



Transfer of Development Rights Resource Sheet

Background

Problem

Municipalities often face the challenge of balancing urban development with the preservation of open spaces and environmentally sensitive areas. Rapid urbanization can lead to the overdevelopment of certain areas, resulting in the loss of green spaces, increased pollution, and strain on infrastructure. This can create a conflict between the need for new housing and commercial spaces and the desire to maintain the character and environmental health of the community.

Solution

Transfer of Development Rights (TDR) is a land use strategy designed to balance development and preservation priorities. TDR reshapes economic motivations by allowing landowners in sending zoned districts to monetize their rights while ensuring that valuable land remains protected. In receiving zoned districts, density limits are relaxed to allow for higher development, encouraging growth in appropriate areas without compromising critical environmental land. Purchase of development rights (PDR) and lease of development rights (LDR) are other tools that also act in similar ways as TDRs.

Common Uses of TDRs

Natural resource protection: A TDR program can provide technical and financial assistance for municipalities and land owners to preserve critical environmental areas such as riparian zones, wetlands, and forests.

To guide urban growth: In many cases a TDR program may be used to incentivize housing growth in already dense areas with adequate public utility access.

Farmland protection: TDR programs are an effective tool for protecting productive farmlands. By allowing developers to purchase development rights from farmers, these programs provide farmers with financial benefits while ensuring the land remains dedicated to agricultural use. This means farmers can receive cash for their development rights and use the money for various purposes. Importantly, the farmer retains ownership of the land and can continue farming it.

Municipalities Role in TDR

Municipalities are vital in making TDR programs work effectively. They start by evaluating whether a TDR program would be beneficial, looking at where development is needed, and which areas should be preserved. Municipalities then must draft the rules and zoning laws that govern TDR transactions, specifying which areas can send or receive development rights and how these transfers should be managed. Municipalities then track TDR transactions to ensure they follow the established rules and address any issues that come up.



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Case Studies

EDEN, NY



Introduction

The Town of Eden in Erie County has a large amount of agricultural land use. The Town introduced a Transfer of Development Rights (TDR) rule in 1977, which created three sending districts to safeguard rural land. Property owners in these areas could transfer their development rights to residential zones, ensuring the Town can build density in its residential areas without developing on sensitive land.

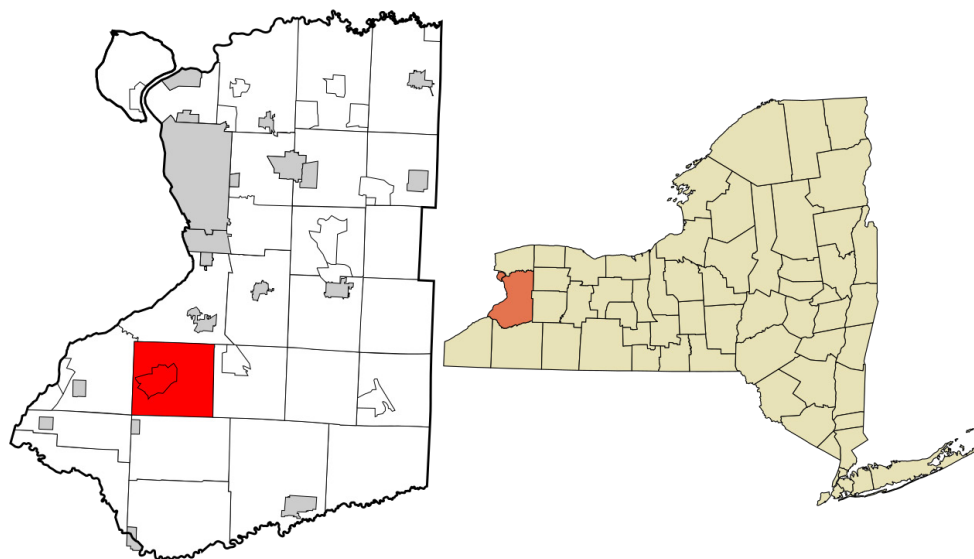
TDR Breakdown

To incentivize land preservation, Eden's TDR provisions include:

- Transfer rates: One TDR credit per three acres in the Conservation zone and one TDR per two acres in the Agricultural zone.
- Optional density permit: Landowners in receiving zones could apply for this permit to increase building density.
- Open space easement: The application required a document granting an open space easement on the sending site land to the town.
- Mandatory approval: Once the easement was recorded, the town planning board had to issue the Optional Density Permit without discretion to deny it.

Outcomes

Although the process is not complicated, the utilization of Eden's TDR program has been minimal. According to a previous town supervisor, the limited development pressure in the region diminishes the need for TDR. In spite of this, even in regions where there is not a significant push for development, the implementation of a TDR program can yield advantages. Such initiatives can preemptively safeguard valuable agricultural, historical, or environmentally sensitive lands before development pressures emerge. Through the early establishment of a TDR framework, local authorities can ensure that future expansions occur in suitable areas, thereby upholding the community's distinctiveness and environmental well-being.



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