



## Transfer of Development Rights (TDR) Programs

What is a TDR program? How does it work?

Transfer of development rights (TDR) programs are attracting increasing attention throughout the United States, particularly in the West. Many Western communities are growing rapidly and are looking for ways to balance resource and open space protection with concern over property rights.

When designed correctly, TDR programs, which seek to shift permissible development densities from unsuitable development areas to more appropriate sites, can be an effective growth management tool. By creating off-site "receiving area" markets for the sale of unused development rights, TDR programs encourage the maintenance of low density land uses (like farming), valued open spaces, and sensitive features of designated "sending areas."

Where a landowner in a sending area sells development rights to another landowner in a receiving area, the purchaser thereby augments his development rights in excess of his otherwise permissible limits. In this manner, local governments can protect a variety of sensitive features while providing a mechanism to help offset any perceived diminution in land development potential.

What are the benefits of TDRs ?

A TDR program provides a mechanism to conserve valued open spaces while making sure that landowners maintain the right to benefit financially from the development rights that they have per current zoning. Landowners would simply "send" their development rights from their property to an appropriate receiving zone, gaining an opportunity to "cash in" where development is needed and wanted. They would continue to own their land, but a conservation easement would be placed on it in exchange for the right to develop at a slightly greater density in a designated receiving area. Appropriate receiving zones seem to be the cities and more populated "nodes" within the unincorporated county.

Since there is not a lot of density associated with the lands people want to conserve, the impact on the cities and nodes would be minimal but could serve to benefit the revitalization and development goals of some locales. Conversely, the resulting conservation of agricultural uses and open spaces in the county would be substantial, as removing even small amounts of density would ensure the viability of agricultural and other open space systems.

How could a TDR program be implemented in my community ?

A TDR program could be implemented in a number of ways. One possible scenario follows:

- The county enters into interlocal agreements with interested municipalities.
- The county downzones county lands identified on the regional green space design as absolute open space adjacent to participating municipalities, creating incentive to move development off of these lands. These lands become the sending areas.
- Determine the number of TDRs available. Landowners in the sending areas maintain their development rights in the form of TDRs. The number of TDRs each landowner could equal the number of development units held prior to the downzone.
- Note that minor subdivisions for family estates should still be accommodated. Families should have the right to plan whatever lots they anticipate needing for family homes in a single plan. Once this plan is completed, the rest of the land should be placed in an agricultural conservation easement. This enables families to provide for anticipated housing needs but does not allow for multiple subdivisions of property, as this erodes agricultural use over time.
- Participating cities or population nodes become the receiving area for all TDRs associated with their adjacent lands. Cities will know where development should occur within their city limits based on their green space design. Areas labeled as relative open space areas and area designated for conventional style development can become receiving areas.
- Participating cities must restrict zoning changes until TDRs are exhausted, so that there is incentive for developers within the city to purchase TDRs.
- A system of TDR exchange ought to be set up among participating municipalities and the county, so that areas desiring/needing more growth can acquire TDRs from areas that do not.