

# Transfer Of Development Rights



## What is the objective of a Transfer of Development Rights (TDR) bylaw?

The goals for a Transfer of Development (TDR) bylaw are to:

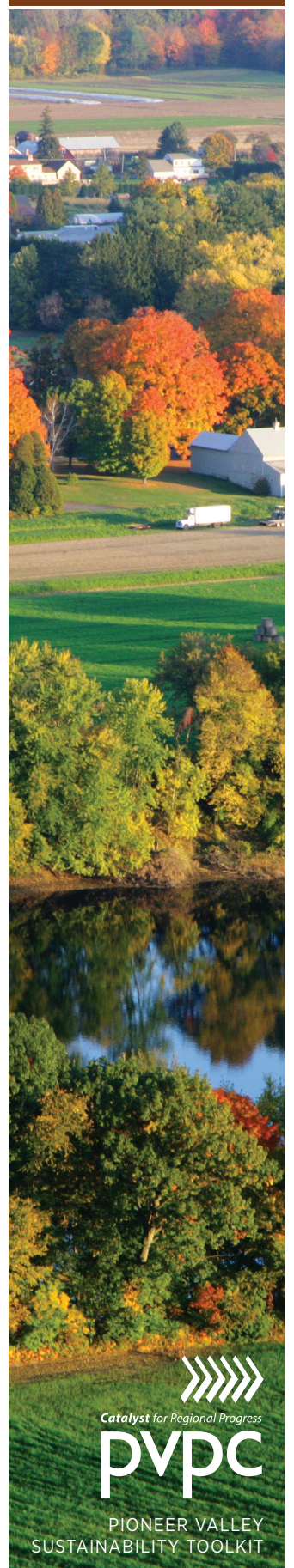
- » preserve farmlands, aquifer recharge areas and rural character;
- » protect river corridors, scenic uplands and mountains;
- » foster compact, mixed use development in town centers and village centers;
- » promote traditional neighborhood development;

TDR provides options to direct growth away from lands that should be preserved, to areas well suited for higher density development, such as village centers and areas with adequate infrastructure.

## Why do we need a Transfer of Development rights bylaw?

Conventional low-density residential zoning allows for wide tracts of land to be developed as sprawl. Conversely, in areas that have emerged as potential community centers, existing zoning may not allow for density levels appropriate to a vibrant commercial or mixed-use district.

TDR provides another option for preserving farmland and open space, which benefits the community, farmers, landowners and businesses. It preserves farmland without needing public funds. TDR allows more options for businesses to expand in current business zones. TDR promotes creation of compact neighborhood-style residential developments to reduce sprawl. It is completely voluntary, and landowners only participate if they choose to do so.



## How does a Transfer of Development Rights bylaw work?

The community identifies specific preservation areas as "Sending Areas" and specific development districts as "Receiving Areas". "Sending Areas" may include prime agricultural lands, water supply or aquifer protection areas, river corridors, uplands and mountains, and unique natural areas or scenic landscapes identified for protection in the Open Space and Recreation Plan. "Receiving Areas" may include town and village centers areas where compact mixed use growth is desired and served by infrastructure. This may include districts such as a General Business District or Village Center Business District.

The TDR bylaw allows development rights to be purchased in the Sending Area and transferred to the Receiving Area for use in more compact residential or business development projects, with the approval of a Special Permit. Project proponents can either purchase development rights directly from farmers or landowners, or can make a cash contribution to the community for purchasing agricultural or open space preservation restrictions.

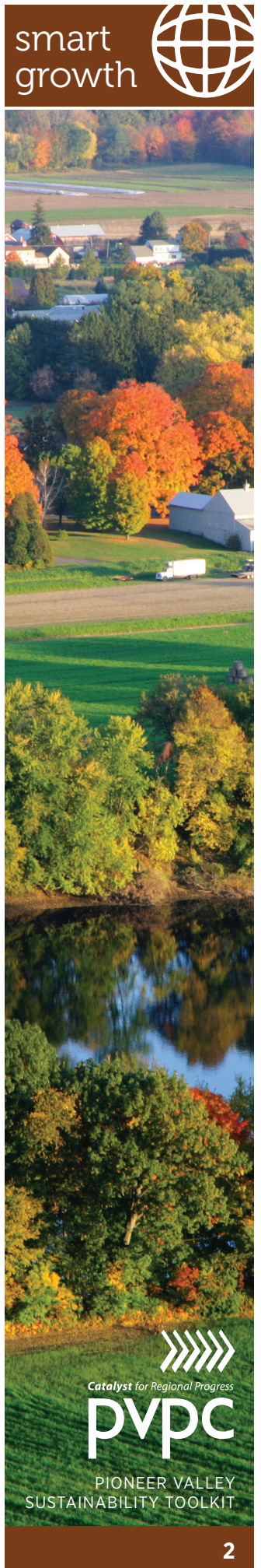
The amount of money required to purchase these development rights is generally negotiated between the landowners, based on market values. In exchange for the purchase price, landowners in the sending area place a deed restriction on their property.

Developers who buy development rights are acquiring the capacity to build higher density on existing lots in a receiving area. For example, in exchange for each residential building lot for which development rights are purchased in the Sending Area, developers could have several options for property in the Receiving Area, including:

- » receiving a 5% increase in maximum building coverage for a single commercial or industrial lot;
- » receiving 1.2 residential building units and an increase in residential building coverage;
- » receiving a reduction in required parking by 20 spaces.

### DID YOU KNOW...

The Town of Hadley has completed a total of ten TDR projects, generating a total of \$338,772 in TDR funds. This money has been used to offset the match requirements for APR purchases in the community, and has leveraged \$3.8 million in state APR dollars. As a result, Hadley has been able to protect over 356 acres of prime farmland using TDR.







Econolodge in Hadley used the TDR bylaw to reduce the required amount of parking in exchange for a farmland preservation payment.

## EXAMPLES FROM THE PIONEER VALLEY

Transfer of Development Rights Bylaws in Easthampton, Hadley, Hatfield, and Westfield

Transfer of Development Rights (TDR) bylaw is used to protect valuable working agricultural lands and promote compact development in identified growth centers. TDR bylaws have been adopted in Hadley, Easthampton, Hatfield, and Westfield. The bylaw works by creating two new zoning districts: a Farmland Preservation District and a Receiving District. Development rights can be purchased from the Farmland Preservation District and transferred to the Receiving District to be used for residential, commercial, or industrial development projects. This bylaw essentially moves green space from the Receiving District to the Farmland Preservation District. Adoption of this bylaw can provide a community with another option for farmland protection, and give developers more options for development in already existing growth centers.

**A model bylaw or strategy is included in the Pioneer Valley Sustainability Toolkit.**

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### FOR MORE INFORMATION, PLEASE CONTACT

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