bonus is determined using **Table 5.2.66H**.
- iii. **Important limitation:** Land in a **FEMA-designated 100-year floodplain** cannot count toward bonus-calculating open space, though it can still count toward minimum open space requirements.

### II. **Bonus Density for Affordable Housing**

#### a. **Section 4.6.1 – Bonus Density for Affordable Housing**

- i. Developments can exceed standard zoning density if they provide housing for low- to moderate-income households.

#### b. **Eligibility:**

##### i. **Multifamily/Duplex Bonus (25%):**

1. 40% of units rented to households earning less than 60% of the area median income (AMI), or
2. 20% of units rented to households earning less than 50% of AMI.

##### ii. **Single-Family Bonus (25%):**

1. At least 25% of homes (or a minimum of two units) sold to households earning less than 80% of AMI.

#### c. **Requirements:**

- i. A legally binding contract with the City or County is required, approved before zoning or subdivision approval.
- ii. Units must be reserved on the site plan.
- iii. There are detailed rules for **sales/resales, eligibility, contract duration, and maximum resale price** limits based on affordability.

### III. **Tree Preservation Incentives**

#### a. **Section 6.2 – Landscaping and Tree Preservation**

- i. Developments that preserve **greater than or equal to 20% of the site as tree save area** in common open space:
  1. May reduce internal and side yard **setbacks by up to 35%**.
- ii. If greater than or equal to 30% of the site is preserved:
  1. Developers may use ribbon paving, narrower pavement widths, and graven or soft surface sidewalks for internal streets.

- b. These are designed to encourage conservation-based site design without sacrificing development potential.

### IV. **Parking Incentives and Alternatives**

#### a. **Section 6.1.5 – Alternative Parking and Parking Incentives**

- i. This section aims to **reduce impervious surface** by encouraging creative parking solutions:
  1. **Shared Parking:** Allow for mixed-use or neighboring properties with **different peak-hour demands**.
  2. **On-Street Parking:** Can be used to meet off-street parking minimums in **pedestrian-oriented developments**.
  3. **Reduced Pavement Widths:** Available if specific tree preservation or compact development standards are met.
- ii. These incentives help lower development costs while supporting walkable, sustainable urban forms.

## V. **Watershed-Based Development Bonuses**

### a. **Section 8.2 – Salem Lake Watershed Protection**

#### i. **Special Intense Development Allocation (SIDA) Points System:**

1. A scoring system grants development rights based on **LEED certification, public sewer use, greenway easements, and vegetative cover**.
2. Points are tallied to determine eligibility for development in sensitive watershed areas.

#### ii. **Paired-Parcel Averaged Density:**

1. If development is concentrated away from sensitive areas like the Reservoir Protection Area, two noncontiguous parcels can be treated as one for density calculations.

- b. These are sophisticated tools for managing growth without compromising environmental protections.

## **Explanation**

Winston-Salem and Forsyth County's Unified Development Ordinance (UDO) offers a range of development incentives to promote smart growth, environmental conservation, and housing affordability. These bonuses and regulatory adjustments provide developers greater flexibility, such as increased density or reduced design constraints, when their projects support broader community goals.

One of the most notable incentives is the density bonus for Planned Residential Developments (PRDs). Developers can build more homes than typically allowed if they preserve more open space, such as parks, greenways, or natural areas, than the minimum requirement. The larger the land set aside as open space, the more housing units they can add. However, land within FEMA-designated 100-year floodplains cannot count toward bonus density, though it still contributes to the base open space total.

The UDO also offers strong, affordable housing incentives. For multifamily or duplex developments, a 25% density increase is available if 40% of the units are rented to households earning below 60% of the area median income (AMI), or 20% are rented to those earning below 50% AMI. The same bonus applies for single-family developments if at least 25% of homes, or a minimum of two units, are sold to families earning under 80% AMI. The affordability terms must be formalized through binding legal agreements to receive the bonus and ensure long-term compliance.

Incentives also exist for tree preservation and site design flexibility. If at least 20% of the site is preserved as tree-covered open space, the developer can reduce required yard setbacks by up to 35%, allowing homes to be built closer to property lines. If 30% or more of the site is preserved, alternative street

designs—such as narrower roads or nature-integrated pathways—are allowed to help minimize environmental impact.

Parking regulations are similarly adaptive. Developers can meet parking requirements through shared parking arrangements with businesses operating at different times. On-street parking may also count toward parking minimums in walkable areas. Additionally, projects that include tree preservation or compact neighborhood designs are eligible to reduce the size of driveways and parking lots, which decreases impervious surface coverage.

For areas near sensitive water sources, such as Salem Lake and other protected watersheds, the UDO employs a point-based system called the Special Intense Development Allocation (SIDA). Projects earn points for incorporating sustainable features like LEED certification, natural buffer zones, green infrastructure, and recreational trails. Projects with high enough scores can be approved in otherwise restricted areas. Another strategy, the paired-parcel option, allows developers to increase development intensity on one parcel if they agree to conserve natural land on another permanently.

These tools work together to encourage development that balances growth with community benefits. Developers gain greater flexibility and can build more intensively, but only by contributing to affordable housing, environmental preservation, and neighborhood walkability.

### **Town of Cary**

The Town of Cary's Land Development Ordinance (LDO) outlines several development incentives and bonuses primarily centered around **density bonuses** in exchange for **open space preservation** and **enhanced design standards**. These are applied mainly in **cluster developments** and within the **Conservation Residential Overlay District (CROD)**.

#### **I. Density Bonus in the Conservation Residential Overlay District (CROD)**

- a. CROD is divided into two subdistricts:
  - i. **LCR (Low Density):** max density = 2.5 dwelling units/acre
  - ii. **VLCR (Very Low Density):** max density = 1.5 dwelling units/acre
- b. To exceed the base number of allowed lots (dwelling units), developers must:
  - i. Submit a development plan for at least **10 acres**
  - ii. Provide **bonus open space** that meets strict standards
  - iii. Comply with streetscape, design, and preservation criteria
- c. **Bonus formula (Sec. 4.4.3(F)):**
  - i. **LCR:** For every 1% of bonus open space, you can add 5% to your base number of lots
  - ii. **VLCR:** For every 1% of bonus open space, you can add 3% to your base number of lots

#### **II. Bonus Open Space Requirements (Sec. 4.4.3(G) & 8.4.8(A))**

- a. To qualify for the density bonus, bonus open space must:
  - i. Be mostly **natural and undisturbed**
  - ii. Be contiguous (no isolated fragments smaller than 30% of the bonus area)
  - iii. Be **at least 30 feet wide at any point**
  - iv. Allow no more than **5% disturbance** (e.g., for informal grassed areas, trails, not ball courts)

- v. Include **pedestrian access** (e.g., trails, paths)
- vi. Include an **80-foot Type A opaque buffer** along major roads – only the portion **beyond the required buffer** counts as bonus open space.
- b. A particularly unique provision:
  - i. **Historic preservation** can count toward bonus open space if structures are restored and maintained per national standards (e.g., in Green Level Historic District), and protected by legal agreement. This can earn up to 2 acres of credited bonus open space.

### III. **Bonus Table Example (Sec. 4.4.3(F)(3))**

- a. Subdistrict (LCR) – Bonus Open Space per lot (8,872 sq. ft.) – Lot Size (min) with ≥30% Open Space (6,000 sq. ft.).
- b. Subdistrict (VLCR) – Bonus Open Space per lot (14,816 sq. ft.) – Lot Size (min) with ≥30% Open Space (6,000 sq. ft.).
- c. This lets developers shrink lot sizes as low as 6,000 sq. ft. when open space thresholds are met, increasing total units and profitability while maintaining environmental and aesthetic standards.

### IV. **Traditional Neighborhood Development (TND) Option (Sec. 8.5)**

- a. Though not offering explicit bonuses, TNDs are another **incentivized alternative** that allows:
  - i. Compact, mixed-use design
  - ii. Smaller lots
  - iii. Flexible infrastructure design
  - iv. Reduction in suburban sprawl
- b. These are allowed within **Planned Development (PD)** and **Mixed-Use Center Overlay** districts and act as a built-in incentive for walkable, integrated communities.

### V. **Energy-Efficient Incentive (App. 2.16)**

- a. Cary also offers incentives for reducing energy consumption in development. Tools available to the Town include:
  - i. Density bonuses
  - ii. Adjustments to development requirements
  - iii. Other incentives
    - 1. This is allowed if a developer **constructs or retrofits** buildings that meaningfully reduce energy use based on **generally recognized standards**.

### **Explanation**

The Town of Cary's Land Development Ordinance includes a detailed system of development incentives designed to encourage environmental protection, historic preservation, and high-quality neighborhood design. When developers meet specific standards, particularly in conserving natural land, they can build more homes than would generally be allowed under base zoning.

One of the most crucial incentive programs is tied to the Conservation Residential Overlay District (CROD), which is divided into two subdistricts: Low Conservation Residential (LCR) and Very Low

Conservation Residential (VLCR). By default, LCR allows up to 2.5 dwelling units per acre, while VLCR permits up to 1.5. However, developers can exceed these limits by preserving more open space and following enhanced design guidelines.

To qualify for conservation-based density bonuses, a development must be at least 10 acres in size and include significantly more open space than the minimum required. This open space must be largely undisturbed and consolidated into a single, contiguous area with a minimum width of 30 feet. Only a small portion (up to 5%) may include amenities like trails or grassy lawns—playgrounds and sports courts do not count toward this bonus area.

The bonus formula varies by subdistrict:

- In LCR, each additional 1% of preserved open space yields a 5% increase in allowed housing units.
- In VLCR, the same increase in open space results in a 3% density bonus.

This tiered structure clearly incentivizes conserving more land in exchange for the ability to build more homes.

In addition to raw land preservation, developers must ensure the open space is accessible and usable, including installing walking trails and connecting to the broader pedestrian network. Projects near major roadways must also incorporate an 80-foot vegetative buffer to reduce visual and noise impacts. Only the portion of this buffer that exceeds baseline requirements can count toward density bonuses.

Cary also provides a formula to determine the additional open space required per bonus unit. For example, developers in LCR must set aside approximately 8,872 square feet of extra preserved land for each additional unit; in VLCR, the figure is closer to 14,816 square feet. Suppose developers preserve more than 30% of the total land area. In that case, they can also reduce individual lot sizes to as small as 6,000 square feet, offering greater neighborhood layout and design flexibility.

Another bonus exists for historic preservation. Suppose a project retains and maintains a historic structure, such as a farmhouse or early residence. In that case, it can receive credit for up to two acres of open space toward its density bonus, encouraging the integration of heritage buildings into new developments.

Beyond conservation, Cary offers additional incentives through the Traditional Neighborhood Development (TND) option. Available only in designated zoning districts like Planned Developments or Mixed-Use Centers, TNDs allow for compact, walkable neighborhoods that mix residential and commercial uses in a pedestrian-oriented layout.

Finally, Cary supports energy-efficient development. Projects that use sustainable building methods or retrofit older buildings to improve energy performance may qualify for additional housing units or design flexibility, provided they meet standards established by recognized professional organizations.

Overall, Cary's incentive structure is designed to align private development goals with public priorities, encouraging builders to protect natural and cultural resources, reduce environmental impact, and create livable, connected communities.

## **Wilmington**

Wilmington's Code of Ordinances offers a robust and multifaceted set of **development incentives** that encourage environmental sustainability, affordable housing, mixed-use development, and historic preservation. These incentives are embedded within various articles of the Land Development Code and are structured primarily as **density bonuses**, **height increases**, and **design flexibilities**.

### **I. Mixed-Use Development Density Bonuses**

Wilmington employs a performance-based density bonus system grouped into four tiers – **Categories A through D** – each offering escalating benefits for developers who incorporate desirable community-oriented or environmentally sensitive features:

**Category A (Highest Bonus: +0.20 FAR or +8 DU/acre)**

- Low Impact Development (LID) to replicate predevelopment hydrology.
- Mixed-use buildings with vertical integration of commercial and residential space.
- 15-30% of units set aside as affordable housing ( $\leq 80\%$  AMI), with deed restrictions and affordability periods (5 years of ownership, 10 years for rental).

**Category B (+0.125 FAR or +4 DU/acre)**

- A property owner's association maintains community architectural design standards.
- Transportation enhancements (e.g., private transit service or structured parking).
- Significant reduction of impervious surfaces with strict percentage caps.

**Category C (+0.025 FAR or +1.5 DU/acre)**

- Regional park-and-ride facilities.
- Extra vegetated buffers and increased usable open space (min. 5% over code requirement).
- Intermediate impervious surface reduction incentives.

**Category D (+0.0125 FAR or +1 DU/acre)**

- Historic preservation aligned with federal standards and possibly involving tax credits.
- Enhanced pedestrian and transit amenities.
- Transportation Demand Management (TDM) practices (e.g., carpool coordination).

II. **Central Business District (CBD) Incentives**

A specialized **Public Benefits Matrix** grants additional building height and/or unlimited density within the CBD for incorporating public-serving features such as:

- Public space or payment-in-lieu contribution.
- Public parking facilities.
- Affordable (workforce) housing set-asides ( $\geq 15\%$  of total units).
- Transportation management practices (e.g., daycare, lockers/showers, remote parking).
- Ground-floor nonresidential uses on street-facing facades.
- Historic structure preservation.
- Broadband/tech upgrades.
- Green building elements (LEED, Energy Star, etc.).

A **covenant running with the land** is required for any bonus awarded in the CBD, ensuring long-term compliance and public benefit delivery.

III. **Affordable Housing Bonuses in Other Zoning Districts**

Beyond mixed-use and CBD incentives, Wilmington allows for **density bonuses and other valuable incentives** in any zoning district permitting residential uses when a developer commits



to dedicating **at least 15% of the housing units** to **low or moderate-income households** (as defined by HUD or the City Council).

Mechanisms include:

- Recorded restrictive covenants.
- Binding agreements with the city.
- Other enforcement measures to maintain long-term affordability.

#### IV. **Exceptionally Designed Projects (Article 10)**

In environmentally sensitive areas such as **Watershed Resource Protection Zones**, additional density and impervious surface limits may be exceeded if the project qualifies as “exceptionally designed.” Requirements include:

- Natural resource assessments.
- Use of green infrastructure (bio retention, vegetated swales).
- Context-sensitive design aligned with ecological and regulatory standards.

#### V. **Planned Unit Development for Affordable Housing (PUD-R)**

Projects proposing **affordable detached single-family housing** under the PUD-R designation may be eligible for **design flexibility**, waiving or adjusting certain technical standards, if:

- Affordability aligns with HUD definitions.
- Sales prices are restricted and documented.
- The applicant provides full cost disclosures and justifications.

### **Explanation**

Wilmington has established a comprehensive incentive system within its development code to encourage projects that align with key community goals—affordability, sustainability, mixed-use development, and historic preservation. By voluntarily incorporating features that benefit the public, developers can earn valuable bonuses, such as additional density, increased building height, or greater design flexibility.

One of the city's most robust incentive programs applies to mixed-use developments, particularly those that combine residential and commercial uses, like apartments built above ground-floor retail or restaurants. Incentives are awarded based on a tiered performance system, where projects earn points for including beneficial features grouped into four categories. The more high-value features a project includes, such as natural stormwater management, vertical integration of uses, and affordable housing commitments, the more generous the development bonuses. Affordable units must remain income-restricted for a set period, enforced through legally binding agreements.

Projects that do not reach the highest performance tier can still qualify for moderate incentives by incorporating community-oriented elements. These include shared parking structures, enhanced transit access, expanded green space, or amenities that support walking and cycling. Projects that preserve historic buildings or reduce vehicle dependency qualify for smaller, meaningful bonuses.

In the Central Business District (CBD), Wilmington offers some of its most substantial incentives. Developers can receive extra height or density allowances if they include public amenities like parks, shared parking garages, or housing where at least 15% of units are reserved for working families who cannot afford market-rate rents. Other qualifying features include preserving historic structures, installing high-speed internet infrastructure, or using energy-efficient materials. Developers who accept these bonuses must sign legal agreements that remain attached to the property, ensuring long-term compliance with the promised benefits.

Wilmington also promotes affordable housing citywide. If a developer sets aside at least 15% of housing units in a new development for lower-income families, they may be allowed to exceed base zoning limits. These affordability commitments must be formalized through enforceable agreements that ensure long-term affordability.

The city offers additional flexibility for projects demonstrating exceptional design quality in environmentally sensitive areas, such as land near rivers or watersheds. To qualify, developers must conduct detailed site analyses, integrate green infrastructure like rain gardens or natural drainage, and ensure the development blends into its surroundings without degrading natural resources.

Finally, Wilmington provides regulatory relief for projects developed under Planned Unit Development – Residential (PUD-R) zoning, such as reduced street width or setback requirements, for developers building single-family neighborhoods targeted toward affordable homeownership. To receive these benefits, developers must prove the homes will be sold at prices affordable to households below specified income thresholds and submit clear documentation to the city regarding pricing and financing.

Wilmington's system rewards developers who actively contribute to broader civic goals. The more a project prioritizes public benefit—whether through affordability, walkability, ecological stewardship, or cultural preservation—the more flexibility and support it receives from the city.

### **High Point**

High Point's Development Ordinance includes robust **development incentives** to promote sustainability, economic viability, and equitable land use. These incentives fall under four major categories:

#### **I. Sustainable Development Incentives (Section 5.15)**

These are the most clearly defined and structured incentives in the Ordinance. They reward developments that integrate sustainable features from two categories – **Schedule A (higher-cost features)** and **Schedule B (lower-cost features)**. Developers must choose a minimum number of features from each to qualify for incentives, which include:

- **Density Bonuses:**
  - +2 units/acre in the Core City
  - +1 unit/acre outside the Core City
- **Height Increases:**
  - Up to +30 feet in the Core City
  - Up to +15 feet elsewhere
- **Parking Reductions:**
  - Up to 10% off the minimum requirements
- **Signage Increases:**
  - Up to 10 in sign area or height for wall/freestanding signs

Examples of **Schedule A features**:

- On-site renewable energy (solar, geothermal)
- White or reflective roofs
- Rainwater reuse systems

Examples of **Schedule B features**:

- Natural lighting in 15% of rooms

- Shading devices
- Solar-ready design orientation

## II. **Relief Measures for Economic Hardship (Section 2.4.4. B. 6)**

Where regulations result in a **substantial economic hardship**, the City may offer tailored incentives to enable a “minimum economically viable use” of land. These may include:

- Zoning map amendments
- Transfer of development rights
- Permit fee reductions
- Development finance assistance
- City acquisition of property at market value

This section is designed as a safety valve to ensure constitutional and equitable treatment under land use law.

## III. **Watershed Density Flexibility and High-Density Options (Section 6.2.15)**

Developers may exceed standard built-upon area limits in designated watershed areas through **density averaging** or **high-density options**, provided environmental controls are in place. These tools act as **incentives for compact development** while protecting water quality.

- Example: In Tier 4 of the Randleman Lake Watershed, built-upon area may increase from 12% to 40% with enhanced stormwater controls.

## IV. **Conservation Subdivision Option (Section 5.14.2)**

Within the AGR and R-3 zoning districts, the ordinance allows **smaller lot sizes** and flexible design in exchange for **greater open space preservation** and protection of natural/agricultural features. This provides a landowner/developer with:

- Reduced infrastructure costs
- Clustering benefits
- Enhanced marketability of “green” neighborhoods

### **Optional Financial Flexibility:**

- **Under Section 2.7, payment-in-lieu of required infrastructure improvements is also allowed**, giving developers an alternative path to compliance while advancing public benefit projects.

## **Explanation**

High Point’s development regulations include incentives to promote environmentally responsible, economically viable, and community-focused growth. These incentives reward developers who incorporate sustainability, affordability, or other public benefits into their projects by allowing them to build more homes, construct taller buildings, or receive flexibility in design standards.

A central component of this system is the Sustainable Development Incentive Program, which encourages developers to include eco-friendly features. To qualify, a project must combine upgrades from two categories: one with high-cost improvements (Schedule A) and another with more affordable features (Schedule B). Meeting these criteria can unlock significant benefits:

- Density bonuses: Up to two additional units per acre in the Core City (downtown), and one extra per acre in other areas.

- Height increases: Up to 30 feet taller in the Core City, and up to 15 feet taller elsewhere.
- Design flexibility: Reductions in required parking and allowances for larger signage.

Schedule A features include solar power systems, reflective (cool) roofs, and rainwater harvesting infrastructure. Schedule B features might include maximizing natural daylight in buildings or designing rooftops to support future solar installations. This two-tiered system encourages both immediate and long-term investments in sustainable construction.

High Point also offers hardship relief options for landowners negatively impacted by standard development regulations. If adhering to the usual rules would make a project financially unfeasible, the City may step in by adjusting zoning requirements, reducing permit costs, or—if necessary—purchasing the property at fair market value. This process helps ensure that regulations are applied fairly and don't disproportionately burden individuals.

In environmentally sensitive watershed areas, where land use is heavily regulated to protect water quality, the City allows increased development intensity for projects implementing stronger environmental protections. For instance, in the Randleman Lake Watershed, a project may increase its impervious surface coverage from the standard 12% to as much as 40% if it includes robust stormwater management systems and other environmental safeguards.

High Point provides a conservation-based development option for rural and low-density residential zones. Developers can use smaller lot sizes and cluster housing in compact areas if they preserve large portions of the site as green space, farmland, or natural habitat. This lowers infrastructure costs and appeals to homebuyers who value access to open space and scenic surroundings.

Finally, the city allows for fee-in-lieu agreements on specific infrastructure requirements. Instead of building features like sidewalks or roads on-site, developers can contribute funds to city-led infrastructure projects. This approach grants developers flexibility while ensuring that public improvements are still completed in a coordinated and strategic manner.

Altogether, High Point's incentives create a framework that balances private development goals with public benefits, encouraging sustainability, equity, and thoughtful land use.

### **Concord**

Concord's Development Ordinance (CDO) and Technical Standards Manual (TSM) include various development incentives to promote sustainable, mixed-use, and flexible growth. These incentives include **density bonuses, design flexibility, alternative compliance pathways, and tailored standards** for specific zoning districts.

#### **I. Mixed Use (MX) Zoning District Incentives**

##### **CDO Section 9.3.10 & 9.3.11**

Concord provides targeted incentives to encourage mixed-use development:

- **Greater flexibility** in design compared to single-use zoning.
- **Wider variety of uses** permitted within mixed-use districts.
- **Modified standards** to reflect reduced demand for things like off-street parking.
- **Alternative compliance** process that allows developers to meet the intent of design standards in a more creative or context-sensitive manner, so long as:
  - The proposed design achieves the goals of the comprehensive plan.
  - The result provides equal or greater community benefit than strict compliance.

- This may include modified site layouts, pedestrian walkway alternatives, or building orientation adjustments.

## II. **Solar Energy Incentives**

### **CDO Section 8.4.9.M**

To encourage green building practices:

- **Density Bonus:** Residential developments with active solar systems can increase allowable lots by **10% or at least one lot**, provided each home includes:
  - $\geq 2$  kW photovoltaic system or
  - $\geq 64$  square feet of solar hot water collectors.
- **Parking Substitution:** Commercial projects may substitute up to **30% of required parking** with solar arrays (e.g., solar carports), provided:
  - $\geq 90\%$  of the site has solar access,
  - The development has access to mass transit, or
  - It participates in a Travel Demand Management (TDM) plan.

## III. **Cluster Subdivision Incentives**

### **CDO Section 7.7.4. I**

Cluster subdivisions are encouraged where common open space and environmental features are prioritized:

- **Lot size reductions** of up to 75% (e.g., minimum 5,000 sq. ft. for single-family detached).
- Must include **at least 35% common open space**, with no more than 50% of that being preservation area.
- Encourages a **variety of housing types** and long-term maintenance of common space.
- Buffers required between active recreation and residential lots ( $\geq 100$  feet).

## IV. **Conservation Subdivision Density Sliding Scale**

### **CDO Section 9.13.6 & Table 9.13-1**

This program trades **increased development density** for **open space preservation**:

- Developers retain 30% to 50% of gross acreage as permanent open space (pasture, agriculture, conservation).
- The maximum density allowed scales with open space retention:
  - 2.5 DU/acre = 50% open space,
  - 2 DU/acre = 40%,
  - 1 DU/acre = 30%.
- Conservation easements are required for land protection.

## V. **Traditional Neighborhood Development (TND) Flexibility**

### **CDO Section 9.3 & Table 10.5.13**

TNDs are processed as **conditional districts** and benefit from:

- **Flexible open space design** (e.g., squares, greenbelts).
- **Waivers or modifications** to dimensional standards.
- A mix of housing, retail, and civic uses with built-in pedestrian orientation and design-coded streetscapes.

## VI. **Multi-Family Development Design Flexibility**

### **CDO Section 7.8**

While not a formal “incentive,” multi-family projects are encouraged with:

- **Design standards** that promote:
  - Affordable housing integration,
  - Open space,
  - Pedestrian mobility,
  - Varied architectural massing and aesthetic cohesion,
- This fosters developer flexibility while encouraging more sustainable, community-focused housing.

### **Explanation**

Concord’s Development Ordinance and Technical Standards Manual include various development incentives to promote thoughtful, sustainable, and community-oriented growth. These incentives offer developers increased flexibility, such as higher density, design freedom, or reduced parking requirements, when they incorporate features that align with the City’s long-term goals for livability, walkability, and environmental stewardship.

One key incentive applies to mixed-use zoning districts, where homes, businesses, and other land uses are combined. In these areas, developers are granted more freedom in designing projects. For example, off-street parking requirements are reduced, and the City allows alternative design proposals, provided they still meet the broader objectives of the comprehensive plan. This approach supports the creation of dynamic, walkable neighborhoods where people can live, work, and shop nearby.

Another incentive focuses on solar energy integration. Residential developments that install rooftop solar panels or solar water heating systems on each home may be permitted to build more units than base zoning allows. For non-residential projects, solar carports or solar-covered parking areas may substitute for a portion of required parking, particularly on sun-exposed sites near transit access or carpool infrastructure.

Concord also supports cluster subdivisions, where homes are built on smaller lots—sometimes as small as 5,000 square feet—to preserve larger areas of shared open space. To qualify, at least 35% of the land must be set aside as open space. These neighborhoods must include a 100-foot buffer between residential lots and active recreation areas to ensure privacy and limit noise impacts.

The city also offers a sliding-scale density bonus for projects that exceed the minimum open space requirement. The more land a developer preserves, the greater the number of units they can build per acre. For instance, keeping 50% of the site allows up to 2.5 dwelling units per acre. The preserved land must be permanently protected, often through conservation easements or agricultural use restrictions.

Concord promotes walkable, compact development through its Traditional Neighborhood Development (TND) program. TNDs are modeled on the layout of historic towns, with houses, stores, parks, and public spaces located within short walking distances. These developments are granted flexibility in site planning, such as relaxed setbacks and tailored open space configurations, to support pedestrian activity and neighborhood cohesion better.

While not framed as incentives in the conventional sense, design guidelines for multi-family housing also encourage developers to create attractive, well-integrated buildings with high-quality outdoor spaces. These standards support both aesthetic goals and functional outcomes, such as affordability and accessibility, while allowing developers design leeway that promotes creative and context-sensitive development.

Together, these tools form a framework that encourages developers to go beyond minimum requirements by offering meaningful rewards for creating walkable, energy-efficient, and environmentally responsible communities.

### **Fayetteville**

Fayetteville's Unified Development Ordinance (UDO) offers a range of development incentives intended to promote infill, sustainability, walkability, preservation of existing resources, and more flexible, high-quality urban design.

#### **I. Sustainable Development Incentives (Section 30-5. N)**

Applicable in the MR-5, OI, NC, LC, CC, MU, BP, DT-1, and DT-2 zoning districts, these incentives offer:

- **Up to 20% density bonus** (beyond max allowed gross residential density)
- **Up to 2 additional stories** of building height

**Eligibility is determined by the number of sustainability features provided**, per Table 30- 5. N. 4. and Section 30-5. N.5. These include:

- On-site renewable energy generation (25%+)
- LEED Silver certification (min. 50% of non-res floor area)
- Green roofs (30% of roof area)
- Solar orientation
- Use of high-reflectance paving, greywater systems, and more.

#### **II. Open Space Bonuses and Reductions (Section 30- 5. C. 4- C. 5)**

The UDO incentivizes preservation and enhanced site design with several open space incentives:

##### **Open Space Reductions:**

- **50% reduction** if buildings are sited near the street with rear/side parking
- **Up to 50% reduction** if high-quality recreation facilities (like a pool and clubhouse) are provided
- **Up to 25% reduction** if land connects to existing public open space
- **Reduction proportional to the value** of public park facilities constructed within the development

##### **Open Space Bonuses (Counted Toward Dedication):**

- 300% bonus for preserving specimen trees
- 200% for urban amenities (e.g., plazas, sidewalk cafes)
- 100-200% for stormwater BMPs, buffer areas, and preserved uplands.

#### **III. Density Bonus for Open Space Dedication (Section 30- 5. C. 5)**

A **1% density increase** is allowed for each **1% additional open space** (beyond the required 10%) – up to a maximum **20% density bonus**. This promotes compact development with ample green space.

IV. **Adaptive Reuse Incentives (Section 30-4. C)**

To encourage redevelopment of existing buildings:

- **Broader use permissions** (e.g., multi-family allowed in single-family zones)
- **Exemption from minimum parking requirements**
- **Relaxed density limits** for multi-family conversions of older hotels/motels
- **Streamlined approval** through the Neighborhood Compatibility Permit.

V. **Suburban Activity Center Overlay (SACO) (Section 30-3. H. 13)**

This overlay district promotes reinvestment along arterial corridors. Incentives include:

- Increased height (up to 8 stories for some uses)
- **Flexible parking minimums**
- **Relaxed setback and landscaping standards**
- Mixed-use development is encouraged by right.

VI. **Development Agreement (Section 30-2. C. 20)**

Large-scale, phased developments can enter into a **Development Agreement** with the City, allowing:

- Long-term vesting of development rights
- Tailored development standards
- Integration with public infrastructure planning
- Stability in zoning rules across multi-phase projects.

VII. **Parking Exemptions for Downtown and Adaptive Reuse Projects**

- **DT-1 and DT-2 Districts:** Exempt from minimum and maximum off-street parking requirements
- **Adaptive reuse projects:** Fully exempt from minimum parking

These provisions help reduce barriers for urban infill and historic preservation efforts.

**Explanation**

Fayetteville's Unified Development Ordinance (UDO) includes a range of development incentives to encourage smarter, greener, and more people-centered growth. These incentives reward developers who incorporate sustainable design, preserve open space, reuse existing buildings, and support walkability, particularly in targeted areas like downtown and mixed-use corridors.

One key incentive is a density and height bonus available in zones such as downtown, mixed-use, or office districts. Developers can build up to 20% more residential units and add up to two extra stories if their projects incorporate environmental features like solar panels, green roofs, energy-efficient building systems, or high-reflectance materials. The size of the bonus is tied directly to the number and quality of sustainable features provided.



The UDO also offers bonuses tied to the quality and quantity of open space. Projects that preserve mature trees, create well-designed public spaces, or include amenities like sidewalk cafés, bioswales, or recreational areas can receive credit toward open space requirements. Developers who exceed the baseline requirement of 10% open space can earn an additional 1% density bonus for every extra 1% open space, up to a maximum 20% increase. Conversely, projects that place parking behind buildings or offer high-quality communal areas may reduce their required open space, offering more flexibility in site design.

Fayetteville strongly supports adaptive reuse, particularly for underutilized commercial or historic buildings. Converting an old hotel into apartments or reusing a vacant storefront as housing or office space may come with relaxed parking requirements and allow for increased density. These projects also benefit from streamlined review processes, making it easier and faster to revitalize existing structures.

A notable tool is the Suburban Activity Center Overlay (SACO), which applies to key commercial corridors outside of downtown. SACO supports compact, walkable development by allowing taller buildings (up to eight stories), reduced parking minimums, and more flexible landscaping and setback requirements. This helps encourage the development of mixed-use nodes that combine retail, residential, and office uses in a cohesive urban environment.

For large-scale, multi-phase developments, the City offers Development Agreements, which legally lock in zoning and development rules over time. This gives developers long-term certainty and allows the City to plan for necessary infrastructure, such as roads, utilities, and public services, in coordination with private investment.

Finally, downtown projects and adaptive reuse developments are exempt from standard parking minimums, reinforcing the City's goals of promoting walkability, reducing vehicle dependency, and preserving the character of historic districts.

Fayetteville's incentive framework is designed to be both flexible and forward-thinking. It encourages development that contributes to a more sustainable, livable, and economically resilient city.