INVESTING IN T.O.D. WITH MARKET-BASED TOOLS

URBAN LAND INSTITUTE, APRIL 29, 2022
Forterra innovates and scales land-based solutions to address the climate crisis and support equitable, green and prosperous communities.

We work in land conservation, land use policy, market-based tools, restoration, and affordable housing.

ABOUT FORTERRA

FORTERRA
LAND FOR GOOD
GROWTH IS HAPPENING

New residents pour in: Pierce, Snohomish counties top the U.S.

INCREASE: No other county in the nation gained more people from other counties last year than those two. How much of the influx is due to folks fleeing higher prices in King County?

Gene Balk / THE SEATTLE TIMES

A new area near downtown Seattle is under construction.

The Seattle Times staff photographer

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2100 – same growth, smaller footprint
HOW TRANSFER OF DEVELOPMENT RIGHTS WORKS

- farm + forest conservation

$ for conservation

additional height, square footage, units

development rights

MARKET-BASED STRATEGIES

- Real estate tool
- Gives landowners choices
- Can sell the development potential from property to a developer who can build more efficiently in an area where it’s desired
- 100% voluntary, market-based, respects private property rights

FORTERRA
LAND FOR GOOD
Meeting again packed

Farmlands safe from sprawl

But conservationists say more can be done to promote the program

145,000+ acres conserved across central Puget Sound region
TDR PROGRAMS IN REGION

Cities: 15
- Bainbridge Island
- Tacoma
- Sammamish
- Shoreline
- Seattle
- Issaquah
- Bellevue
- Redmond
- North Bend
- Black Diamond
- Normandy Park
- Everett
- Snohomish
- Mountlake Terrace
- Arlington

Counties: 4
- Pierce
- King
- Snohomish
- Kitsap

Regional: 2
- TDR marketplace
- LCLIP
LANDSCAPE CONSERVATION AND LOCAL INFRASTRUCTURE PROGRAM

TDR combined with infrastructure financing
LCLIP OVERVIEW

3 Counties

35 Cities

650,000 Acres of conservation potential

( RCW 39.108 )
LCLIP

- City retains a portion of county’s share of property tax revenue on new construction
- City commits to accepting TDR credits
- Program runs up to 25 years

![Graph showing assessed value over time with LCLIP start and end points and incremental assessed value shaded]
City can spend revenue on public improvements.

Infrastructure can include parks, transit, streetscapes, utilities, security, storm water, maintenance.
SEATTLE – CASE STUDY

- Program adopted 2013
- Geography: downtown, South Lake Union, Denny Triangle
- TDR credits placed: 1,200+
- Conservation achieved: 100,000+ acres
- Revenue potential: $30M+
- Investments: streetscaping, mobility, parks, community center
CITY OF SHORELINE - UNDERWAY

- Geography: light rail station areas, Town Center, neighborhood business districts
- TDR credit placement: 231
- Conservation potential: 18,000 acres
- Revenue projection: $19M - $25M
- Investments: park acquisition, mobility, bridge over I-5
Financial incentive for cities to use TDR
Flexible revenue for infrastructure
Low risk
Growth + community investment + conservation
Market-based
Feasibility study
Create TDR program
Designate area
Adopt ordinance
Contact information

Nick Bratton, Forterra, Senior Director of Policy:  nbratton@forterra.org

Additional resources

Forterra TDR website with videos

https://forterra.org/our-work/programs/transfer-development-rights/

Washington State Department of Commerce