

POLICY AND PERMITTING

Density Bonuses



Site Neighborhood Town

own Sub-regi

State

 \frown

LOCAL IMPLEMENTATION P Implemented on Cape Cod

OVERVIEW

A density bonus is a zoning tool used by local governments that allows developers to increase the intensity of a development beyond what is normally permitted by local zoning in exchange for providing specific goods, amenities, or advancing public policy goals. Density bonuses are frequently provided in exchange for building or including deed-restricted affordable housing units in a project and thereby allowing more units to be built than what zoning allows. For example, where 4 units may be allowed under zoning, a developer may be allowed to build 6 units if 2 of them are deed-restricted affordable housing. Density bonuses can also be provided in the form of



more flexible setbacks or increased building heights, again, in exchange for the provision of something that advances a community's goals, such as affordable housing units.

POTENTIAL BENEFITS & CONSIDERATIONS

- Can be used to encourage housing in targeted areas
- Enables development that provides public benefits without direct public funding
- Affordable units will require ongoing monitoring
- It is important to calibrate what is allowed through the density bonus to the community's vision for an area so as not to create adverse impacts
- Infrastructure capacity should also be considered to ensure existing (or planned) infrastructure can adequately support projects built utilizing the density bonus

RESOURCES & EXAMPLES

Year-round Housing Incentive Model Bylaw for Cape Cod Towns - This model bylaw includes density bonuses for developments that provide housing units restricted for year-round occupancy (ownership or rental).

Yarmouth, MA - Yarmouth's zoning bylaw provides a density bonus for certain developments, provided affordable housing units in a project are restricted in perpetuity.

CASE STUDY: PROVINCETOWN DENSITY BONUS

The Town of Provincetown's Inclusionary and Incentive Zoning Bylaw provides for increased density for projects than would normally be allowed under the zoning bylaw in exchange for Affordable and Community housing. For projects with a certain minimum amount of Affordable housing units, two additional market rate units are allowed above the normally allowed density for every Affordable

Housing unit (affordable to households earning up to 80% AMI). For every Community Housing unit in a project (housing affordable to households earning up to 160% AMI), projects are allowed one additional market rate unit. Projects may also build higher than what is normally allowed in exchange for providing a certain amount of Affordable or Community Housing units.

