

# Advancing TDR/LCLIP in Puget Sound

Guidebook and feasibility studies

---

May 1, 2025 | PSRC Growth Management Policy Board

SARAH FOX, CLIMATE AND ECOSYSTEM SECTION MANAGER



Washington State  
Department of  
**Commerce**

# We strengthen communities



HOUSING AND  
HOMELESSNESS



INFRASTRUCTURE AND  
BROADBAND



SMALL BUSINESS  
ASSISTANCE



ENERGY



PLANNING AND TECH  
ASSISTANCE



COMMUNITY SERVICES



CRIME VICTIMS AND  
PUBLIC SAFETY



ECONOMIC  
DEVELOPMENT

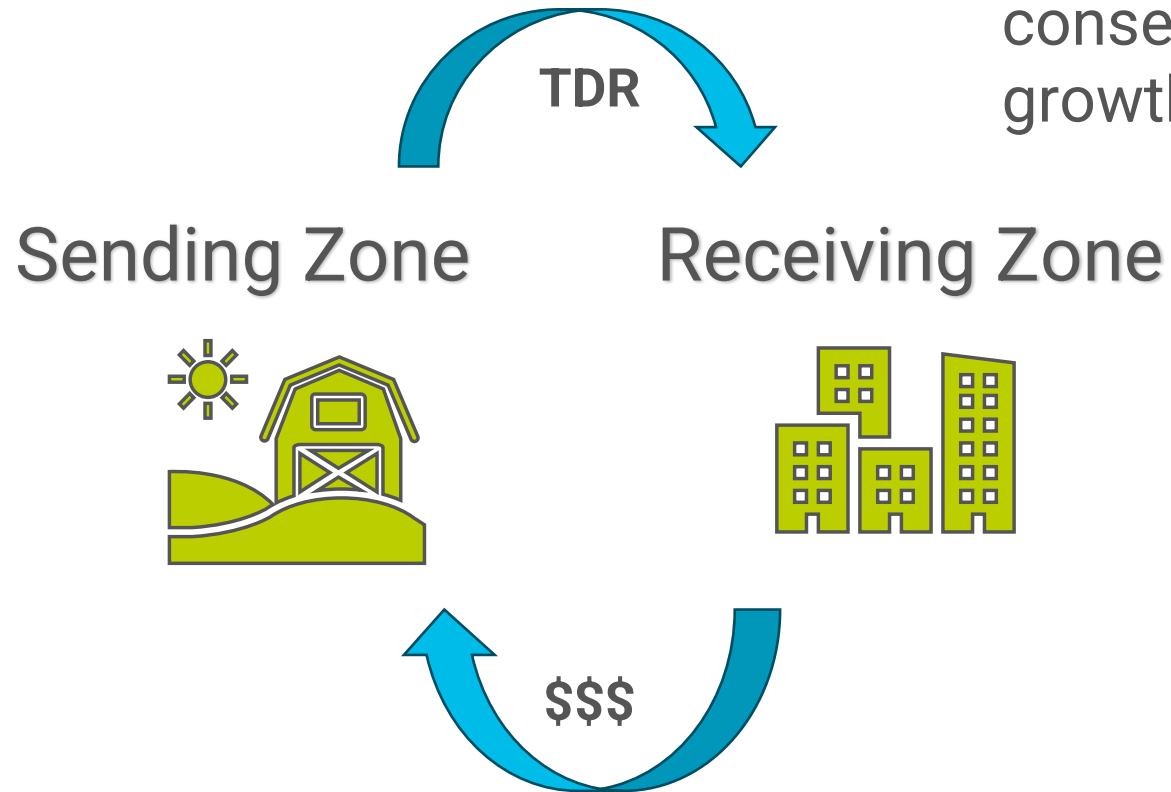
---

Facilitate the implementation and adoption of Transfer of Development Rights and Land Conservation and Local Infrastructure Programs 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.



# What is TDR?

---

## Mechanisms

- **Development Rights** separated from landownership and sold as credits
- **Market-Based Transactions** – voluntary agreements between landowners and developers

## 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?

---

## Land 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)**

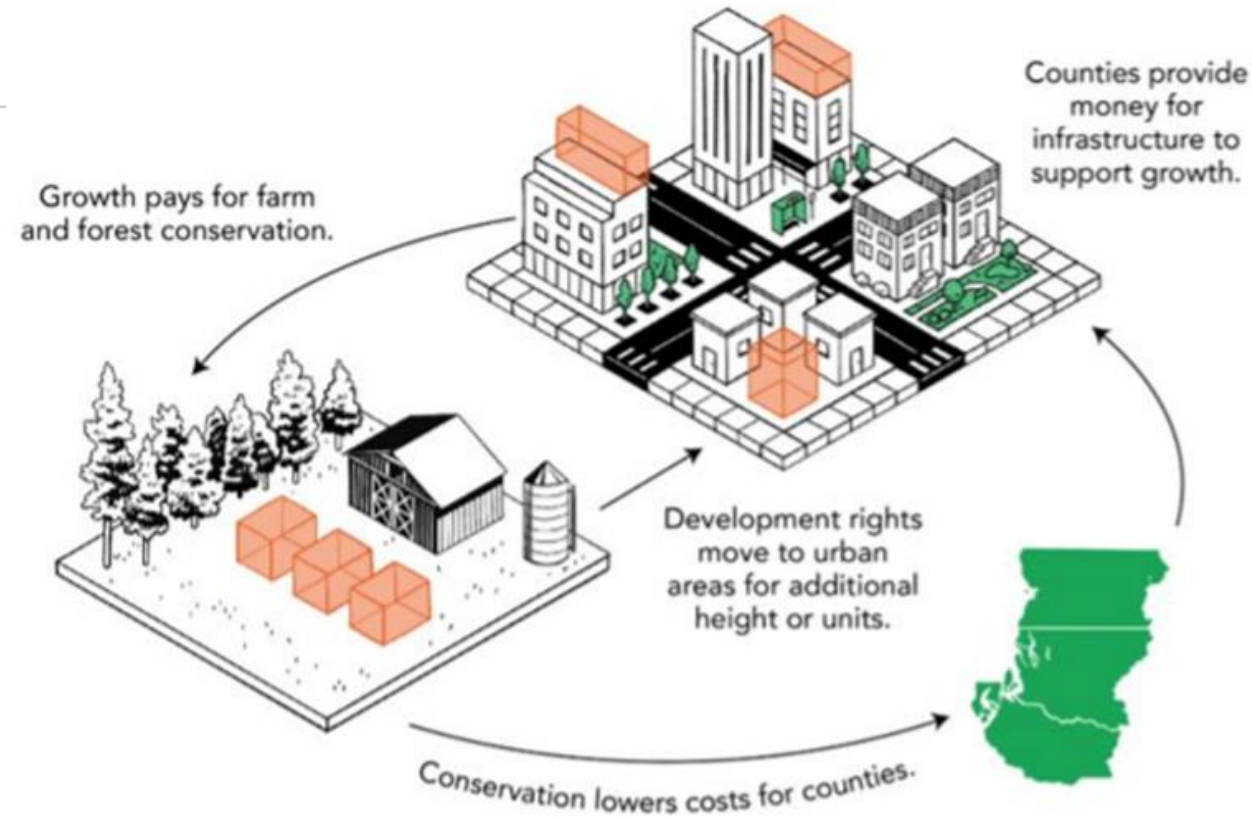
# What is LCLIP?

## How it Works

- Cities agree to use TDR to meet regional growth and conservation objectives
- Cities 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.



**CONSERVATION + GROWTH + COMMUNITY**  
WHERE WE WANT IT IMPROVEMENTS

FORTERRA.ORG

# Project work program

---



## Feasibility Studies Reports

Detailed analysis and strategic recommendations for each city.

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



## Toolkit and Guidebook

A comprehensive set of resources for implementing TDR and LCLIP

Practical tools, templates, and instructional guides for cities



## Training Workshops

Workshops for stakeholders

Focus on practical implementation and stakeholder engagement strategies



# Feasibility studies

---

Identify and select pilot cities based on potential for LCLIP and TDR adoption --- 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

# Guidebook and toolkit

## Comprehensive resource for cities to implement TDR and LCLIP programs

- Step-by-step guidance, checklists, model rules, and readiness assessments
- Address environmental justice and equitable development



# 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!

---



**June 11**



**11:00 am –  
2:00 pm**



**Bellevue City  
Hall**



**In person and  
hybrid  
workshop  
options**



**Registration  
information  
to follow  
soon**



Washington State  
Department of  
**Commerce**

# Questions?

[www.commerce.wa.gov](http://www.commerce.wa.gov)



**Sarah Fox | [sarah.fox@commerce.wa.gov](mailto:sarah.fox@commerce.wa.gov)**

**Angela San Filippo | [angela.sanfilippo@commerce.wa.gov](mailto:angela.sanfilippo@commerce.wa.gov)**