



Sammamish TDR Program

Summary of Findings and Policy Recommendations

November 14, 2008

Background

The Sammamish City Council adopted final amendments to the Town Center plan on June 9, 2008. As a response to citizens' desires to link the new Town Center with conservation, the adopted plan includes developing a Transfer of Development Rights (TDR) program. TDR is a market-based mechanism that utilizes the demand associated with development to conserve environmentally sensitive lands and open space. An active TDR market can help Sammamish expand the protection of its natural resources by using private funding generated by development. Unlike zoning regulations, which can change over time, TDR protects natural areas permanently, helping Sammamish ensure its quality of life and sense of place into the future. Sammamish hired Cascade Land Conservancy (CLC) to help develop its TDR program.

Key Research Findings

What areas should Sammamish prioritize for conservation?

Local environmentalists with whom we spoke said parcels in the Thompson sub-basin (which includes Ebright Creek) are the top priority for protection through the TDR program. Of secondary priority are unincorporated King County parcels surrounding the Sammamish Plateau, followed closely by erosion hazard areas along the western slopes of the plateau, and then wetland management areas (WMAs) within the city.

What is the expected range of values for residential development rights?

Based on market analysis, CLC estimates a residential development right in Sammamish sending areas to cost approximately \$100,000. Depending on variety of factors, however, development rights in the market may range from as low as \$25,000 to as high as \$250,000 or more. The acquisition of one right is estimated to protect between a half and one acre of land, on average.

How much development does one transferred residential development right equal?

Based on market analysis, CLC estimates that one sending site residential development right equates to approximately 4,000 square feet of commercial space or four residential units in a receiving site, on average. The actual amount for any given transaction will depend on zoning; rights coming from denser zoning will translate to relatively less commercial square footage or residential units and vice versa.

Recommendations

Replace Existing Municipal Code

To reflect the potential for the TDR policy to apply beyond Town Center, CLC recommends that the existing TDR ordinance be replaced with a new chapter in the Sammamish municipal code.

Partnering with King County

To ensure development right availability, to address community support for the conservation of King County lands adjacent to the city, and to take advantage of county amenity funding, CLC recommends Sammamish participate in the King County TDR program.

Sending and Receiving Sites

CLC recommends prioritizing the following four parcel categories for conservation (sending sites):

- Thompson sub-basin parcels
- Identified King County parcels
- Erosion hazard parcels
- Wetland Management Area parcels

The proposed receiving site (the area with TDR incentive zoning) for the initial TDR program is Town Center; however, CLC recommends allowing for the inclusion of additional receiving sites if appropriate in the future. For example, future redevelopment at Pine Lake Village and Sammamish Highlands are potentially suitable receiving sites.

Focus on a Combination of Commercial & Residential Mixed-use Development

Market analysis shows that a TDR program based exclusively on commercial development may have limited potential to generate conservation. CLC recommends creating TDR-based incentives for commercial, residential, and mixed-use development.

Commercial Development Regulations Supporting TDR

As envisioned in the Town Center Plan, TDR-based conservation from commercial development may occur after 430,000 square feet of office or retail product is constructed in Town Center. To avoid a long delay before TDR is used, CLC recommends that TDR incentives be moved forward in the planning cycle in one of two ways:

- Based on an exceedance of a base floor-to-area ratio (FAR) zoning for any given project. FAR-based zoning places different developments on a standardized, comparable scale.¹
- Based on an exceedance of maximum by-right square footage for any given project.

Residential Development Regulations Supporting TDR

As envisioned in the Town Center Plan, TDR-based conservation from residential development may occur after by-right residential units are constructed in Town Center. CLC recommends that (1) a total number of allowable, TDR-based units be determined and (2) incentives to capture these units be moved forward in the planning cycle in a manner complementary to affordable housing incentives.

Parking Requirements Reduction

In the event structured parking requirements are flexible, CLC recommends that Sammamish consider allowing developers to reduce their structured parking requirements through TDR purchases.

TDR Program Administration

CLC recommends that the Sammamish TDR program be facilitated by some formal entity as opposed to operating strictly under a “deals in the field” approach. The administrator may be an official position in the employ of Sammamish or a contracted non-profit organization.

TDR Banking

CLC recommends that Sammamish consider administering its program via a TDR bank. A TDR bank provides information that makes the marketplace more efficient and engages in transactions that accomplish the goals of the TDR program. The bank would be created with public funds or through donations.

TDR Credit Allocation and Critical Areas

CLC recommends that TDR credit allocations be based on gross acreage as opposed to buildable acreage. Although this recommendation translates to some landowners receiving sellable TDR credits for protected critical areas, it provides a greater incentive to participate in the program. It is also easier and more efficient from an administrative standpoint, thereby reducing the transaction costs of participation.

Infrastructure Funding

Sammamish may consider reducing the infrastructure cost burden it intends to pass to developers. As currently conceived, this burden is likely to greatly reduce TDR-based conservation.

Contact

Skip Swenson, TDR Programs Manager
(206) 905-6935 or skips@cascadeland.org

¹ FAR is the area of building floor space divided by the area of the lot on which it is built.