

Fact Sheet
Nonstructural Measures
(Land Acquisition Measures)

Option: Transfer of Development Rights (TDR)

- Description:** Program to reduce development on riverfront or other flood-prone areas by allowing land owners to sell or transfer their land development rights to sites in less vulnerable and/or environmentally sensitive areas, while original property remains in private ownership.
- Example(s):** The State of New Jersey Highlands Council has established a TDR program, using the Highlands Development Credit (HDC) Bank to broker the assignment and sale of development rights. The goal of the program is to foster land conservation in the New Jersey Highlands area.
- Benefits:** Limits development potential in environmentally sensitive or at-risk properties, thus reducing storm and flood damage; allows for the creation of public lands and recreation areas; limits property owner and government expenditures, especially if tax reductions are granted on property after transfer of development rights.
- Challenges:** Many of the riverfront properties are developed with limited availability of developable inland areas, requires extensive coordination and participation between municipalities and landowners; difficult to provide fair compensation; sending and receiving areas may have to be in same school/tax districts; would require adopted plan and new zoning regulations that set forth sending/receiving areas; public may perceive receiving areas as “dumping” areas in that they would be developed at higher densities; does not address overall flooding problem; public outreach and education needed.

