



Transfer of Development Rights

DR016



What are Transfer of Development Rights and their use?

Redmond's Transfer of Development Rights (TDR) program allows property owners in environmentally or historically significant areas to transfer their right to develop to property owners in areas of Redmond more suitable for urban development. A successful transaction benefits the seller (who sells the development rights for financial considerations), the buyer (who is able to use the TDRs on his/her property), and the public at large (who gain a permanent open space, recreation area, or historically significant site).

The City of Redmond has operated its TDR program as a voluntary program to eligible property owners since 1995. These property owners may choose to participate in the program by enrolling all or part of their property by restricting and forfeiting future development. In compensation for this, the property owner receives a certificate that guarantees a number of development credits equal to the on-site development potential that was forfeited. These credits are certified by the City and can be sold by the property owner to those willing to purchase them at a negotiated price.

Since the program's inception, 876 TDRs and \$22.7 million have been exchanged. Almost 430 acres of agricultural, urban recreation, and critical area lands have been protected by the program while allowing additional density to be constructed in

mixed-use, commercial, and industrial areas of Redmond.

How the Program Works

Owners of properties located within environmentally or historically significant areas—known as “sending areas”—may sell the development potential of their properties to owners of property located in areas more suitable for development—known as “receiving areas.” The sending area property owner maintains ownership of the underlying land, but must agree to record a Conservation Easement on the property that protects the resource and restricts further development of the property. The owner of the receiving area property may then increase the permitted density on their property according to the number of development rights purchase, thereby transferring the development potential from the sending area property to the receiving area property.

Organizations and individuals buy TDR credits because credits allow them to build additional density in their projects that otherwise would not be possible. For instance, a developer may use their purchased TDRs to increase height, floor area, and impervious surface area or satisfy open space requirements.

The TDR program is operated on a citywide level only and should not be confused with the King County TDR program. TDRs can only originate from and be used on properties located



within Redmond. The program does not allow TDRs to be traded through the King County TDR program.

Eligible Property

For property to be eligible as a sending area property of TDRs, it must be located in the Urban Recreation zone, listed as a historic resource, located in an environmentally critical area, or provide affordable housing. The following summarizes the necessary steps for selling TDRs if you own property in an eligible sending area:

A sending area property owner may at any time, submit to the Planning and Community Development Department an application requesting the issuance of a Certificate of Development Rights. The property owner will need to provide proof of the property title and a general description of the land that he/she would like to enroll in the TDR program; all or a portion of the property may be enrolled. The City will determine if the property meets the requirements of the program and issue a TDR Certificate that can then be retained by the

sending area property owner or sold or transferred by to any interested buyer.

Before the City issues a TDR Certificate, a Conservation Easement must be recorded against that portion of the property that is being enrolled in the program. The Conservation Easement is granted to the City of Redmond and limits the use of the property for future development. Please note that surveying the property and recording the Conservation Easement may take a few weeks.

Once terms of a purchase and sale with a willing buyer are agreed to, the sending area property owner must execute and record a deed transferring ownership of the development rights. While the sending area property owner remains the underlying landowner (unless the underlying land is sold to a third party), the buyer of the TDRs becomes the owner of the development rights, which may be used to increase development density on land located within designated receiving areas.

Development rights or capacity of the land must not already be exhausted, sold, or transferred. In other words, restrictions on use such as easements, pre-existing deed restrictions, designated future right-of-way, or prior granting of a reasonable use exception will preclude property from being converted to TDRs. For more information on eligibility, refer to [RZC 21.48.010.C.1, Sending Area Properties](#).

The number of TDRs granted per acre of eligible sending area land is based on the site's underlying zoning. In general, where the zoning permits more intense development, an acre of eligible sending area land is granted more TDRs. For example, properties in the Urban Recreation (UR) zoning district are permitted only very low density and therefore receive fewer development rights per acre than land zoned for

higher intensity uses, such as land in Redmond's Downtown. For further details on TDR conversion calculations, refer to [RZC 21.48.010.E, Calculating Development Rights](#).

Use of Development Rights

The owner of development rights may choose how to exercise these rights by selling all, some, or none of the development rights. If rights are sold, they then may be used within a receiving area. Receiving areas for TDRs are generally located within mixed-use, commercial, and industrial zones of the City.

Property owners in receiving areas may participate in the TDR program by acquiring transferrable development rights. To acquire TDRs, receiving area property owners must negotiate a purchase of TDRs from a holder of TDRs. The City's TDR program administrator, Eric McConaghy, retains a list of potential TDR sellers (see contact information to the right).

Property owners in receiving areas may use the TDRs by submitting a land use application to develop property. The application should describe the development proposed, the zoning classification of the property, the amount and TDR Certificate number of the development rights used, how the development rights are proposed to be used, and a notation of the recording number of the Conservation Easement on file with King County.

Each development right is given an equal "value" for its use. Multiple TDRs may be purchased and used in combination. Each TDR within the City of Redmond may be used as follows:

- To increase the amount of building area by 8,712 square feet;
- To substitute a requirement to provide 8,712 square feet of public

or private park land as part of development review;

- To increase the amount of impervious surface on your property by 8,712 square feet (provided the total increase does not exceed 10% of the site);
- To increase the height limitation on your project by up to one story over each increment floor area of 8,712 square feet; and/or
- To add up to 25% (Downtown and Overlake) or 30% (elsewhere) more parking space per 1,000 square feet of gross floor area than would be allowed by the underlying parking requirements provided that the total parking ratio does not exceed 5 parking spaces per 1,000 square feet of gross floor area.

Additional Information Regarding the TDR Program

For complete details regarding this program and requirements, please refer to the [RZC 21.48, Transfer of Development Right \(TDR\) Program](#). Eric McConaghy, TDR program administrator, can provide additional assistance and details in submitting an application to establish TDRs on qualifying sending area properties. Eric also maintains a list of TDR holders who may be interested in transferring development. Eric can be contacted via e-mail at emcconaghy@redmond.gov or by phone at 425-556-2414.

Applicable Code Sections

RZC 21.30: *Historical and Archeological Resources*

RZC 21.48: *Transfer of Development Rights (TDR) Program*

Questions: 425-556-2494 or planneroncall@redmond.gov.

You can also visit us in person at the Development Services Center located on the 2nd floor of City Hall. Open Monday through Friday from 8 am to 5 pm.

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