

# KNOX COUNTY TRANSFER OF DEVELOPMENT RIGHTS

## TASK FORCE

### MEETING

Tuesday, February 17, 2009

Small Assembly Room

City County Building

400 West Main Street

### MINUTES

#### 1. **Introductions**

The task force members, staff, and speakers introduced themselves at the beginning of the meeting.

#### 2. **Presentations:**

Task Force was presented three presentations about farmland and other resource protection programs, zoning, and general considerations of TDR programs. After each presentation task force members were given the opportunity to ask questions.

##### Presentation #1

Dr. Terron Hillsman, District Conservationist, U.S. Department of Agriculture provided an overview of USDA programs, particularly the Farm and Ranchland Protection Program (FRPP).

First established in 2002, this program was extended in 2008 with slight modifications. The modifications include forest land conservation. The program, Hillsman noted, is used to purchase development rights of a farm, whereby the land owner is compensated and an easement is placed on the farm to conserve its agricultural use in perpetuity. To accomplish this, the program provides federal funds to cover 50 percent of the cost of the farm's development rights (determined via an appraisal which is based on the difference between current value as farmland and the current market value for the land's conversion to residential or other more intense use, allowed by existing plans and regulations. To qualify for the 50 percent match, a non-profit or similar entity has to provide 25 percent of the easement acquisition. The land owner must contribute the remaining 25 percent (which may be accomplished via a donation, which in essence would reduce proceeds of the sale of the development rights to the farmer by 25 percent).

In the presentation, Dr. Hillsman showed how the mechanics of the program led to the conservation of the Cruze Farm in east Knox county, one of only two FRPP success stories in Tennessee. He pointed out that many states had much greater rates of success, notably Kentucky, where state funding and endowments are available to help meet the non-profit entity's share.

Dr. Hillsman's powerpoint is available on MPC's website which can be accessed via <http://archive.knoxmpc.org/tdr/pdfs/usdashow.pdf>.

Questions pertaining to Presentation #1:

- Bob Wolfenbarger asked for clarification of the word "entity." Dr. Hillsman pointed out that a land trust, such as Foothills Land Conservancy, would be typical.
- Lisa Starbuck and Lynn Redmond inquired about what constitutes a conservation plan. Dr. Hillsman provided several examples, including depiction of fields to be used for a set period of time, water resource protection areas, and soil conservation measures. He went on to say that the conservation plan is a non-regulatory program, based on a general agreement between the farmer and USDA and includes flexibility for change.
- Lisa Starbuck wondered how many farmers had taken advantage of the FRPP. Dr. Hillsman noted only two in Tennessee with the Cruze Farm being the local example. Victoria Defreese asked why the Cruzes were willing. It was explained that the community wanted to preserve the farm from development and that the Cruzes stepped forward with an interest in buying the farm if the FRPP program could be used.
- A question arose if such an organization as Ducks Unlimited could be an entity. Dr. Hillsman said possibly but not likely because their primary mission is not prime farmland conservation.

Presentation #2

Mark Donaldson presented on MPC's plans and current zoning in Knox County. Mark outlined the success of the Growth Plan, noting the effectiveness of directing new development into the Urban Growth and Planned Growth Areas. The Rural Area, he pointed out, has had only 13 percent of all building permits between the years of 2001 and 2007. Mark noted most of the rural area permits were for houses or mobile homes. Mark continued with an explanation of various types of zone districts, pointing out which ones require further review and which ones do not.

Mark Donaldson's powerpoint is available on MPC's website which can be accessed via [http://archive.knoxmpc.org/tdr/pdfs/mpc\\_tdr\\_feb17.pdf](http://archive.knoxmpc.org/tdr/pdfs/mpc_tdr_feb17.pdf)., slides 1-21.

Questions pertaining to Presentation #2

- Lisa Starbuck wondered how much rural residential land (as opposed to agricultural land) is there in Knox County. Mark noted that one measure is the number of A (agricultural) zoned lots, less than 3 acres, which is about 9,000 parcels. He went on to say that the A zone could be split in

the future to address rural residential development and true agricultural uses.

### Presentation #3

Jeff Archer presented an overview of conservation tools, including transfer of development rights, purchased development rights, donated conservation easements, land acquisition, conservation subdivisions, large lot zoning, and Tennessee Greenbelt Law.

Then, he turned to the fundamentals of TDR programs outlining that programs include “sending areas,” “receiving areas” and a means to calculate and administer the development rights. He explained that the typical types of public benefits (agricultural, open space and historic resource protection) that are associated with “sending areas” (the resources to be protected. He went on to explain that “receiving areas are typically locations or districts that have good infrastructure, such as streets and utilities, to sustain development and where growth should be directed. A TDR bank, he noted, is one means to administer the program through which a government or related institution buys and sells development rights, facilitating the compensation to a farmer or other resource owner and permitting the higher intensity use at a receiving area. He pointed out that holding the zoning pattern or downzoning of the resource area are essential to the success of a program. In downzoning agricultural land, he remarked, that the proceeds from the purchase of development rights are used to compensate the farmer. Jeff ended the presentation discussing possible next steps, including potential need for consulting services.

Jeff Archer’s powerpoint is available on MPC’s website which can be accessed via [http://archive.knoxmpc.org/tdr/pdfs/mpc\\_tdr\\_feb17.pdf](http://archive.knoxmpc.org/tdr/pdfs/mpc_tdr_feb17.pdf)., slides 22-47.

### Questions pertaining to Presentation #3:

Lisa Starbuck asked a question about the cost of consulting services. Jeff stated that is something that will be researched and provided to the task force.

### **3. Call to Order**

- Following the presentations, Lisa Starbuck geared the meeting to agenda discussion and called the meeting to order. The following members were present Daphne Hull, Bob Wolfenbarger, Lynn Redmon, John Schoomaker, Chris Eppers, Lisa Starbuck, and Victoria Defreese. Members absent from the meeting were James Bletner and Kenny Phillips.
- Knoxville-Knox County Metropolitan Planning Commission staff members present were: Mark Donaldson, Executive Director, Mike Carberry, Comprehensive Planning Manager, and Jeff Archer, Senior Planner. Guest speaker: Dr. Terron Hillsman, District Conservationist, U.S. Department of Agriculture.

#### 4. Discussion

- Lisa Starbuck asked if staff heard from Kenny Phillips and Jeff Archer responded that he had talked to him earlier giving him notice of the meeting.
- Minutes: no action was taken. Jeff Archer pointed out that they are and will be posted on the website. The Task Force would take up the first two sets of minutes at the next meeting.
- After Jeff pointed out difficulty in scheduling Public TV, the Task Force agreed to be consistent about a one time a month meeting to facilitate securing the room consistently.
- Bob Wolfenbarger said he anticipated that it would be necessary to ask County Commission for more than six months to outline the issues and make a report.
- John Schoonmaker wondered if the Task Force should proceed.
- Lisa Starbuck asked if the economic downturn would have a bearing on work or time frame.
- John Schoonmaker, reading the charge of the county commission, pointed out that the Task Force responsibility was to report on issues related to a potential TDR program and that that was achievable.
- Mike Carberry remarked an article on TDR: “What Makes TDR Work,” is good food for thought and should be reviewed by Task Force members to understand and outline potential issues.
- Lisa Starbuck said a look at Franklin’s program may be helpful; staff noted that they felt that program had stalled but would check.
- Victoria Defreese expressed the need to bring stakeholders into the process.
- Lisa asked if a press release could be provided before the next meeting. Mike Carberry said MPC would provide a release.
- As to the next agenda, Mark Donaldson advised that the Task Force to identify the potential public purposes that could be served under a TDR program. There was consensus on this point.
- Mike Carberry asked what resources staff could bring to that discussion. Lisa Starbuck requested that selected hillside maps and information would

be helpful. Mike said he would try to get a map that would provide a good indication of farms.

**5. Adjournment**

The meeting was adjourned at approximately 7:30.