

**Delaware River Basin Comprehensive Study – Interim Feasibility Study for New Jersey**  
**Flood Risk Management Measures**

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**Fact Sheet**

**Nonstructural Measures**

**(Land Use and Regulatory Measures-Economic)**

**Option: Tax Incentives**

- Description:** Provision of tax benefits to property owners who install structural measures to existing buildings to reduce flood damage, establish conservation easements, land donation arrangements, or other development restrictions on undeveloped lands susceptible to flooding.
- Example(s):** Conservation easements and donations to a government entity or not-for-profit conservation groups that would ensure that parcels remained undeveloped in perpetuity; decision by a local municipality to not reassess a building after retrofitting, floodproofing, or elevation.
- Benefits:** Limits development potential of at-risk properties, thus limiting flood damage loss; encourages growth in defined areas or relocation to less at-risk areas; encourages land donations, easements, transfer of development rights, and land exchanges; long-term protection of undeveloped lands as a natural resource and buffer area; allows local community to tailor its own programs.
- Challenges:** Many properties along rivers and within floodplains are already developed; requires agreement of land appraisal values and tax deduction benefits; land may have to meet certain conservation criteria such as protection or enhancement of wildlife habitats, watersheds, public recreational resource, or scenic vistas; incentives may not be of measurable interest to property owners; loss of tax revenue; costly to administer and enforce.

