Model Ordinance Policy Brief

KANSAS CITY REGIONAL ASSOCIATION OF REALTORS®

GREEN BUILDING INCENTIVES

Encouraging Sustainable Development Without Limiting Housing Supply



The Challenge:

Communities are increasingly seeking ways to encourage environmentally sustainable development while maintaining housing affordability and supporting new housing production. Policymakers must balance sustainability goals with the need to preserve development feasibility, housing supply, and long-term affordability.

What the Ordinance Does

- **Encourages voluntary green building** practices through incentives rather than mandates.
- **Provides development incentives** such as expedited permitting and streamlined review processes.
- **Allows local governments** to offer grants, rebates, fee reductions, tax incentives, or other financial incentives.
- **Promotes sustainability** while protecting housing affordability and housing supply.

Why REALTORS® Support It

- **Encourages environmentally responsible development** without imposing costly mandates.
- **Helps maintain housing affordability** by preserving development feasibility.
- **Supports housing production** while advancing community sustainability goals.
- **Provides flexibility for builders,** developers, property owners, and homebuyers.
- **Encourages building practices** that can reduce long-term ownership and operating costs.

Key Policy Considerations

- **Sustainability and housing affordability** should be advanced together, not placed in competition with one another.
- **Incentive-based approaches** encourage participation and innovation while preserving market flexibility.
- **Voluntary programs** can improve building performance without increasing housing costs or discouraging new housing development.

The Bottom Line:

This model ordinance encourages sustainable building practices through voluntary incentives rather than regulatory mandates. By promoting environmental goals while preserving housing affordability, housing supply, and development feasibility, communities can support sustainable growth without creating unnecessary barriers to housing production.