

AWC IDEA on TDR's
How to make them ATTRACTIVE to cities

- If cities are to play a role in accepting TDR's, they should have a role in defining which lands are eligible for them.
 - **Why?** There needs to be some sort of "connection" between city residents and the land(s) which are "saved" from development, otherwise why would officials/residents "care"?

- GMA-planning counties wanting to designate lands for TDR's should do so in consultation with potential "receiving area" cities (as noted above) AND
 - should be prohibited from upzoning other lands for residential development outside urban growth areas until such time as a certain percentage of designated TDR areas have been transferred to accepting areas.
 - **Why?** It doesn't make sense to "save" some lands and ask cities to accept higher densities while simultaneously upzoning more rural or resource lands.

- The state should alter the GMA Population Forecasting system that allocates 20-year growth targets that GMA-planning counties and cities must plan for. A revised process should include a "TDR reserve" as a portion of a county's 20-year forecast IF that county notifies OFM of an interest in having a TDR program.
 - **Why?** If cities agree to accept TDR's, it should be recognized as part of the countywide process of planning for the 20-year state growth projections. If a city or cities accept greater allocations through TDR's, the county should REDUCE by an equal amount the numbers of people they plan for OUTSIDE of urban growth areas.

- Cities should be eligible to share in the revenues that are generated by the "sale" of TDR's. Cities agreeing to accept more density through TDR's would be required to use any such funds to provide infrastructure to areas within the city where TDR's are located.
 - **Why?** A landowner selling development rights makes a profit and keeps the land. The person buying the rights gets the added value of increased density on property they own or control in some way within the city. The city should receive a certain percentage (fixed in statute?) of the price paid for the rights and would be required to invest it in infrastructure that benefits the property where the rights were applied.

- The state should take revenues generated by the sale of the rights (state REET) and improvements upon the receiving land (state sales tax on new construction) and either spend them on infrastructure that benefits the receiving land or provides them directly to the receiving city for enhanced infrastructure.
 - **Why?** Receiving cities need incentives to meet a state policy objective of making TDR's a reality.

