

Establishing Sending Areas

The establishment of sending areas creates new land use options for landowners. This process can be informed by lessons learned from earlier design stages. Having already identified the conservation goals on a broader scale, a jurisdiction can focus on more specific questions:

- What kind of land do we want to protect?
- How much land should we aim to conserve?
- Over what period of time?
- What are the conversion pressures?
- Do sending areas contain an adequate supply of TDR credits?

It is important to initiate stakeholder outreach in this stage. Thorough program design will result in the designation of sending sites in which many eligible landowners are interested in selling their development rights. Through this process the goal should be to balance landowner interest with conservation priorities. A program with low landowner interest will not generate the desired volume of transactions, but a program designed entirely around willing landowners may not yield conservation patterns that reflect the community's priorities. Local jurisdictions are best positioned to determine this balance.

What kind of land do we want to protect?

Cities and counties have numerous policy options for targeting land for conservation. They include local comprehensive plan priorities, local watershed plan priorities, and priorities in regionally and state-adopted plans. Furthermore, the marketplace will be structured to reward jurisdictions whose programs accomplish conservation of these lands.

Examples of other policy options for conservation include:

- Agricultural and forest land;
- Floodplains;
- Land in the watershed from which a city draws its drinking water; and
- Open space;
- Wildlife habitat;
- Land of other special importance to a community.

How much land should we aim to conserve?

The amount of land a community can protect through TDR is closely tied to the capacity of the receiving areas to accommodate additional development. While there is flexibility in this relationship, it is important for a community to quantify a conservation objective. This will help inform the design process and reflects conservation priorities. In many cases, the amount of land targeted for conservation is connected to the type of land a community wants to protect.

Over what period of time?

Many factors can affect the pace at which TDR transactions occur, some of which are beyond the jurisdiction's control. For example, during periods of economic expansion the demand for development will be high and may result in more conservation than during recessionary periods. Counties planning under GMA are required to plan for growth using population

projections from the Office of Financial Management. These data can help inform an estimate of the rate at which a county or city will be able to achieve conservation of prioritized land. If some amount of growth will be accommodated through a TDR program, then this portion will result in conservation. Population projections should be considered alongside the observed growth that a community has experienced and the expected demand for different types of development.

What and where are the conversion pressures?

Cities and counties may find it helpful to identify what conversion pressures are being exerted in rural and natural resource lands and where those pressures are greatest. Using state and county data to measure the conversion patterns of unincorporated areas outside designated urban growth areas, they can compare how growth projections compare to actual distributions of growth. Evaluating data from several years will help paint a picture of development trends over time. Examining parcel data from development applications using geographical information system (GIS) software will show where new growth is emerging and how development patterns are changing. Understanding these trends can help counties and cities select and prioritize lands for inclusion in sending areas.

Methods frequently used to define sending areas:

Three methods are frequently used to designate sending areas:

- Map designations
- Criteria
- Land Use Designation/Zoning Designation

Map Designations

This method is the most straightforward and is simple to administer. The agency administering the TDR program (managing agency) draws a line around the areas it wants to protect via the TDR program and designates all properties within those areas as sending sites. This geographic determination is made as a result of the jurisdiction identifying its conservation priorities. The City of Arlington, for example, wanted to conserve a specific area of farmland in the Stilliguamish River valley. Accordingly, Snohomish County designated that area of farmland on a map as a sending area for its inter-jurisdictional program with the City.

Advantages

- Maps provide clarity about which properties are eligible sending sites.
- The government or a community can target specific areas it wants to protect.
- Over time the map can be amended to reflect changes in sending site supply, program participation, conversion pressures or conservation priorities.

Disadvantages

- Map designations have the potential to create winners and losers: the line has to be drawn somewhere and some landowners may disagree with this decision.
- This approach may not capture the full extent of properties that the jurisdiction wants to conserve.

- The potential exists for blocs of landowners in a sending area to exert influence on development right prices.
- Map amendments may happen on a cycle that doesn't allow for frequent updates.
- Map designations may artificially limit the number of potential sellers in the market, resulting in inflated prices for TDR credits.

Examples

Cities of Arlington, Issaquah, and Redmond; Snohomish County (WA).

Criteria for Sending Areas

This approach, while more complex than map designations, allows a jurisdiction to more precisely translate its conservation goals to the program level. The managing agency decides upon a set of criteria to determine sending site eligibility. These could be parcels of a certain size range, property characteristics like wetlands or wildlife habitat, land use designations like agriculture or forest land, zoning, or threat of conversion. In this way the government and community can tailor the criteria to be specific about what types of land it wants to protect, rather than identifying specific parcels.

Advantages

- The jurisdiction can be selective in choosing what types of land it wants to conserve.
- The program can be flexible in modifying the criteria to address shifts in goals or to respond to the marketplace.
- Because criteria-based sending sites are potentially distributed over a greater area, sale prices of development rights are less vulnerable to influence by single transaction.

Disadvantages

- The resulting patterns of conservation may not be consistent with program goals as landowner participation may vary geographically.
- Participation in the program becomes more complex as landowner eligibility must be evaluated instead of being predetermined.
- Identifying eligible landowners and marketing the program to potential sending-site landowners may require more effort.

Land Use Designation

One specific subset of a criteria-based method of choosing a sending area is by land use designation. Using this approach, a jurisdiction can identify parcels with specific land use designations as eligible sending sites based on its general use designation. All lands zoned for and used as forest land or farmland within a certain area can be sending sites. For example, King County has designated a forest production zone and Pierce County has designated Agricultural Resource Land within a specific community plan (Alderton-McMillin)²⁰ as sending areas.

²⁰ Pierce County Code 18G.10.040(D)(1)

Advantages

- Land use designation enables landowners in a large area to participate in the program.
- This approach supports conservation objectives of protecting large, contiguous areas.
- Basing the designation on land use or zoning designations is easy to administer.

Disadvantages

- This approach is broad, and would have to be combined with other designations if a jurisdiction has more specific conservation priorities.
- This approach may create more sending area development potential than receiving areas can absorb.
- Land use designation may be politically infeasible.

These approaches may be combined to address certain limitations of each. For example, a jurisdiction could designate a broad area on the map within which individual parcels must meet criteria to gain sending site eligibility, or combine general land use designations with specific map designations.

Examples

Palm Beach County (FL), King County (WA)