

Discussion Paper

Skagit County Transfer of Development Rights Program Goals

The Importance of TDR Program Goals

TDR is a flexible planning tool that can be customized to support the diverse planning goals of communities. In designing a TDR program, it is important to identify and prioritize community goals the jurisdiction aims to achieve. Nationwide, TDR programs identifying a limited number of goals historically have been more successful; although the flexibility of TDR programs allows a jurisdiction to achieve a wide array of policy goals such as conservation of farmland, forestland, rural lands, habitat, environmentally sensitive areas, historic resources, and affordable housing. The majority of programs focus goals on conservation of farm, forest, and environmentally sensitive lands.

Establishing goals early in the program development process helps focus future efforts in designing the program elements. Program goals typically focus on areas in which conservation and economic development can be advanced. Key questions to facilitate defining program goals are as follows:

- Conservation Goals: Where and what type of conservation should be encouraged?
- Economic Development Goals: Where and how should economic development be encouraged?

Some TDR Goal examples

To best identify the desired goal language, the following examples are provided to illustrate how other jurisdictions define their program goals.

Kittitas County: The TDR program is a voluntary incentive-based, and market-driven approach for supporting appropriate levels of development in rural areas, encouraging development in urban areas, and conserving resource lands in Kittitas County while allowing property owners to realize the full value of their investment. The program is based on free-market principles and prices that motivate landowner and developer participation. Rural landowners realize economic return through the sale of development rights to private developers.

This market in development rights allows rural landowners to receive financial compensation without having to sell or fully develop their land. Developers are financially motivated to purchase development rights as a requirement for rezone applications that will allow the creation of additional buildable lots for projects or as an incentive for increased density in urban growth areas.

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King County: The purpose of the transfer of development rights program is to transfer residential density from eligible sending sites to eligible receiving sites through a voluntary process that permanently preserves rural, resource and urban separator lands that provide a public benefit. The TDR provisions are intended to supplement land use regulations, resource protection efforts and open space acquisition programs and to encourage increased residential development density or increased commercial square footage, especially inside cities, where it can best be accommodated with the least impacts on the natural environment and public services by:

1. Providing an effective and predictable incentive process for property owners of rural, resource and urban separator land to preserve lands with a public benefit as described in K.C.C. 21A.37.020; and
2. Providing an efficient and streamlined administrative review system to ensure that transfers of development rights to receiving sites are evaluated in a timely way and balanced with other county goals and policies, and are adjusted to the specific conditions of each receiving site.

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Proposed Goals for a Skagit TDR Program – For Discussion Purposes Only

A Skagit County TDR program should:

Relationship to Existing Plans, Policies, and Programs

- Be consistent with and help to implement the comprehensive plans of participating jurisdictions, including goals and priorities for land conservation and economic development.
- Complement existing land conservation programs and development incentive programs including the Farmland Legacy Program, the Burlington Agricultural Heritage Density Credit Program, and the Bayview Ridge UGA density credit program (proposed).
- Also complement the conservation work of non-governmental organizations such as Skagitonians to Preserve Farmland, the Skagit Land Trust and others.

Conservation Goals

- Provide landowners and local governments with an additional conservation tool that is voluntary and market-based, for protecting important rural lands, natural resource lands, and environmentally-sensitive areas.
- Areas prioritized for protection through a TDR program might include working farm and forest lands; lands with important habitat or watershed values; and rural lands with significant open space or recreation value.

[Note: The committee will discuss, in much greater detail at its next meeting, which lands should be included as potential sending areas and the specific conservation goals to be achieved in doing so.]

- Enable participating natural resource landowners the opportunity to realize the development value of their lands while retaining the right to use the land for ongoing natural resource management.

Development Goals

- Transfer development rights to selected urban or rural areas determined by the county, participating cities, and the market to be the most appropriate areas for growth.

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- In partnership with Burlington and other interested cities, encourage growth in cities and urban growth areas where public facilities and services can be provided most cost effectively.
- Explore economic and other incentives to encourage city participation in the TDR program.
- Explore the possibility of transferring development rights from areas where groundwater is limited to areas where public, piped water is available.¹

Overall Program Goals

- Protect property rights of program participants. Compensate rural landowners fairly for the sale and transfer of their development rights. Provide a meaningful economic incentive to developers for building in designated receiving areas.
- Use rigorous and objective market analysis to establish the size and location of sending and receiving areas, and the economic relationships between development rights on the sending side and development credits on the receiving side.

¹ A goal proposed by Skagit PUD Commissioner Jim Cook.