

TDRs in Oconee County: The Issues

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Why Manage Growth?



- Some growth will come to your city or county whether you want it or not.
- Some growth won't come to your city or county no matter what you do.
- Then there is a middle ground you can impact
 - **This part will decide your fate**

Economic Benefits of Farm and Forest Lands



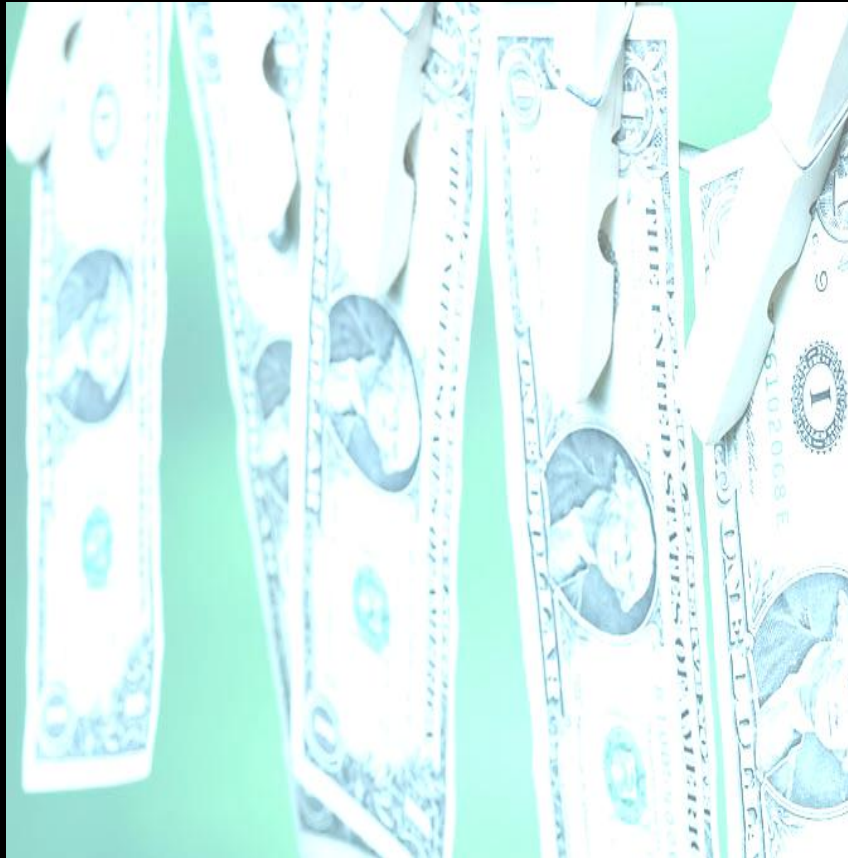
- These lands produce valuable products for consumers, generate jobs and tax revenues
 - **1/6 of all jobs and gross state product in GA**
- These lands attract businesses and families
- These lands also provide a net surplus to local government finances

Economic Benefits of Green Space



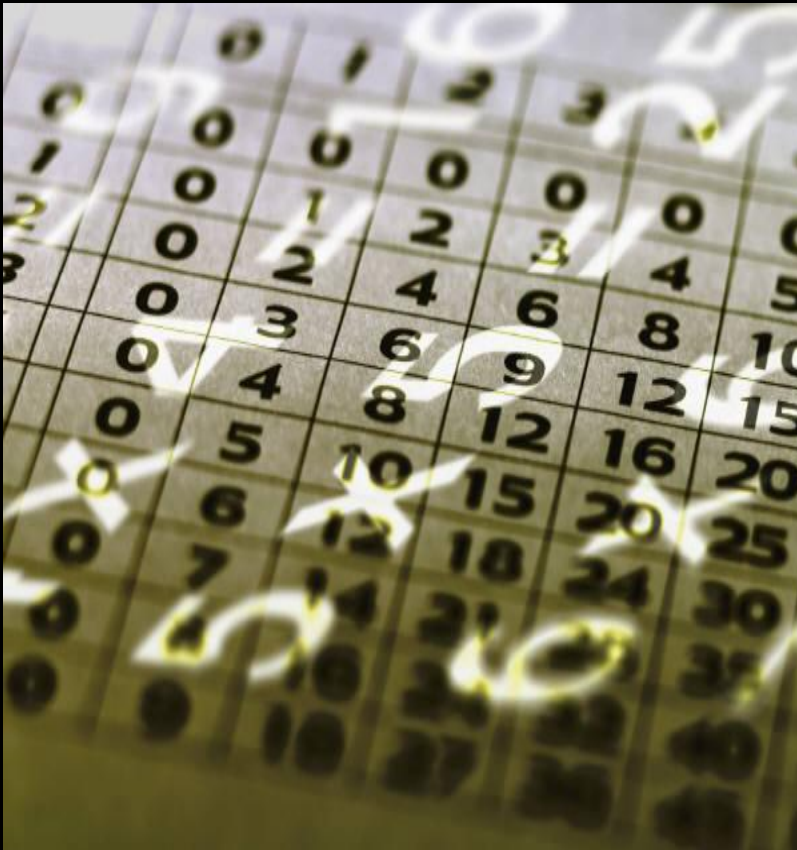
- Green spaces increase property values of surrounding land
- Green and open spaces can provide environmental amenities for free
- If green spaces contribute to quality of life, you attract people and jobs to community

Development by Type



- Many counties and cities think that **growth** and **development** mean an **increasing tax base** and better financial health for the local government.
- Unfortunately a growing tax base is not enough to guarantee financial health, **you must get revenue to grow faster than expenditures.**

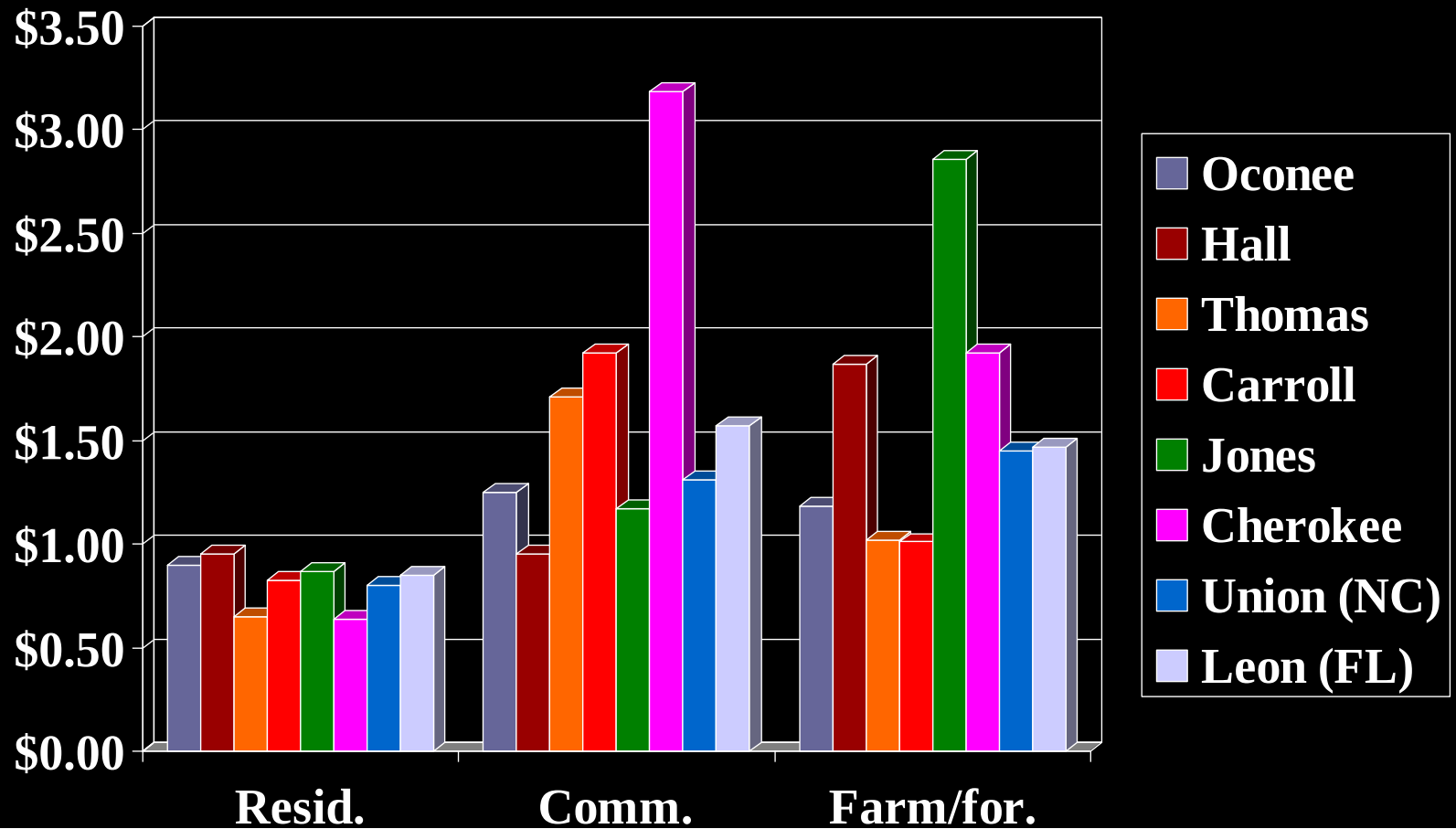
Revenues to Cost by Land Use



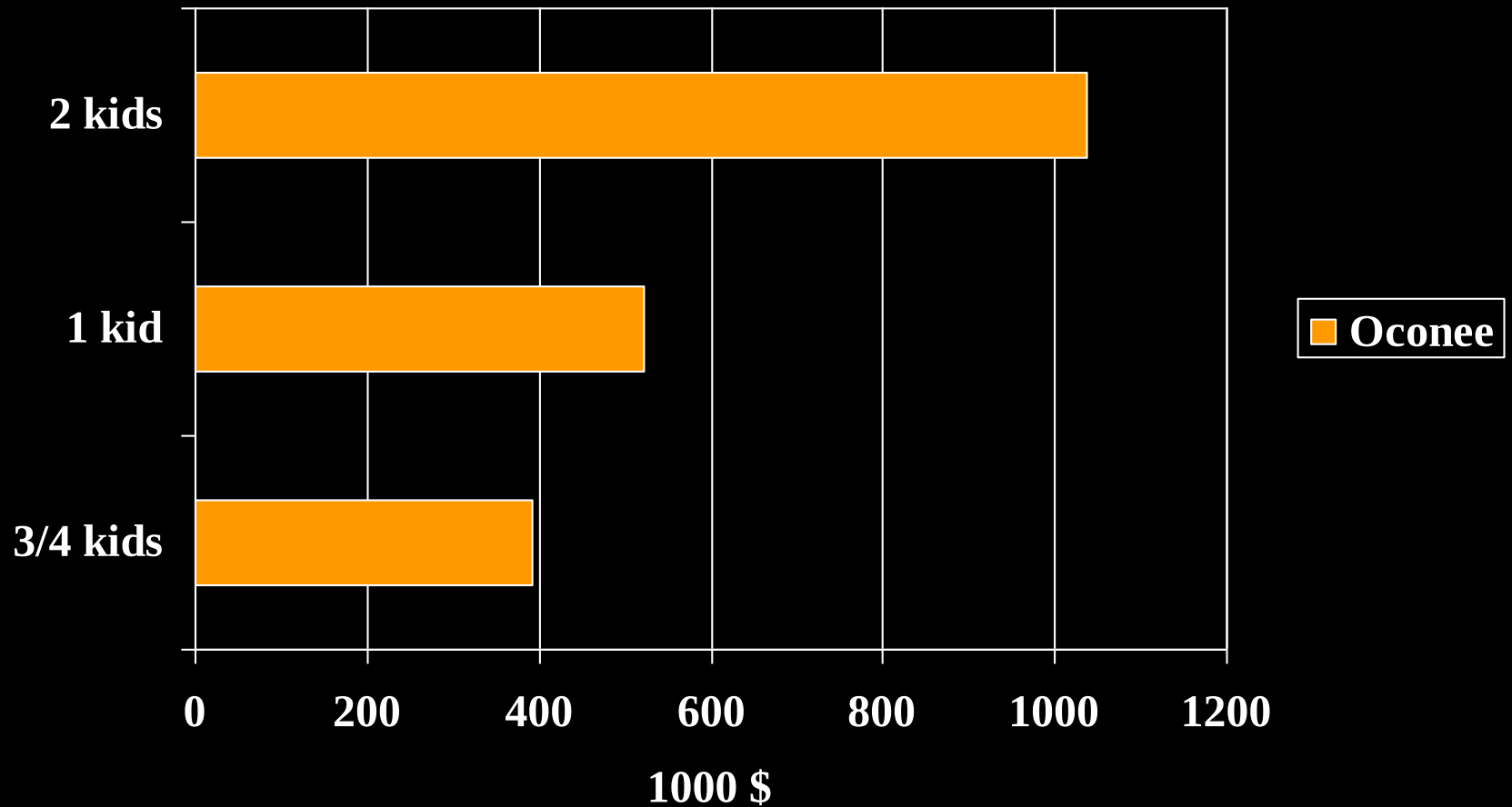
- Using results compiled by AFT, the national averages are:
 - **Residential:** **\$0.87**
 - **Commercial/Industrial:** **\$3.45**
 - **Farm/Forest/Open:** **\$2.70**
- These figures are \$'s of revenue for each \$1 of expenditures.

Some Southeastern US Results

Revenue:Expenditure Ratios



School Break-even Home Values

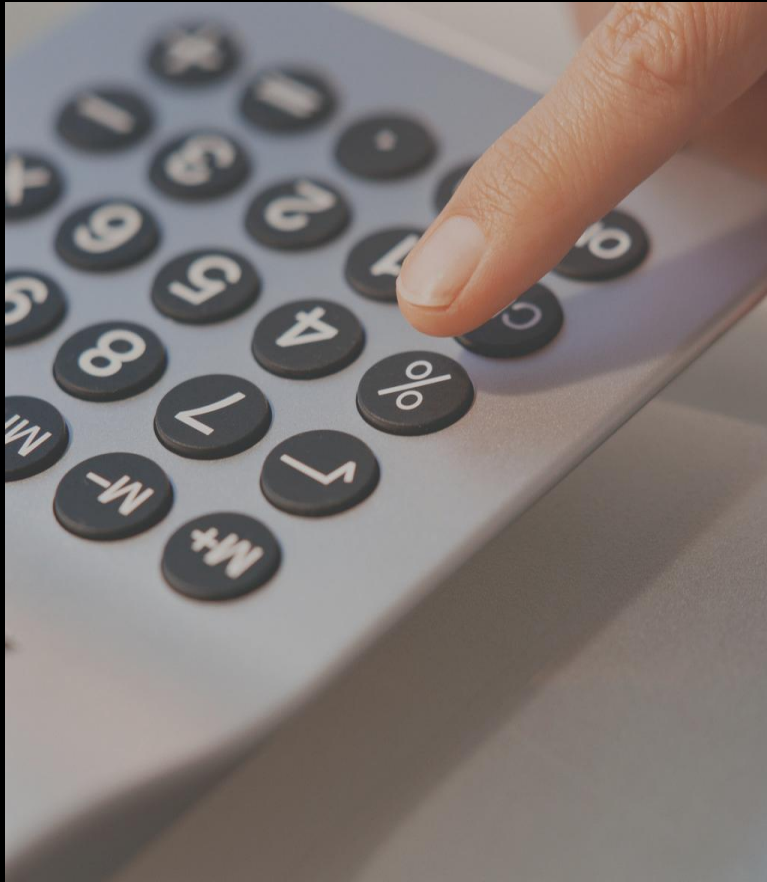


Development Patterns



- Development patterns have an impact on the cost of service delivery: **sprawl is expensive to service.**
- The same growth done more densely and contiguously saves both money, farmland, and provides environmental amenities.
 - **New Jersey, South Carolina, California studies**

How to Change the Numbers



- Cost of service goes down by 50% of land savings (use half the land, save 25%).
- Avoid leapfrog development.
- Build where infrastructure already exists (infill is much cheaper than extensive growth).
- Multifamily is less expensive per unit until density gets very high.
- Design so service costs are low.

Transferable Development Rights



Why use TDRs to preserve green space?

Landowners:

- retain land & continue traditional uses
- are compensated for lost development potential
- participate in the program only on a voluntary basis.

Developers:

- Can build innovative projects
- Gain certainty over their plans at the cost of purchasing TDRs.

Communities:

- preserve green space at lower cost
- save on service costs vs. developed land

TDRs can be used to protect resources such as:

- agricultural land
- groundwater recharge areas
- wetlands
- woodlands
- road frontage



TDRs can direct growth to:

- areas in need of revitalization
- areas where infrastructure exists
- other areas where growth is desirable



A TDR Program needs:

- well-defined goals
- significant public input
- sending & receiving areas
- formula for allocation & use of development credits
- incentives
- review & adjustment process



Successful TDR programs are:



- based on market analyses
- incorporated in zoning code & provide only means to increase density
- **used with other land preservation strategies**

TDR Bank

- a matchmaker between sellers & buyers
- a buyer of last resort
- a means of inspiring confidence in the program
- a record keeper
- can be publicly or privately funded



Possible Other Government Tools

- Zoning
- Standards
- Impact fees
- Incentives (time, approval, differential fees)
- PDRs
- Time
- **Infrastructure**



Jobs, Commuting, and Home



- 31% of workers in Rural South work in a different county than where they live.
- 52% of employment growth in metro areas was from in-commuters.
- 27% of employment growth in rural areas was from in-commuters.
- **jobs $\neq$ housing growth**
- Source: Mitch Renkow, NC State

Conclusions

- A TDR program could have benefits in Oconee County.
- Need to decide what to protect and what to allow.
- TDRs will not be a cure-all.

Other Resources



- To see similar slides to those printed here and other graphs, reports, and resources on the economics of growth and land use, you can use the web at:

www.arches.uga.edu/~jdorfman/
or

landuse.uga.edu