

Transfer of Development Rights

TDR Implementation Process

Chattahoochee Hill Country TDR Program Details

The TDR Bank



MADISON-MORGAN
CONSERVANCY

Christine McCauley

Madison-Morgan Conservancy

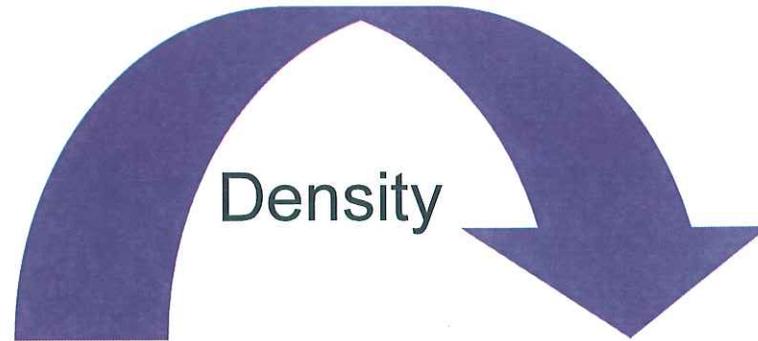
706-342-9252, mmconservancy@mindspring.com

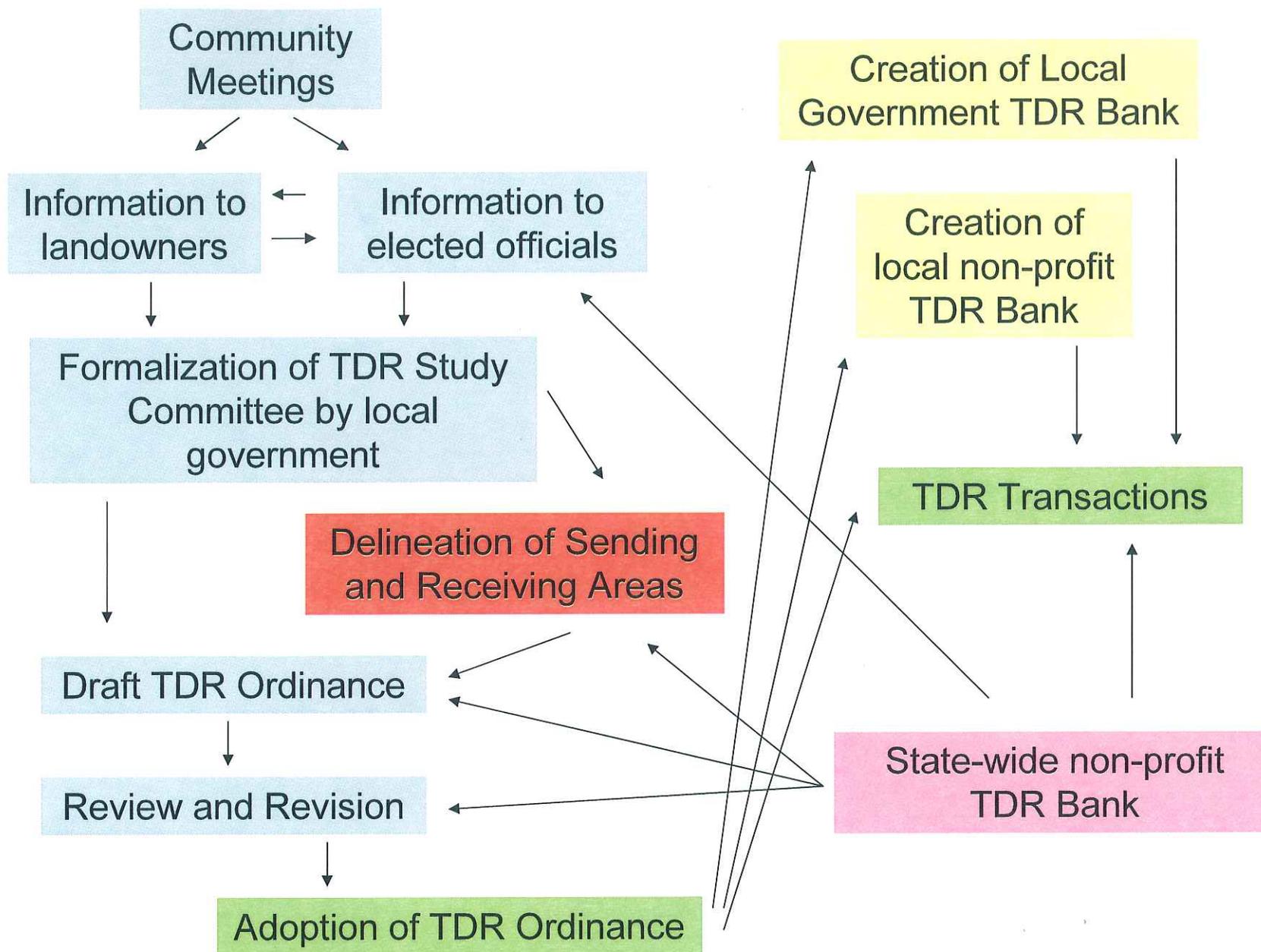
What are Transferable Development Rights?



- Development rights are separated from one parcel & sold for use on another parcel.
- Landowner enters into conservation easement permanently restricting development on original parcel.

... a shifting of density...





Transfer of Development Rights Matrix of Activities

	ACCG	Appraisers	Atlanta Beltline, Inc.	CIDs	Developers	Farm Bureaus	Foundations	GA Department of Community Affairs	GA Department of Natural Resources	GA Regional Development Commission	Georgia Conservancy	Georgia Trust for Historic Preservation	Land Trusts	Landowners	Lawyers	Livable Communities Coalition	Local Government	Local Tax Assessors	Planners	State of Georgia	Surveyors	The Nature Conservancy	Trust for Public Land	TDR Bank (non-profit)
Resources To Protect																								
Natural Resources	○	○	○	○	○	●	●	○	●	○	●	○	●	○	○	○	○	○	○	○	○	○	○	○
Built Resources (Historic Preservation)	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Agriculture	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Quality of Life	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Development Projects																								
○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Regulation																								
State Enabling Legislation	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Local Ordinances	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Transactions																								
Acquisition of TDRs from Sending Area	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Conveyance of TDRs to Sending Area	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Conservation Easements																								
Drafting of Easement	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Monitoring and Defense	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Survey	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Property Valuation	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Education																								
Education to Landowners	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Education to Elected/Appointed Officials	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Education to Other Communities	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
Registry																								
Interested Landowners and Developers	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○
TDR Certificates Available and Extinguished	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○	○

Transfer of Development Rights: Ordinances in Georgia

City of Atlanta, 1980

2 TDR transactions

The Castle House

The Peters Mansion

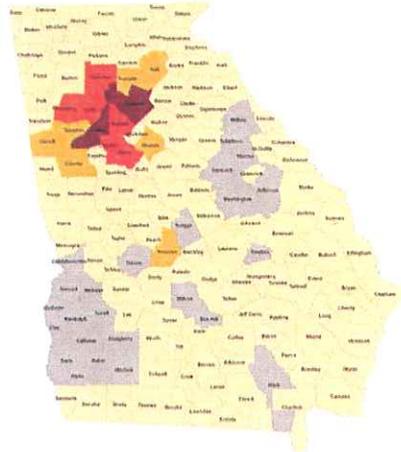
City of Chattahoochee Hill Country, 2003

2 TDR transactions

Dickerson, 12 acres

Monk/Ihndris, 9 acres

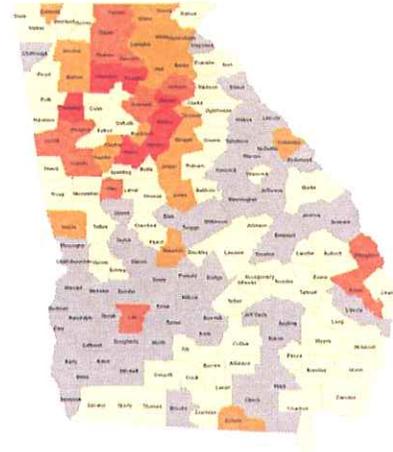
State of Georgia Population Growth
2000 - 2007



Change in County Population (2000 - 2007)
Total Population Change

Light Yellow	-1195 - 0
Yellow	1 - 28600
Orange	25000 - 50000
Red	50000 - 100000
Dark Red	100000 - 170470

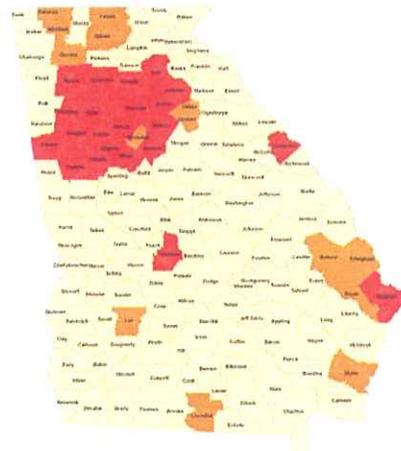
State of Georgia Population Growth
2000 - 2007



Change in County Population (2000 - 2007)
Percent Change

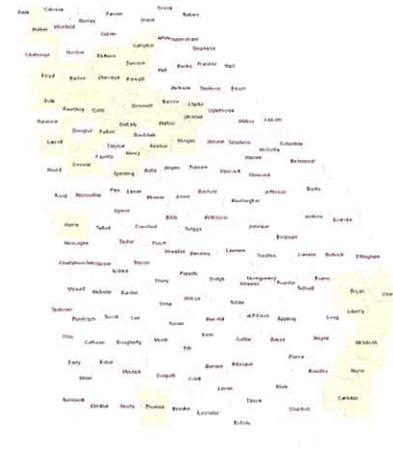
Light Yellow	7.00 - 4.99
Yellow	5.00 - 17.94
Orange	17.95 - 29.99
Red	30.00 - 49.99
Dark Red	49.00 - 84.33

*Year of Georgia Population Growth (2000 - 2007)



County Contribution to State Growth
Percent of State Population Growth

Light Yellow	-0.00 - 0.49
Yellow	0.50 - 1.00
Red	1.00 - 12.6715



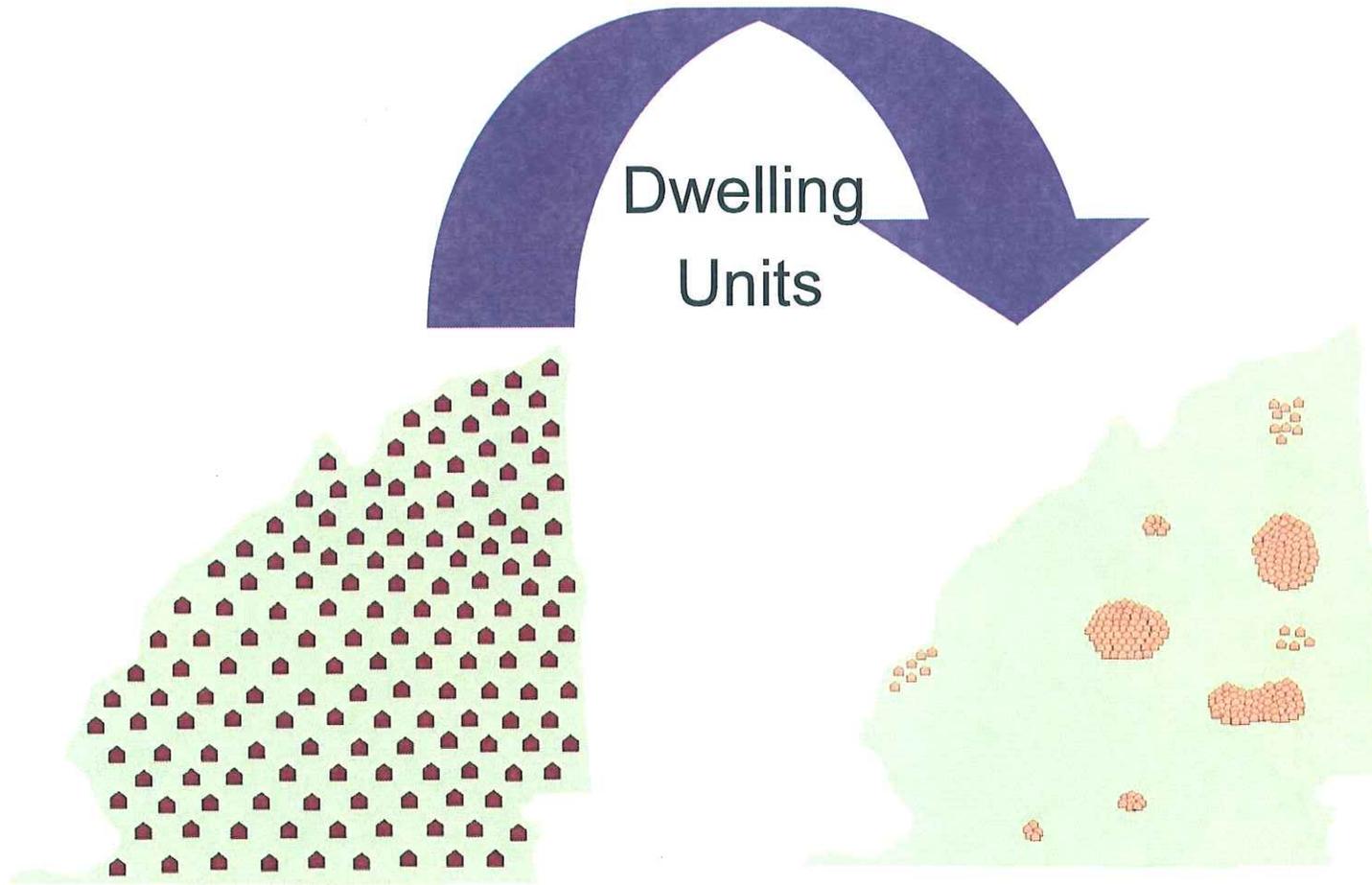
Counties That Have or May Explore TDR

Communities Considering TDR Programs as of May, 2008

- Athens-Clarke County, 2005, *Roskie/Pruetz*
- Atlanta, present (revision)
- Atlanta Beltline Inc., present
- Carroll County, present
- DeKalb County, 2006, *Roskie/Pruetz*
- Etowah, *Roskie/Pruetz*
- Harris County, present
- Morgan County, present
- Newton County, 2007, *Roskie/Pruetz*
- Oconee County, present
- Thomas County, 2005, *Roskie/Pruetz*
- Walker County, present

Jamie Baker Roskie, UGA Land Use Clinic, jroskie@uga.edu, 706-583-0373.

... a tool to guide growth...



CHC Land Use Plan



CHC TDR Program

Current Zoning

- AG-1
- 1 Unit / acre

Sending Areas

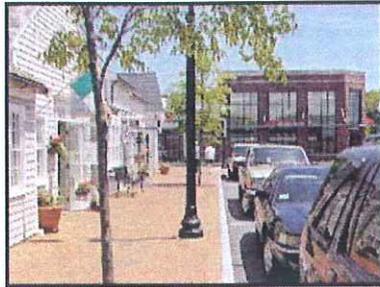
- 1 TDR / acre

Receiving Areas (Villages)

- 1 TDR / extra residential unit
- 1 TDR / 2,000 square ft. of commercial space



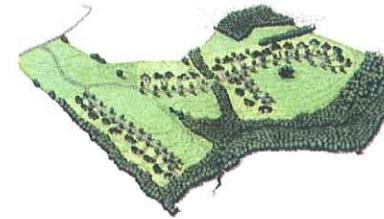
Village



Hamlet



Conservation Subdivision



14 units/acre

1 unit/acre

1 unit/acre

Mixed use

Mixed Use

Residential

10% Open Space

60% Open Space

40% Open Space

Requires use of TDR

No TDR allowed

No TDR allowed

500 Acre Minimum

200 Acre Minimum

No Minimum

**Calculation of Available TDRs in Sending and Receiving Areas
Fulton County's CHC TDR Program**

		2007
Section A	Theoretical Maximum Sending Area Supply of TDRs	22500
	Minus public/protected properties	1124
	= Sending Area Supply	21376
Section B	Sending Area Supply	21376
	Minus TDRs severed through easement	21
	= Remaininig Sending Area TDRs	21355
Section C	Total TDRs Severed through Easement	21
	Minus TDRs recorded on a subdivision plat	0
	= TDRs Severed, Remaining to be Sent	21
Section D	Maximum Receiving Area Capacity	24960
	Minus loss through development	0
	= Available Receiveing Area Capacity	24960
Section E	Available Receiving Area Capacity	24960
	Minus TDRs recorded on a subdivision plat	0
	= Remaining TDR Receiving Area Capacity	24960
	Total Number of TDRs Remaining to be Sent (Total Section B + Total Section C)	21376

Benefits of CHC TDR Program

- Simple
- TDR ordinance enhanced by design guidelines of Village, Hamlet, and Conservation Subdivision
- Ratios are simple (1/1 from sending to receiving)

Problems with CHC TDR

- 5 Landowners own over 50% of CHC
 - Good when creating the plan, bad when maintaining the plan
- 1 Developer needs TDRs currently
 - Only Village developers can use TDRs
 - Conservation Subdivision and Hamlet developers cannot use TDRs
- Annexation of South Village into Palmetto
 - Creative example of developers asking for density and receiving it instead of using TDRs
- Incorporation of CoCHC split East Village in half
 - Developer lobbied to have TDR ordinance eliminated from unincorporated half of development
- Housing market slump
 - Less Development Pressure = Less Need for Developers to Purchase TDRs

Lessons learned from CHC

- Keep it simple
- **NO Density give-aways by local governments**
- More players in the TDR market
- TDR program creates temporary conservation
 - Unsophisticated developers don't want to deal with TDR regulations, so they develop elsewhere
 - If there is NO development, the need for conservation is not as urgent
 - If there IS development, the TDR tool is in place to execute the conservation
- During a downturn in the real estate market, the desire to sell TDRs increases due to economic pressures
- Monitor and refine TDR program over time

Lessons Learned, Cont'd

- Use gross density calculation to determine the number of TDRs available on sending properties.
 - Current conservation subdivision, hamlet, and village ordinances use gross density calculations to determine development density, and TDRs should be calculated the same way.
 - Gross density calculations are less complicated administratively and less costly to document through surveys.
 - Gross density calculations will protect sensitive areas (stream buffers) currently excluded from sending areas.
- Allow use of TDR in Hamlets and Conservation Subdivisions.
 - Cap density increase
 - Hamlet – 15% density increase
 - Conservation Subdivision – 5% density increase
 - Restrict sending area (Hamlets and Conservation Subdivisions must acquire TDRs from a certain area)
 - Hamlet – 1.5 mile radius from project boundary
 - Conservation subdivision – 1 mile radius from project boundary

Lessons Learned, Cont'd

- Allow transfers of TDRs from publicly owned land
- If there is a proven need to incentivize commercial development, change ratio from 1:2,000 square feet (1TDR in order to build 2,000 square feet) to 1:5,000 square feet.
- Transfers should be approved administratively. City Council should not have to approve every transfer.
 - If transferring across jurisdictional boundaries, this requirement might be retained.
- Assess transfer ratios every 6 months. Provide mechanism for changing ratios to allow for incentivizing appropriate development and conservation.
- We have found that the cost of surveys (a requirement for landowners who are selling their TDRs) is a hindrance to many landowners. Landowners are often slow to invest in a survey when they are unsure about the buyer. The CoCHC could hire an employee who can conduct surveys in addition to other job requirements.
 - Reduces cost to landowner
 - Removes stumbling block

Lessons Learned, Cont'd

- Enter into an Intergovernmental Agreement (IGA) with Fulton County and other adjacent municipalities and counties to allow transfers of development rights across jurisdictional boundaries.
- Require the assessment of ad valorem taxes be paid by on TDRs at the time of recordation in receiving area and not in the interim between severance from sending area and recordation in receiving area. This may be included in any intergovernmental agreement entered into with participating county governments.
- Require the locations of retained development rights to be determined within the conservation easement through delineated building envelopes.
 - This requirement will eliminate confusion about where retained development rights are (where dwelling units can be built) in future sales of restricted property.
 - If property is subdivided in future, this requirement is very important.
 - This requirement will aid the tax assessor in properly assessing restricted property

Lessons Learned, Cont'd

- Include TDR requirements in each zoning district in which it is applicable. For instance, TDR requirements should be listed in the MIX-CHC zoning classification in the Overlay.
- Potentially allow green building techniques to qualify as TDR credit (don't have to buy as many TDRs if you meet LEED standards).
- Potentially allow management of residential square footage through TDR.
- Require proof of purchase of 40% of total TDRs needed for project phase at time of preliminary plat. Amend Sec. 58-253 to reflect this requirement. Also Amend same section to define "any plat."
- Amend Sec. 58-248: remove calculations and place into the Overlay ordinance and/or comprehensive land use plan. These calculations should be included in applicable sections of the Overlay ordinance (Village, Hamlet) and within the conservation subdivision ordinance. State in Sec. 58-248 that the calculations for the TDR ratios can be found in the Overlay ordinance.

TDR Bank Responsibilities

- Transactions
 - Broker/listing activities
 - Option of funding transaction costs for landowners who cannot afford survey, appraisal, legal fees, endowment
- Education
 - To landowners
 - To elected/appointed officials
 - To communities
- Registry
 - List landowners and developers interested in participating in the program
 - Track TDR certificates from creation to extinguishment

Advantages of TDR Banks

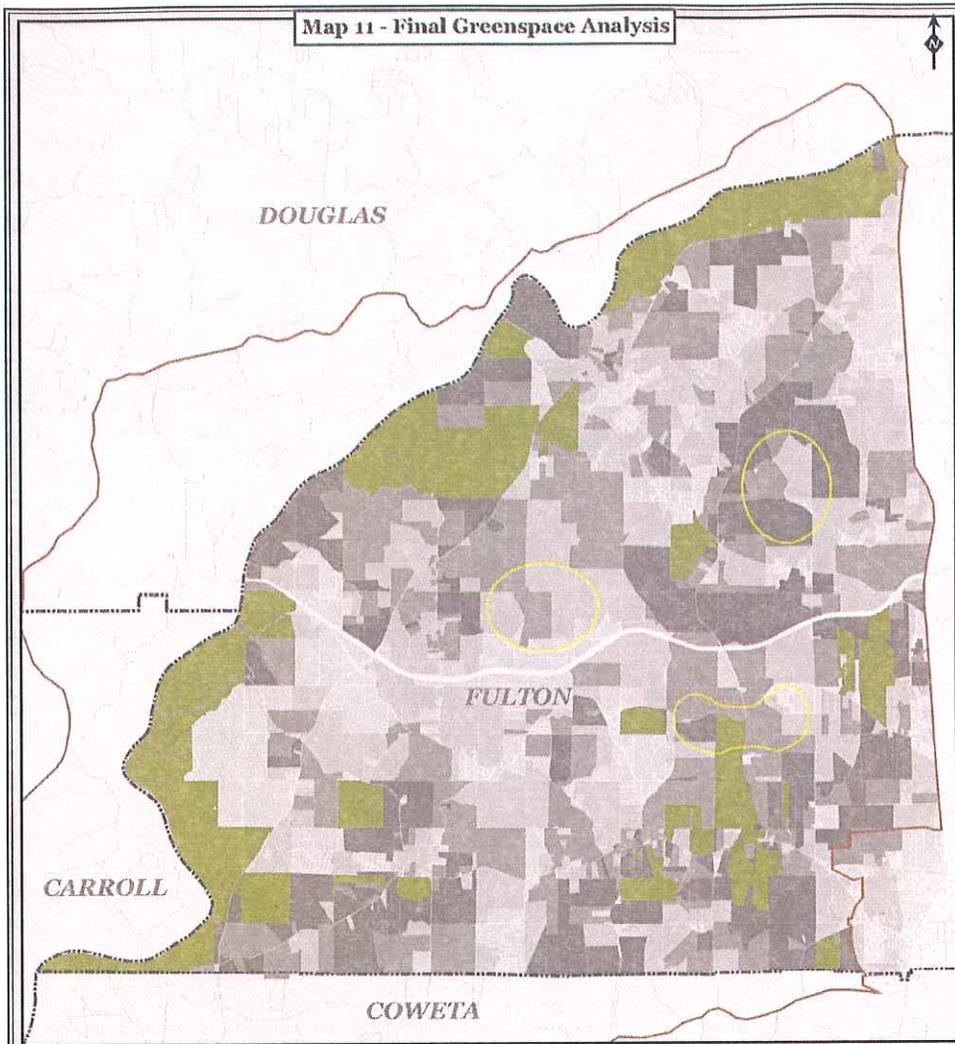
TDR Banks (local government or non-profit)

- Assures Compensation to sending site landowners
- Assures availability of TDRs to receiving site developers
- Leverages acquisition dollars through revolving fund
- Establishes and stabilizes TDR prices

Non-Profit TDR Banks

- Promotes, markets and facilitates program / mission driven
- Gives landowners a choice when selling TDRs
- Can be dedicated organization for in-lieu-fee payments from TDR programs across the state
- Ensures protection of conservation values

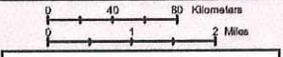
Map 11 - Final Greenspace Analysis



Final Greenspace Analysis

Final Prioritization		
Protection Priority	Protection Score	# of Parcels
High	1.5-2.0	57
Medium High	2.01-2.33	188
Medium	2.34-2.61	423
Medium Low	2.62-2.83	907
Low	2.84-3	1914

This thematic map shows results from the final greenspace analysis for parcels in Fulton County, Georgia. Final protection scores are a combination and average of the totals from the three individual greenspace analyses (Water Quality and Animal Habitat, Agriculture, and Historic, Scenic, and Cultural).



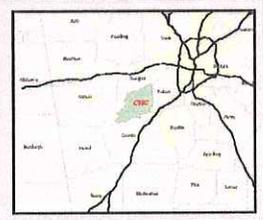
Legend

Final Greenspace Analysis

Priority

- 1.50 - 2.00 High
- 2.01 - 2.33 Medium High
- 2.34 - 2.61 Medium
- 2.62 - 2.83 Medium Low
- 2.84 - 3.00 Low

Roads
 Counties
 CHC Villages
 CHC Boundaries



**Chattahoochee Hill Country Conservancy
TDR Bank**

TDR Market Value Calculation

		Dickerson		Monk/Thndris
Landowner		\$48,000.00		\$45,000.00
Survey		\$1,745.00		\$1,587.50
Legal		\$8,358.55		\$8,358.56
Appraisal		\$5,000.00		\$5,000.00
Endowment		\$2,110.84		\$1,960.16
Property Taxes		\$740.46		\$555.36
	<i>Subtotal</i>	<i>\$65,954.85</i>		<i>\$62,461.58</i>
	<i>Subtotal / # of TDRs</i>	<i>\$5,496.24</i>		<i>\$6,940.18</i>
Administration				
	Staff Time	\$6,424.47		\$6,424.47
	6% RE Commission	\$3,957.29		\$3,747.69
	Total	\$81,832.85		\$79,573.92
# of TDRS		12		9
Market Value of TDRs		\$6,819.40		\$8,841.55