

Advancing TDR/LCLIP in Puget Sound

Guidebook and feasibility studies

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ANGELA SAN FILIPPO, ECOSYSTEM PROGRAM MANAGER



Washington State
Department of
Commerce

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ECONOMIC DEVELOPMENT

Facilitate the implementation and adoption of Transfer of Development Rights and Land Conservation and Local Infrastructure Programs in selected cities across the Puget Sound region, enhancing urban growth while preserving rural lands and generating infrastructure funding.



What is TDR?

Transfer of Development Rights (TDR) – a market-based tool to promote land conservation and sustainable urban growth

- **Sending Areas:** Rural or environmentally sensitive lands where development rights are sold to protect the area from future development.
- **Receiving Areas:** Urban areas where developers purchase development rights to increase density or gain development bonuses.
- **Mechanisms**
 - Development Rights separated from landownership and sold as credits
 - Market-Based Transactions – voluntary agreements between landowners and developers
 - Developers benefit from density bonuses, while landowners are compensated for preserving their land
- **Benefits**
 - Landowners receive financial compensation for conservation
 - Developers gain flexibility in urban development projects
 - Communities preserve open spaces, farmland, and natural habitats while supporting strategic growth

What is LCLIP?

Landscape Conservation and Local Infrastructure Program (LCLIP) – connects land conservation with urban infrastructure funding

- TDR conserves rural and agricultural lands by transferring development rights to urban areas
- Tax Increment Financing (TIF) allows cities to access a portion of incremental county property tax revenues generated from new development in designated Local Improvement Project Areas (LIPAs)
- **How it Works**
 - Cities agree to use TDR to meet regional growth and conservation objectives
 - In return, they receive funding from county property taxes to finance public infrastructure, such as roads, utilities, and schools
- **Benefits**
 - Urban Areas – access new funding for infrastructure to support growth
 - Rural Areas – preserve farmland, forests, and open spaces.
- **LCLIP currently available to select cities in central Puget Sound, with potential for future expansion**

Project work program



Feasibility Studies Reports:

Provide detailed analysis and strategic recommendations for each selected city.

Assess the viability and impact of TDR and LCLIP in urban planning.



Toolkit and Guidebook:

Deliver a comprehensive set of resources for implementing TDR and LCLIP.

Include practical tools, templates, and instructional guides for cities.



Training Workshops:

Conduct training workshops to educate stakeholders.

Focus on practical implementation and stakeholder engagement strategies.

Guidebook and toolkit

- Develop a comprehensive resource for cities to implement TDR and LCLIP programs
- Include step-by-step guidance, checklists, model rules, and readiness assessments
- Address environmental justice and equitable development considerations

Feasibility studies

- Identify and select pilot cities based on potential for LCLIP and TDR adoption (done concurrent with Guidebook development)
- **Study Analysis and Recommendations**
 - Conduct in-depth analysis of each city's regulations, policies, and economic factors
 - Provide strategic recommendations to integrate TDR and LCLIP into urban planning efforts
 - Provide an implementation plan for LCLIP adoption

Training workshop

- **Guidebook training and overview**
- **Intro to Transfer of Development Rights**
 - TDR market analysis
 - TDR incentives
- **Intro to Land Conservation and Local Infrastructure Programs**
 - TDR connection
 - Tax revenue
 - LCLIP program implementation
- **Share insights and best practices learned from feasibility studies**

Training workshop – save the date!

- **Date: June 11, 2025**
- **Time: 11:00 am – 2:00 pm**
- **Location: Bellevue City Hall**
- **More information and registration information to follow**
- *In person and hybrid workshop options*



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Questions?

www.commerce.wa.gov



Angela San Filippo | angela.sanfilippo@commerce.wa.gov