Chapter 5

Section A.9

Smart Growth and Property Tax Incentives in State Statutes*

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Executive Summary

Smart Growth refers to state and local efforts to curb sprawl. The negative externalities of sprawl, such as the loss of agricultural land and open space, inefficient infrastructure, pollution, congestion, etc. have long been recognized. As a response, smart growth ideas began to spread nationwide in the 1990s to encourage a compact pattern of development. Smart growth attempts to manage growth by directing development towards existing communities, encouraging compact development, and preserving land to prevent the harmful effects of sprawl and leapfrog development and result in a better quality of life.

Vision and Planning

In general, states at the forefront of the smart growth movement coordinate intrastate smart growth with initiative at the state level of government. All leading states launch the state on a smart growth path with planning, coordinating, and outlining a vision. These states pass legislation that updates comprehensive plans with smart growth language. Most states do not mandate that local jurisdictions update their comprehensive plans to conform to the smart growth principles in the state comprehensive plan, but most provide strong incentive for local jurisdictions to comply. For example, Maryland and Tennessee withhold state funding for projects if the projects do not comply with the smart growth plan. Wisconsin prohibits local jurisdictions from engaging in land use regulation if their plans do not comply with smart growth principles. The APA identifies the following states as leaders in smart growth: Maryland, Tennessee, Wisconsin, Delaware, New Jersey, Oregon, Washington, Florida, Georgia, Pennsylvania, Rhode Island, and Vermont (APA 2000).

State Financial and Technical Assistance

Leading states provide financial and technical resources for local efforts to update their comprehensive plans or take other smart growth measures. For example, Maryland funds and staffs the Governor's Office of Smart Growth, Wisconsin issues Comprehensive Planning grants, and Delaware's "Livable Delaware Initiative" provides technical and financial resources. Tennessee stands out as the exception in the group of leading state by not offering planning resources.

Studying the problem

A commonality among leading states is for the governor to issue an executive order for commissions to study problems and make smart growth recommendations. Examples include Maryland's Commission on Environmental Justice and Sustainable Communities, the Tennessee Strategically Targeted Areas of Redevelopment, and Delaware's Governor's Advisory Council on Planning Coordination.

Primary Smart Growth Programs

Leading states implement a similar strategy to smart growth; they designate areas for development and areas for land preservation. Maryland implements the Priority Funding Areas program, and Tennessee and Oregon implement urban growth boundaries.

These programs direct development towards the designated development areas. In order to preserve land, leading states authorize local jurisdictions to provide conservation easements, require a reduction in the assessment value of the land with an easement for property tax purposes, and offer state money to reimburse local jurisdictions for the loss in tax revenue due to easements. Many states have a trust fund to purchase easements, and some states fund it with the Reality Transfer Tax (Delaware and New York). As for impact fees, leading states authorize impact fees, except Tennessee, which prohibits municipalities and counties from charging them.

Property Tax Incentives Used to Promote Smart Growth

Some states intentionally use property tax incentives for smart growth and other states have incentives in their statutes that unintentionally coincide with smart growth principles. It can be assumed that statutes and amendments passed after states launch a smart growth comprehensive plan intentionally try to achieve smart growth. In addition, sometimes statutes include legislative findings that articulate smart growth intentions. The intentionality of most how property tax incentives authorized in state statutes will be used is, however, unclear. Of the smart growth principles, property tax incentives typically contribute to affordable housing, rehabilitation and infill, and preserving land.

To encourage affordable housing, states such as Connecticut, New York, Vermont, Oregon, Iowa, Maine, and California offer tax abatements or exemptions to land owners for the construction of affordable housing or improvements to such housing. Some statutes limit the abatement for 5 years. Connecticut provides reimbursement for tax revenue lost to this program. Iowa, California, and Maine use tax increment financing to encourage affordable housing development.

To encourage infill and redevelopment, many states use tax increment financing in urban renewal areas. TIFs are used in nearly every state to encourage economic development in blighted areas. It is not always apparent which TIFs can be considered as "smart growth" tools. If the TIF attracts development in a compact area that would have otherwise gone to a greenfield on the urban fringe, then the TIF contributed to smart growth. TIFs important to smart growth include those committed to cleaning up brownfields (Tennessee), to rehabilitating abandoned houses (Iowa), to encourage mixed use development (Wisconsin), and to encourage environmental rehabilitation (Wisconsin).

To encourage preservation of agricultural land and open space, most states exempt or reduce property taxes on land that owners commit to preserving. State actions to support these programs include 1) mandating that conservation easements be valued at current use during assessment for property taxes and 2) charging a penalty, or change of use fee, for land owners that alter their land from the current use to an activity with economic gain.

Leading smart growth states usually authorize local governments to provide property tax incentives rather than issue mandates. Only one type of property tax incentive is commonly mandated: the assessment of easements. States require assessors to reduce the value of land with easements for property tax purposes. Only eighteen states mandate that easements be taken into account during assessment and leading smart growth states are among that group.

Effectiveness

Studies of Maryland's smart growth programs discovered that the state did not collect the data necessary to evaluate the programs. This appears to be a common issue among even the leaders of smart growth; a lack of data collection, monitoring, and evaluation. Estimates of Maryland's Priority Funding Areas program suggest that most development occurred in designated areas, but researchers are unsure if this result can be attributed to the program.

Many studies have researched the effectiveness of property tax incentives on influencing a firm's decision to locate where it otherwise would not. These studies measure economic outcomes that do not necessarily indicate smart growth success, but they contribute to a general understanding of property tax incentives as a mechanism for influencing location decisions. Location decisions are relevant because smart growth's main objective is to direct development to certain locations. The main message from the literature is that property tax incentives can only influence location decisions if the incentive is only offered in one place at a time. Targeted property tax incentives coordinated by the state are much more effective than when neighboring communities compete with each other to attract development. Even so, property tax incentives represent a small portion of operating costs and often cannot overcome other factors that would attract a firm to the urban fringe such as transportation.

Similarly, on the urban fringe, the economic gain landowners receive from selling to a developer can far outweigh any the cost of a penalty for changing the use of their preserved land. Research shows that the effectiveness of conservation easements and preferential treatment of agricultural land depends on the development pressure on the land. Overall, states continue to losing farmland and open space to development, but preservation efforts seem to be slowing that process.

Introduction

The purpose of this research note is to identify and provide a description of states' statutes that use property taxes to provide incentives for smart growth and in-fill development or that provide disincentives for open-field or greenspace development. We also undertook a literature review to explore the experiences that states have had using smart growth property tax incentives.

We would like to emphasize four points in the approach to this task. 1) Smart growth is a broad concept that carries different meanings in different states; 2) the primary tools states use to encourage smart growth are regulations and infrastructure investment policies rather than property tax policies or incentives; 3) many state actions are effectively in line with smart growth though states may not refer to actions as "smart growth" or declare publicly that the effort is intended to manage growth; 4) property tax incentives can unintentionally contribute toward smart growth principles.

Smart Growth refers to state and local efforts to curb urban sprawl. The negative externalities of sprawl, such as the loss of agricultural land and open space, inefficient infrastructure, pollution, congestion, etc. have long been recognized. As a response, smart growth ideas began to spread nationwide in the 1990s to encourage a compact pattern of development. Smart growth attempts to manage growth by directing development towards existing communities, encouraging compact development, and preserving land to prevent the harmful effects of sprawl and leapfrog development and result in a better quality of life. The American Planning Association (APA), a leading organization in smart growth, defines smart growth broadly as:

> "Smart growth is the planning, design, development and revitalization of cities, towns, suburbs and rural areas in order to create and promote social equity, a sense of place and community, and to preserve natural as well as cultural resources. Smart growth enhances ecological integrity over both the short- and long-term, and improves quality of life for all by expanding, in a fiscally responsible manner, the range of transportation, employment and housing choices available to a region."[1]

States identified by the APA as proactive in smart growth break down the concept into specific legislative principles.[2] The smart growth guiding principles selected for this project that are consistent with the APA definition above and common to states proactive in smart growth are as follows: [3]

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[1] American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002), pp. 21-22.

[2] These states are identified in American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002) on page 6-7.

[3] See Maryland, Massachusetts, Vermont, Rhode Island, and Pennsylvania for examples of principles: Maryland http://www.mdp.state.md.us/smgprinciples.htm ; Massachusetts § 7-40R-1 and

1. Mix land uses
2. Create housing opportunities and choices for diverse income groups (i.e. affordable housing)
3. Create walkable communities
4. Strengthen and direct development to existing communities, promote infill and redevelopment, and prevent leapfrog development
5. Preserve open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems
6. Foster distinctive, attractive communities with a strong sense of plan
7. Make development decisions predictable, fair, and cost effective

The appendix catalogues verbatim excerpts from relevant legislation from all 50 states according to these principles. Seven case studies of leading state in smart growth give an in depth holistic picture of the states' approaches and experiences with smart growth. Property tax incentives in other states may intentionally or unintentionally achieve smart growth principles as well. Descriptions of these statutes are grouped by principle. Two tables at the end of this research note consolidate the information that is presented in more detail in the appendix, Table 1 and Table 2.

This research note provides a background of smart growth, case studies, a summary of commonalities among leading states, examples of property tax incentives, and literature reviews of the effectiveness of property tax incentives in achieving smart growth.

Smart Growth Background

The smart growth movement among states has been documented and encouraged by the American Planning Association (APA). The APA is the leading organization in studying smart growth, surveying states, and providing legislative models for Congresses and recommendations for Governors interested in pursuing statewide smart growth. The APA began modernizing state statutes regarding planning and management of development in 1994, entitling its initiative "Growing Smart." Initially, the APA focused exclusively on state and regional planning and relationships between state, regional and local planning efforts. The APA expanded its efforts to draft model legislation for local planning, agency planning, planning commission structures, plan preparation, and to make state environmental acts cohesive with local planning. In its third phase, the APA began providing model legislation for implementing tools at the community level. The *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition* provides annotated model statutes and other tools for audiences ranging from governors to planners to legislators interested in revising

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http://www.mass.gov/Agov3/docs/smart_growth/patrick-principles.pdf; Vermont http://www.smartgrowthvermont.org/learn/smartgrowth/principles/ ; Rhode Island § 45-22.2-3; Pennsylvania code 53 P.S. § 11101 and 53 P.S. § 10701-A

planning laws to grow smart.[4] Leading smart growth states use this Guidebook to write smart growth legislation.

The APA presents a hierarchy reflective of states' commitment to smart growth in a 2002 publication. The leading smart growth states include Maryland, Tennessee, Wisconsin, Delaware, New Jersey, Oregon, Washington, Florida, Georgia, Pennsylvania, Rhode Island, and Vermont.[5] The following section includes thorough case studies for the first three states and snapshot case studies of the next four states. According to the APA's survey conducted in 1999-2001, thirteen states are implementing statewide smart growth comprehensive planning reforms, 10 states are improving local planning to conform to smart growth while working on statewide amendments, and 15 states were pursuing their first major statewide planning reform for smart growth (including Iowa) at that time. Thirteen states were not pursuing statewide planning reforms at the time.[6]

Leading states in the smart growth movement tend to follow a similar pattern. Governors establish Commissions that issue reports with recommendations for the legislature. When successful, the legislature passes a major Act that updates the statewide comprehensive plan to include smart growth elements and encourages local governments to update their local land use plans to include smart growth elements (in the form of suggestion, supportive resources, or technical assistance).[7]

A state can legislate a variety of strategies and tools to achieve the smart growth elements outlined in updated state and local comprehensive plans. The primary strategy for advancing smart growth is intergovernmental coordination, which begins at the planning stage. State governments work to align their comprehensive plans with local governments and encourage joint planning among cities and counties to account for regional issues. Smart growth planning activities include executive orders for study commissions that provide recommendations, comprehensive planning reform legislation, and any other legislation geared towards planning and managing growth in line with the definition presented in the introduction.

In addition to coordinating and affecting the actions of various levels of government, strategies for smart growth also attempt to influence individual activity, i.e. landowners, businesses, and households. A great variety of smart growth tools used by states to influence individual actions appear in the APA's survey of state smart growth activity, "Planning for Smart Growth: 2002 State of States," that describes the smart growth activities of all states to manage growth and development in the years 1999-2001.[8] States use both regulation and tax incentives to guide and coordinate behavior in line with smart growth principles.

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[4] American Planning Association. *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition*, Gen. Ed. Stuart Meck (January 2002b), pp. 9.
[5] American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002a), p.6.
[6] American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002), pp. 14-15.
[7] http://www.planning.org/growingsmart/summary.htm
[8] American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002)

States depend primarily on regulations developed by urban planners and implemented by planning departments to coordinate individual activity. States primarily tackle sprawl and advance smart growth through regulations such as zoning regulations, building codes, environmental protection provisions, *etc.* rather than financial incentives largely because the former falls within the ambit of a planning agency.[9] For example, New Hampshire identifies a number of leading innovative land use controls for controlling growth, none of which involve financial incentives: timing incentives; phased development; intensity and use incentive; transfer of density and development rights; planned unit development; cluster development; impact zoning; performance standards; flexible and discretionary zoning; environmental characteristics zoning; inclusionary zoning; accessory dwelling unit standards; impact fees; and village plan alternative subdivision.[10] Financial incentives contribute to smart growth at the level of individual activity, but planning and regulation tools provide the main thrust towards smart growth.

Case Studies

Case studies of a handful of the leading smart growth states provide a holistic picture of active states' approaches to smart growth and use of property tax incentives for smart growth. The gamut of case studies provides examples from the Southeast, Midwest, Northeast, and Northwest of the country: Maryland, Tennessee, Wisconsin, Delaware, New Jersey, Washington, and Oregon. No states from the southwest are among the leaders of smart growth.

Maryland is the most in depth case study because of the availability of information. The Maryland case study summarizes Maryland's smart growth statutes, describes financial incentives used to encourage local jurisdictions to develop smart comprehensive plans, highlights property tax incentives, and describes studies and news articles that analyze the effectiveness of Maryland's smart growth policies.

Research methods for the Maryland, Tennessee, and Wisconsin case studies included review of the American Planning Association. *Planning for Smart Growth: 2002 State of the States* (February 2002) and news clippings collected on Smart Growth Online because both publications provided highlights of states' smart growth activity.[11] Statute key word searches were conducted for the highlighted activities as well as specifically for property tax incentives. Academic studies of effectiveness were only available for Maryland's case study. The other case studies involved the same research methods, but are less thorough.

Maryland

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[9] The information in this paragraph derives from an interview on August 1, 2008 with Dr. Nancy Augustine, Senior Research Associate at the George Washington Institute for Public Policy, former urban planner.

[10] N.H. Rev. Stat. Ann. tit. 64, 674:21

[11] http://www.smartgrowth.org/news/default.asp (December 2008)

Maryland's Smart Growth Initiative

Maryland became the leading state in the smart growth movement in 1997 with the passage of five smart growth policies in the Smart Growth and Neighborhood Conversion Act, the first legislation labeled as smart growth. The five policies in the Act were Priority Funding Areas, Rural Legacy, Brownfields Voluntary Cleanup and Revitalization Incentives programs, Live Near Your Work, and Job Creation Tax Credits.[12] The Priority Funding Areas (Md. State Finance and Procurement Code Ann. §§ 5-7B-02 – 7B-10, enacted in 1997) uses the influence of state expenditures to direct development to areas with pre-existing sewer, water, and transportation infrastructure. The program allows the State to withhold funding for highways, sewer and water construction, economic development assistance, and State leases or construction of new office facilities outside of priority funding areas.[13]

The Rural Legacy program (**Maryland** Md. Natural Resources Code Ann. §§ 5-9A-05; § 5-9A-01; 5-9A-02; 5-9A-03 (2008), enacted in 1997) provides funding to preserve farmland and natural resources land.[14] The state provides $137.1 million in cash and bonds for counties to acquire a projected 72,000 acres of farmland and forests through a competitive bid process. Three programs address brownfields with new liability rules, tax credits and federal funding to put contaminated industrial sites back to use: Voluntary Cleanup (Md. Environment Code Ann. §§ 7-501 – 7-506, enacted in 1997), Brownfields Program (Tax Property Code Ann. § 9-229, enacted in 1997), and Brownfield Site Assessment (Md. Ann. Code art. EC, § 5-337, enacted in 1997). The Live Near Your Work Demonstration Program (Md. Housing and Community Development Code Ann. § 4-217, enacted in 1997) provides state grants to residents who purchase homes near their workplace. The 1996 Job Creation Tax Credits program was expanded in 1997 (Md. Ann. Code art. EC, § 6-302, enacted in 1997) to provide income tax credits to small businesses that create jobs in priority funding areas.[15] The Director, Gerrit Knaap, and a researcher, John Frece, of the University of Maryland's National Center for Smart Growth Research and Education (NCSGRE) consider priority funding areas and the rural legacy program to be the thrust of the 1997 smart growth initiative under Governor Parris Glendening.[16]

Maryland's five main smart growth policies grew out of The Economic Growth, Resource Protection, and Planning policy of 1992. The 1992 policy (Md. State Finance and Procurement Code Ann. §§ 5-7A-01 – 5-7A-0, enacted in 1992) established seven visions of responsibility for county and municipal governments. The policy required

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[12] http://www.mdp.state.md.us/smartintro.htm (September 2008); Yajnik, Manan M. "Comment: Challenges to "Smart Growth": State Legislative Approaches to Comprehensive Growth Planning and the Local Government Issue," 2004 Wis. L. Rev. 229.

[13] http://www.mdp.state.md.us/fundingact.htm (accessed December 2008)

[14] http://www.mdp.state.md.us/legacy_rural.htm (accessed December 2008)

[15] "Our view: Smart Growth works better in theory than in practice." Capital (Annapolis). Annapolis Capital. 2007. HighBeam Research. (December 12, 2008). http://www.highbeam.com/doc/1P2-8778951.html

[16] Knaap, Gerrit-Jan and John W. Frece. "Ten Years Later: An Assessment of Smart Growth in Maryland,"*Smart Growth @ 10 Conference October 3-5, 2007,* http://www.rff.org/rff/Events/upload/30261_1.pdf (accessed December 2008)

local governments to pursue these visions in their comprehensive plans and established a Committee to oversee, study, and report on progress towards these visions. Section 5-7A-02 provides impetus for local compliance by prohibiting the state from funding public works, transportation, or capital improvement projects if the project does not comply with the policy.[17] Furthermore, a local jurisdiction may not approve a construction project that is inconsistent with the local plan. Maryland's statute for comprehensive planning, Md. Ann. Code art. 66B § 1.03, encourages all local jurisdictions to have a plan in place with five required elements (transportation, mining resources, water resources, land development regulations, and sensitive areas). The 1992 policy provides a financial incentive for local jurisdictions to have a comprehensive plan and only approve projects consistent with that plan.

Smart Growth policies passed after the initiative

In "Planning for Smart Growth: 2002 State of States," the APA highlights other smart growth policies Maryland developed after 1997. In 2000, the General Assembly passed a bill that tasked the Department of Planning to create land-use codes and guidelines for infill development.[18] Local jurisdictions receive priority funding eligibility for accepting without amendment these "smart codes" designed to encourage rehabilitation of existing buildings.[19] The Assembly also passed amendments to existing laws to require a statement of the seven visions in the local comprehensive plan.[20] Municipalities received authorization to grant property tax credits for rehabilitation in 2000.[21] In 2001, the General Assembly established the Governor's Office of Smart Growth with a budget of $400,000 and 4 staff as an information clearinghouse for state agencies, planners, local governments, developers, and citizens.[22] Wary of environmental hazards from revitalization programs, the governor established the Commission on Environmental Justice and Sustainable Communities to consider the justice of programs' resulting hazards.[23] In 2001, Maryland's General Assembly passed the Maryland Greenprint Program for $35 million of state funds to purchase easements on agricultural lands in FY 2002 with the intention of linking existing preserved areas to limit leapfrog development.[24] Also passed in 2001, the Community Legacy program encourages neighborhood revitalization with $10 million by filling gaps in existing

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[17] Editor's note: In 2000, Section 2, ch. 676, Acts 2000 provided that "this Act shall be construed only prospectively and may not be applied or interpreted to have any effect on or application to any local comprehensive plan, master plan, sector plan, or implementing ordinance or policy, or to any State development policy, the development, implementation, enactment, or amendment of which begins before October 1, 2000."

[18] H.B. 285 (2000)

[19] S.B. 207 (2000); 5-9A-05 of the Natural Resources article was amended to read that applications for additional funds must include a certification that no local amendments were adopted to the Maryland Building Rehabilitation code, i.e. the smart codes.

[20] H.B. 889 (2000)

[21] S.B. 507 (2000)

[22] S.B. 204 (2001)

[23] Executive Order 01.01.2001.01, signed March 9, 2001

[24] H.B. 1379 (2001)

programs and helps communities with comprehensive planning for revitalization[25] (APA 2000).

The Maryland Department of Planning's website devoted to smart growth counts 80 programs that support smart growth, many of which were established prior to 1997. These programs were either already consistent with the philosophy of smart growth or were redirected to align with smart growth. The following are examples of property tax incentives that support smart growth.

Smart growth property tax incentives

Property tax incentives in Maryland statutes that direct growth to existing communities range by date of enactment from 1957 to 2008.[26] These tax credits provide incentives to rehabilitate unused property, rehabilitate according to regulations, rebuild after a natural disaster, and to clean up brownfield sites. All of these statutes authorize rather than mandate the use of these property tax incentives, thus review of the statutes provide no indication of the prevalence with which these incentives are used.

Maryland Md. Tax Property Code Ann. § 9-207 (2008), enacted in 1957, authorizes the county or municipal corporation to provide a property tax credit to owners that substantially rehabilitate a single dwelling or commercial property that is unsold or unrented. The local governing entity can provide a 100 percent tax credit for one year. **Maryland** Md. Tax Property Code Ann. § 9-234 (2008), enacted in 1999, authorizes local governing entities to provide property tax credits for the rehabilitation of vacant or underutilized commercial buildings. **Maryland** Md. Tax Property Code Ann. § 9-236 (2008), enacted in 2000, authorizes counties or Baltimore City to grant a property tax credit for 10 years against county or municipal property tax on real property that is rehabilitated under regulations adopted by the governing body. The amount of tax credit cannot exceed the amount of increase in assessment of the property. **Maryland** Md. Tax Property Code Ann. § 9-243 (2008), enacted in 2006, authorizes counties or Baltimore City to provide a property tax credit in the event that a natural disaster damages or destroys a dwelling, the dwelling is subsequently repaired or reconstructed, and the assessment of the repaired or reconstructed dwelling exceeds the last assessment of the dwelling. The amount of the property tax credit equals 50 percent of the property tax attributable to an increase in the assessment of the dwelling after reconstruction or repair. **Maryland** Md. Tax-Property Code Ann. §9-229 (2008), enacted in 1997, authorizes local jurisdictions to provide a property tax credit for qualified brownfields sites for the amount equal to 50 percent of the property tax attributable to the increased assessment after the voluntary cleanup and improvements. The local taxing jurisdiction will contribute 30 percent of the property tax attributable to the increase in assessment to the Economic Development Assistance Fund. This property tax credit is similar to an assessment freeze. Excerpts from these statutes are included in the appendix.

Maryland statutes have five programs that authorize local jurisdictions to use property tax credits to preserve open space, farmland, or natural resources that range in

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[25] H.B. 301 (2001)

[26] Dates of enactment and notes of amendments and changes in language were researched through and are as accurate as LexisNexis Congressional December 2008

date of enactment between 1986 and 2008. These tax credits provide incentives for conservation easements, agricultural easements, open space easements, and land used for agricultural purposes not committed to an easement. All statutes except § 9-107 authorize rather than mandate the use of these property tax incentives. The exception, § 9-107 mandates the tax credit for all land with a conservation easement, but does not mandate the use of conservation easements.

Maryland Tax Property Code Ann. § 9-107 (2008), enacted in 1986, mandates a property tax credit of 100 percent against the property tax imposed on conservation property for 15 consecutive years following the donation. Conservation property meets three requirements: the land is 1) unimproved; 2) not used for commercial purposes; and 3) subject to a perpetual conservation easement that is held by the Department of Natural Resources or the Maryland Environmental Trust. **Maryland** Tax Property Code Ann. § 9-220 (2008), enacted 1991, authorizes counties of Baltimore city to grant a property tax credit on conservation land donated on or after July 1, 1991 to a land trust, the Department of Natural Resources, or the Maryland Environmental Trust if the land assists in preserving a natural area, educates the public, or promotes conservation. The land trust must be certified every five years. **Maryland** Tax Property Code Ann. § 9-206 (2008), enacted in 1957, authorizes counties or the City of Baltimore to issue a property tax credit of 75 percent against property tax owed on land with an agricultural easement. **Maryland** Tax Property Code Ann. § 9-208 (2008), enacted in 1957, authorizes counties or Baltimore City to provide a property tax credit up to 75 percent of county, municipal corporation, or special district property tax imposed on "open space" or "open area" land. Nine counties may provide a property tax credit of up to 100 percent for "open space" or "open area" land. **Maryland** Tax Property Code Ann. § 9-226 (2008), enacted in 1995, authorizes counties and Baltimore City to provide a property tax credit up to 50 percent of real property tax assessed on property used for agricultural purposes and subject to a soil conservation and water quality plan.

Effectiveness of Maryland's smart growth policies

The National Center for Smart Growth Research and Education at the University of Maryland co-sponsored a conference with Resources for the Future on October 3-5, 2007 to assess the achievements of Maryland's smart growth efforts launched in 1997. The Final report summarizes the papers presented at the conference, "Smart Growth @ 10: A Critical Examination of Maryland's Landmark Land Use Program" by Margaret Wells, a Senior Fellow at Resources for the Future. All authors faced the same problems in measuring outcomes: 1) state agencies have not been tracking whether state money was spent inside or outside of priority funding areas even though it was required by law (largely seen as a failure of the governor) and 2) while the Department of Planning reports the pattern of development in terms of acreage and residential units built inside and outside priority funding areas, there is no counterfactual, which makes it difficult to tease out the changes attributable to smart growth legislation (Walls 2008, 3-4). Conference papers mainly focused on the Priority Funding Areas program (PFA) and somewhat on easements. Walls (2008) summarized the main findings of all conference papers; highlights from her summary follow.

The conference paper by Sohn, Knaap, and Lewis found that only 5 percent of state funding is subject to PFA review, the majority of which is transportation spending. Due to the lack of tracked expenditure, the authors had difficulty measuring whether the money was spent inside or outside PFAs. After reviewing state budgets, the authors' estimated that of all the state spending on transportation projects, 60 percent was spent on projects inside PFAs. The rest was spent outside PFAs because of grandfathering, exemptions, or because the projects were not location specific (Walls 2008, 4). Cohen experienced similar difficulty in evaluating where state funds were spent on sewer infrastructure. Cohen found information on one program, the Water Quality Revolving Loan Fund that spent 78 percent of its funds in PFAs (Walls 2008, 6).

The conference paper by Wiley found that the number of units built inside PFAs exceeded the number of units built outside PFAs, but the acreage developed outside PFAs exceeded acreage developed inside PFAs. Wiley also found that infill development in PFAs tended to be less dense than infill development in suburbs outside PFAs (Walls 2008, 4-5). More encouraging, McLaughlin's paper reported that the percentage of multi-family units constructed in PFAs between 1998-2004 was significantly greater than during the period of 1990-1997 before the smart growth act. McLaughlin questions how much this increase is attributable to Maryland's smart growth efforts since surrounding states experienced a similar increase in the development of multi-family units in the same time period (Walls 2008, 5). Overall, researchers could not decidedly argue the effectiveness of the PFA program in directing state spending and development towards PFAs. Some evidence suggests minimal effectiveness and the stronger evidence of improvement elicited from time comparisons before and after the 1997 enactment could not necessarily be attributed to the program.

Some conference papers studied unintended effects of command-and-control policies and argued for market-based options devised at the local level. Avin, Hammer, and Dorney raised concern that restrictive growth management policies on the fringe of dense areas result in more dispersed development with more retail and employment locating in rural areas. The authors argue in favor of local planning rather than state led planning (Walls 2008, 7). Bento also advocates for more market-based options rather than command-and-control instruments such as moratoria, which he found to cause sprawl displacement similar to Avin, Hammer, and Dorney (Walls 2008, 9).

One paper by Lynch, Gray, and Geoghegan studied the effect of easements on market price of the land. The authors compared sale prices of agricultural parcels with and without easements statewide during the period 1997 and 2003. The data showed that the average sales price of land with easements was less than land without easements, controlling for other factors that determine price differentials. Yet the authors caution that the price difference between land with easements and land without easements was less than the Maryland Agricultural Land Preservation Fund was paying for it. The authors' concluded that the state was paying more than the amount lost in development value and could preserving more land within its budget. (Walls 2008, 10)

Maryland's efforts at preservation came under close scrutiny in papers by Daniels and Richardson. In a comparison between Pennsylvania and Maryland's farmland preservation programs, Daniels argued that Pennsylvania's program has succeeded in permanently preserving more land than Maryland's program (Walls 2008, 10). In

another paper, Richardson compared Maryland to four other states, New Jersey, West Virginia, Virginia, and Delaware and found that all states were losing farmland between 1997 and 2002. The other states appeared to be losing less farmland than Maryland from 1997 to 2002, except for Delaware. Maryland's percentage decrease in number of farms during that time period was greater than the other states, except for Delaware. More detrimental to the perception of the effectiveness of preservation programs, the number of farms in Maryland actually increased in the five years before the 1997 legislation. Considering that the value of agricultural products sold was declining in the period of 1997-2002 in addition to the loss in farmland acreage, Richardson recommended more innovative "green payment programs" to pay farmers for conservation and state payments to strategically encourage farm preservation in areas that are more valuable (Walls 2008, 10).

To further understand the pressure to convert land use, Howland, Hanlon, and McGuire used GIS and econometrics and found that the conversion of a parcel of agricultural land to non-agricultural land was dependent on the agricultural quality of the parcel, the parcel's size, and the parcel's proximity to an interstate exit and other non-agricultural land. The authors' recommended looking for "hotspots" of land most likely to convert to address with policy (Walls 2008, 7).

Authors' attempts to evaluate Maryland's' smart growth programs reveal elements ripe for improvement necessary to assess whether the incentive-based PFA approach can significantly change development patterns: 1) state agencies need to track whether expenditures go to projects inside or outside PFAs; and 2) increase the percentage of total funding subject to PFA review. Obstacles to smart growth identified by conference participants as reported in Well's final report and the press include: 1) the programs only have control over projects that use state funding; 2) NIMBY – people support the idea of controlling sprawl by building in pre-existing communities, but people do not want increased density in their neighborhood; 3) consumer preferences for large lots and low density; and 4) state and local budget constraints (Walls 2008, 15; Furgurson 2007).

News Articles

While no studies at the conference specifically evaluated the effectiveness of property tax incentives, news articles provide more insight into the effectiveness of Maryland's efforts. The website for Smart Growth Online amalgamates news articles on smart growth for each state.[27] The news articles about smart growth in Maryland divulge ongoing debates, criticism, and instances of the public's dissatisfaction. For example, the *Hometown Annapolis* publication reports that the Live Where You Work Program provided 990 homebuyers with $3,000 grants for closing costs in depressed urban areas for 5 years until the money ran out in 2003. The publication reported outrage at Governor Ehrlich's revival of the program months before the election because the new program appeared inconsistent with the goal of living near your work. Ehrlich expanded the distance between home and work to 25 miles and increased the grant amount to 3

[27] http://www.smartgrowth.org/news/bystate.asp?state=MD&res=1280 (December 2008)

percent of the mortgage. The article noted a case where a couple received $9,000 for moving further from both of their work places ("Revival of Maryland's Live Near Your Work Program Draws Criticism from Smart Growth Advocates," September 19, 2006).

As for land preservation, Maryland is criticized for losing 12,000 acres of farmland a year despite the efforts of the Rural Legacy program. The American Farm reported in 2005 that Maryland loses 40,000 acres of farmland a year ("Agriculture Outlook Conference Reviews Maryland Quality of Life Issues, Affordable Housing and Land-Use Policies," *American Farm*, December 6, 2005). Hartford County's land preservation director reports to the press that investors buy farmland and sit on it, waiting for an opportune time to sell to developers. Rural activists call for stricter zoning in addition to state and local easement purchase programs ("Despite its successful Rural Legacy Program," *Sunspot*, May 1, 2001). Maryland's Department of Planning website on smart growth attributes continued sprawl and loss of farmland to zoning codes that still contain permissive agricultural and rural zoning outside of Priority Funding Areas and still prohibit dense, mixed-use development inside Priority Funding Areas. The state provides assistance to revamp local codes when requested.[28] An article in *Capital (Annapolis)* reports that the Rural Legacy program preserved over 400,000 acres during the tenure of Governor Glendening who kick started Maryland's commitment to smart growth in 1997 (Furgurson 2007).

The *Baltimore Sun* captured a critical quote in its report on the National Center for Smart Growth Research and Education conference. The Home Builders Association of MD Director of Government Affairs, Tom Ballentine, said "Most people who are involved in growth management in Maryland understand that the priority funding areas aren't functioning as they were intended to." ("Study Finds Gaps in Monitoring Maryland's Priority Funding Areas Program," *Baltimore Sun*, October 1, 2007).
The publication *Capital (Annapolis)* reported the ongoing frustration with the lack of evaluation in 2007, "Although smart growth has been a public relations triumph, evidence is scare about whether it has had many practical benefits. One simple reason for this was pointed out in a study released last week by the National Center for Smart Growth and Education: The state has neglected to gather any such evidence."[29] Both administrations in the 10 years following the big push for smart growth in 1997 failed to track whether money from state agencies were going to priority funding areas, data collection that the law required for evaluation purposes.

Tennessee

Tennessee attracted national attention for the 1998 legislation that topped Maryland by mandating a sophisticated local planning process rather than just encouraging it as Maryland does. By mid-2001, each Tennessee city and county had to agree to an urban growth boundary, in a joint agreement between counties and their

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[28] http://www.mdp.state.md.us/smartintro.htm (December 2008)
[29] "Our view: Smart Growth works better in theory than in practice." Capital (Annapolis). Annapolis Capital. 2007. HighBeam Research. (December 12, 2008). http://www.highbeam.com/doc/1P2-8778951.html

cities, to guide its development for the next 20 years. The legislation makes it easy for cities to annex land within the urban growth boundary and next to impossible outside the boundary. The legislature overcame pressure from the Farm Bureau and Home Builders Association.[30]

The Growth Policy Law enacted in 1998 (Tenn. Code Ann. §§ 6-58-101 – 116 (2008) intended to update the state's comprehensive planning statutes with a smart growth agenda and add a financial incentive to encourage county compliance. Lawmakers drafted the Growth Policy Law with the help of the APA using language from the APA's Growing Smart Legislative Guidebook. The law requires counties and municipalities to develop joint plans for urban growth (the law does not apply to counties with a metropolitan form of government) to direct coordinated and efficient growth. The coordinating committee of each county must develop a growth plan by January 1, 2000 to submit for approval that specifies three areas: urban growth areas, planned growth areas, and rural areas (land to be preserved). Essentially, these areas define urban growth boundaries.

The goals and objectives of each growth plan include the need to provide a unified design for development and to encourage a pattern of compact, contiguous high-density development; to establish an acceptable and consistent level of public services and facilities; to promote the adequate provision of employment opportunities and varied, affordable housing choices; to conserve features of significant architectural, cultural, historical, or archeological interest; to protect life and property from the effects of natural hazards; and to take into consideration other matters related to coordinated, efficient, and orderly local development (§6-58-109, see appendix).

As an incentive to comply by the deadline, the Growth Policy provides an increase in the allocation of certain funds for counties and municipalities that receive approval for their growth plans by June 30, 2000. Each locality with an approved plan will receive a 5 percent increase in the allocation of private activity bond authority and a 5 percent increase in grants from the department of economic and community development. The funds can be used for industrial infrastructure, industrial training, and community development block grants (§6-58-109, see appendix).

The financial incentive for the development of comprehensive plans was effective: 74 of the 92 non-metropolitan counties received approval of their mandated growth plans by the June 30, 2000 deadline. Of the 17 counties unable to reach agreement, seven submitted plans between January 1 and June 30, 2008, and eight counties requested mediation of their disputes (APA 2000)

A stick was added to the carrot to encourage compliance with the Growth Policy. The Tennessee Housing Development Authority no longer offered federal Home Investment Partnership Program (HOME) grants to any county or municipality without an approved plan as of July 1, 2001 (APA 2000)

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[30] "Tennessee Shows How to Curb Sprawl." Post-Tribune (IN). 1998. HighBeam Research. (December 12, 2008). http://www.highbeam.com/doc/1N1-108490F0DC04AC2C.html

The state's main strategy for smart growth is urban growth boundaries. Motivated by a white paper criticism that urban growth boundaries were not enough to help rural areas, Governor Sundquist created the Tennessee Strategically Targeted Areas of Redevelopment or the TN S.T.A.R. community redevelopment committee in 2000. The committee assists community organizations and the local leadership with developing programs to improve economic opportunities (APA 2000)

In 2001, the General Assembly passed the Brownfield Redevelopment Amendment to expedite brownfield cleanups (Tenn. Code Ann. §§ 68-212-202, -224, -225, and -226). Sections 202 and 224 existed prior to 2001, sections 225 and 226 were added in 2001. Before 2001, a person who entered into a voluntary agreement with the commissioner received limitation of liability for the brownfield site and the commissioner could waive the $5,000 fee of the voluntary agreement if the clean up is deemed to serve public welfare. After 2001, the commissioner gained the power to issue a notice of land restriction to the current owner of a site. If the site is deemed a brownfield in need of cleanup, the commissioner can "restrict activities on, over, or under the land, including, but not limited to, use of property, use of groundwater, building, filling, grading, excavating, and mining" (Tenn. Code Ann. § 68-212-225 (2008). An amendment to this statute in 2007 allows a property owner to voluntarily establish land use restrictions on his or her property for environmental conservation purposes in addition to a conservation easement. Also as of 2001, state funds can be used to match federal grants for the commissioner to provide grants and/or loans to local governments to conduct screening, investigation, remediation, containment, cleanup and/or closure of brownfield sites (Tenn. Code Ann. § 68-212-226 (2008). The same statute authorizes a local jurisdiction to use tax increment financing for brownfield projects. Three months after passage, Memphis was the first municipality to identify a brownfield for use under the new legislation. Excerpts from these statutes can be found in the appendix under the section on directing development to existing communities.

Tennessee has two statutes that provide property tax incentives to encourage the preservation of open space. The first statute authorizes easements and the second provides state funded reimbursement to each local government for lost revenue due to easements. **Tennessee** Tenn. Code Ann. §§ 67-5-1002 (enacted in 1976); 67-5-1009 (enacted in 1976); 66-9-308 (enacted in 1981) specifically indicates in the legislative findings that urban sprawl is threatening the existence of agricultural, forest, and open space land. The statute authorizes local governments to issue open space and conservation easements. The statute mandates that an easement be taken into account during assessment for property tax purposes and exempted. The legislative findings section calls for a limit on the number of acres that any one owner can commit to a conservation easement out of consideration for adverse effects on the property tax base. In consideration of the decrease in local revenue due to easements, the state set up a compensation fund to reimburse local governments for exemptions (**Tennessee** Tenn. Code Ann. §11-14-406 (enacted in 1986); §11-7-109 (enacted in 2005). The comptroller of the treasury determines the appropriate tax rate and assessed value of each parcel rendered tax exempt to determine the amount of revenue lost due to the exemption. The commissioner of finance and administration will reimburse local governments for the full amount of tax revenue lost (see appendix for excerpts of the statutes).

Veering from familiar practice, Tennessee banned a common tool used to account for the externalities of sprawl: impact fees. No county can authorize a new impact fee on development after June 20, 2006. By Attorney General Opinion, the restriction on impact fees does not prohibit a city from requiring developers to construct a sidewalk or pay a fee in lieu of constructing the sidewalks (Tenn. Code Ann. § 67-4-2913 (2008)

News Articles

The news articles about smart growth in Tennessee collected on the Smart Growth Online website show a lot of community level initiative and little state led initiative.[31] The press recognizes Tennessee as a state that leaves much more control to local entities for smart growth than states like Maryland.[32] The state of Tennessee provides advice to the local communities, but some local leaders have called for more state initiative. An article in *Business Tennessee* reports that many experts, such as Looney Ricks Kiss architecture firm planner Chuck Downham, Boyle Developments official Rusty Bloodworth, and Metro Memphis planning director Rick Bernhardt, want the state to play a more assertive role in advancing smart growth as the state does in Maryland and Wisconsin. The article quotes Downham, "We've got some exceptional leaders across the state who have stepped up, but we've got to get everybody on the same page." Cheatham Count Mayor Bill Orange expressed concern that more needs to be done in the way of public outreach and education to change outdated development patterns, "You can't survive on taxation of starter homes." Still, Washington-based Smart Growth America views Tennessee as one of the eight most promising states in the nationwide smart growth movement. Since 2002, there has been an influx of dense mixed-use development ("Some Experts Seek State Role in Advancing Sustainability Plans," *Business Tennessee* February 10, 2007).

Consistent with these complaints, review of the articles revealed only one instance of the use of state funding for a smart growth project. Jasper received a state grant to revive the town's traditional courthouse square as a downtown revitalization project to attract "more professional-type businesses to the square" ("Revival of Traditional Courthouse Square Taking Place in Tennessee," *Chicago Tribune*, May 22, 2004). All other news articles discussed community level initiatives.

There was another instance of higher level coordination. One state agency coordinated a county advocacy group, the Tennessee Department of Transportation (TDOT). The 10-county group released a report, "Quality Growth Toolbox," for conservation zoning, project design, streetscape standards, public transit, pedestrian and bicycle accommodations, rural preservation and other community improvements. Next, the group used a TDOT grant to organize a statewide Tennessee Quality Growth Network.

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[31] http://www.smartgrowth.org/news/bystate.asp?state=TN

[32] Anonymous. "Smart Growth, Zoning Can Help State Grow." The State Journal. State Journal Corporation. 2004. *HighBeam Research*. (December 15, 2008). http://www.highbeam.com/doc/1P3-549050811.html

In some instances, individuals and communities circumvented the state to go directly to sources of federal funding for smart growth projects. In a state that lost 124,000 acres of farmland to urban sprawl between 1991 and 1997, Dairyman Earl Cruze decided he needed protection. Cruze joined the federal Farm and Ranch Lands Protection program, handed over development rights to his 425 acre farm in Knox County, and received $900,000 from the U.S. Department of Agriculture—about half the value of the land. The program also gave Knox County $450,000. The conservation easement is held by the Land Trust for Tennessee. Under this program, landowners continue to own, farm, and sell the land, but the land cannot be developed ("New Conservation Easement Program Allows Landowners to Own, Farm, and Sell Their Rural Land," *The Charlotte Observer*, September 10, 2004).

Blount County also skipped the state and went directly to a federal agency. The County Planning Director, John Lamb submitted a Smart Growth Implementation Assistance Request to the Environmental Protection Agency. Blount County seeks the EPA's help in crafting city and county planning and zoning ordinances to advance smart growth. The EPA will consider sending three smart growth experts to outline the best way Blount County can limit sprawl while promoting development ("Blount County to Ask EPA for Smart Growth Implementation Assistance," *Daily Times*, May 17, 2005). Most other leading smart growth states provide technical assistance to local governments for planning.

One article provided anecdotal evidence of effectiveness. By 2005, Memphis saw evidence of successful infill development as a result of Shelby County's smart growth agenda. Homebuyers quickly bought up infill homes within the I-240 loop, which encouraged other mixed-use redevelopment projects in the city's core. Since the I-240 project, the number of infill permits jumped from 104 in 2002 to 265 in 2005. Memphis and Shelby County began reaping the benefits of a strengthened tax base. Not only did the additional infill homes contribute to tax revenues, but also values of surrounding properties were rising ("Memphis' Infill Homes Meet Demand for Location-Based Housing, Create Tax Windfall for City," *Commercial Appeal*, May 15, 2005). Smart growth advocates consider infill housing within Tennessee's urban growth boundaries a much better solution to tax revenue crises than cities annexing to expand their tax base and revenues.[33]

Wisconsin

Wisconsin passed smart growth legislation in 1999, "Comprehensive Planning," Wis. Stat. § 66.1001, that used language from the American Planning Association's Growing Smart Legislative Guidebook. The smart growth statute does not mandate that counties and municipalities develop a local comprehensive plan according to the smart

[33] Gorczyca, Beth. "Smart growth, zoning can help state grow." The State Journal. State Journal Corporation. 2005. *HighBeam Research.* (December 15, 2008). http://www.highbeam.com/doc/1P3-790251471.html

growth elements[34] in the statute, but after January 1, 2010, only local jurisdictions with such plans are allowed to regulate land use. A locality can opt out of smart growth comprehensive planning, but they will no longer be able to make decisions that affect land use. The statute provides financial resources to local jurisdictions to develop their comprehensive plan in line with the required elements. The 1999 law made $3.5 million in grants available to local jurisdictions for planning and in the period 2001-2003, the funding was increased to $6 million.[35] In addition to these grants, the 1999 law included a nonstatutory provision for a smart growth dividend aid program to be implemented in 2005 that would provide an aid credit for each unit of housing sold at 80 percent or less of the county median sales price. Many publications discussed this provision in the years following the 1999 law, but the program does not appear to be in place.[36]

The bill passed in 1999 also required all cities and villages with a population greater than 12,500 to adopt a model traditional neighborhood ordinance along with the development of a conservation subdivision ordinance. Wis. Stat. § 66.1027 (2007), enacted 1999, defines conservation subdivision as, "a housing development in a rural setting that is characterized by compact lots and common open space, and where the natural features of land are maintained to the greatest extent possible." It defines a traditional neighborhood development as a "compact, mixed-use neighborhood where residential, commercial and civic buildings are within close proximity to each other." Local jurisdictions must develop model ordinances in consultation with experts by January 1, 2001 (Wis. Stat. § 66.1027, 2007).

There has been a great deal of interest in the use of tax incremental financing for the smart growth agenda in Wisconsin. The APA "Planning for Smart Growth; 2002 State of the States" discussed the governor's efforts to develop legislation that uses tax increment financing for smart growth. Governor Tommy Thompson had vetoed two TIF measures in the 1999 budget bill and subsequently organized a Working Group on Tax Increment Financing that issued a report in December 2000. The Group made 32 recommendations, but none of the proposals were implemented. In 2003, Wisconsin's legislature altered the law on Tax Incremental Financing (Wis. Stat. § 66.1105 (2007), enacted in 1975, to allow project costs incurred for new residential development to occur in mixed-use development tax incremental districts or for tax incremental districts with

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[34] The 9 elements are: 1) issues and opportunities 2) housing 3) transportation 4) utilities and community facilities 5) agricultural, natural, and cultural resources 6) economic development 7) intergovernmental cooperation 8) land use 9) implementation

[35] http://www.wra.org/Government/Land_Use/wr_articles/wr0703_land_use.htm ; UW Extension Fact Sheet http://lgc.uwex.edu//program/pdf/fact15.pdf (accessed December 2008)

[36] http://www.1kfriends.org/Publications/Newsletters/2001_Spring.pdf (December 2008); http://www.1kfriends.org/Publications/Newsletters/2002_Spring-Summer.pdf (December 2008); http://www.1kfriends.org/Publications/Newsletters/2003_Winter_a.pdf (December 2008); Yajnik, Manan M. "Comment: Challenges to "Smart Growth": State Legislative Approaches to Comprehensive Growth Planning and the Local Government Issue," 2004 Wis. L. Rev. 229; American Planning Association. "Planning for Smart Growth; 2002 State of the States," *Smart Growth* Network, February 2002.

plans prior to 1995 (see appendix). A district must be a blighted area district, rehabilitation or conservation district, an industrial district, or a mixed-use district to have a TIF.

Enacted in 1997, the Environmental remediation tax incremental financing (Wis. Stat. § 66.1106 (2007), allows the use of tax incremental financing to remediate environmental pollution to contiguous parcels of property in an environmental remediation tax increment district in addition to groundwater not within the district. The board makes a decision on whether an area qualifies for a TIF based on a) whether the development would occur without the use of environmental remediation TIF; b) whether the economic benefits, as measured by employment, business and personal income and property value, compensate for the cost of improvements; and c) whether the benefits of the proposal outweigh the tax increments to be paid by the owners of property in overlying tax districts.

Milwaukee is taking advantage of the new TIF authorization. The Milwaukee Initiative for Sustainable Development, devised by Mayor Tom Barrett and his City Development Commissioner, requires builders seeking TIF and other subsidies to contain storm water runoff through "green" roofing techniques ("Milwaukee Will Encourage Green Roofs for Stormwater Management as Part of Sustainable Development Initiative," *Milwaukee Journal Sentinel*, November 28, 2004).

Unlike Tennessee, Wisconsin allows local jurisdictions to impose impact fees (Wis. Stat. 66.0617 (2007), enacted in 1993). The law authorizes differential impact fees based on different types of land development. The law also authorizes local jurisdictions to pass an ordinance that exempts or reduces the impact fees of developers that provide low cost housing. Impact fees are refunded if not used in 7 years.

Another statute of interest is an authorization for a county, city or village to the regulate land use, land management and pollutant management practices and for community's land conservation committee to provide notice to landowners of tax incentives for complying with local soil and water resource management practices (Wis. Stat. 92.11 (2007), enacted in 1981).

Effectiveness of comprehensive planning grants

Between 1999 and 2008, the main state activity has been to encourage and assist localities in developing their plans, as is reflected in the APA 2002a publication, "The State of the States," and the news clippings posted on Smart Growth Online.[37] The University of Wisconsin Community Planning and Plan Implementation team conducted a survey in 2006 to assess the status of comprehensive planning efforts in response to the 1999 legislation (Roberts 2006). Wisconsin communities are eligible to receive state financial support to cover about half the costs of the planning initiative. The *Stevens Point Journal* reports that the Comprehensive Planning Grant Program had provided $11.3 million in funding to more than 600 villages, tribes, towns, cities, counties, and regional planning commissions as of March 2004.

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[37] http://www.smartgrowth.org/news/bystate.asp?state=WI (accessed December 2008)

Researchers sent the survey to all UW-Extension staff in the Community Natural Resources and Economic Development (CNRED) program. The staff, paid for by the planning grants, serves as experts to help counties and municipalities develop their plans. Of the 68 respondents, 52 were based in counties and 15 were regional or statewide specialists. As a result, the study focused more on counties than municipalities. As of 2006, 37 of the 72 counties had adopted or were working towards completing a comprehensive plan. Of those, 31 counties were working with a planning grant from the Wisconsin Department of Administration and 6 were planning without a grant. As of 2006, only 8 counties had officially adopted a plan. Of the 35 counties without a complete plan, 8 had recently completed a land use plan (termed as such because it does not comply with all 9 elements), two have applied for funding, and 15 had applied for grant funding and were denied. Three counties plan to apply for funding. Three counties were awarded state grants but turned down the funding, and of these, two counties moved forward in planning without the grant. The other plus two additional counties have no plans to initiate the effort to comply with comprehensive planning according to the 9 elements. The survey did not capture the status of 6 other counties (Roberts 2006).

The survey revealed top factors inhibiting the planning process in counties, listed in order: lack of staff resources, political support, financial resources, and property rights concerns. Reasons listed in the other category ranged from the recent completion of a land use plan to opposition by a county board supervisor. The top factors inhibiting planning in municipalities listed in order were: a lack of financial resources and staff resources. Reasons in the other category included: 1) communities are hoping the act will be repealed; 2) cities do not want the legal responsibility and are waiting for the county to take the lead; and 3) communities fear change or are unsure how to proceed (Roberts 2006).

As for expected effectiveness of Wisconsin's efforts to mold local plans of land use, Yajnik (2004) does not see a causal relationship necessarily existing between the nine elements and fourteen goals required in local plans and alleviation of sprawl. The author, however, does think it is likely that communities with updated plans will counter sprawl forces.

Delaware

In 1995, Delaware began updating its comprehensive planning laws to support smart growth (Del. Code tit. 22 §701—711 (2008) and has since included the following smart growth language (APA 2002a). "The comprehensive plan for municipalities of greater than 2,000 population shall also contain, as appropriate to the size and character of the jurisdiction, a description of the physical, demographic and economic conditions of the jurisdiction; as well as policies, statements, goals and planning components for public and private uses of land, transportation, economic development, affordable housing, community facilities, open spaces and recreation, protection of sensitive areas, community design, adequate water and wastewater systems, protection of historic and cultural resources, annexation and such other elements which in accordance with present and future needs, in the judgment of the municipality, best promotes the health, safety, prosperity and general public welfare of the jurisdiction's residents."

Led by the governor's "Livable Delaware Initiative," the legislature passed a bill that provides funding and assistance to municipalities to update their plans (H.B. 255, 2001). Similar to other leading states, Delaware provides resources to local governments when it expects a major overhaul of comprehensive plans.

Enacted in 2001, the Reality Transfer Tax for Conservation Trust Fund significantly strengthened the state's ability to acquire and maintain open space (APA 2002a). The Reality Transfer Tax contributed $9 million more dollars to the Conservation Trust Fund for purposes of public outdoor recreation and conservation use in perpetuity (30 Del. C. § 5423 (2008), see appendix).

Enacted in 2001, statute 29 Del. C. § 5028 (2008), the state may provide up to $1 million in matching funds for the costs of environmental assessment and remediation at certified brownfields. The meaning of brownfield was first standardized in 2001 in 7 Del. C. § 9103 (2008) as "any vacant, abandoned or underutilized real property the development or redevelopment of which may be hindered by the reasonably held belief that the real property may be environmentally contaminated." The APA argues that standardizing the definition encourages infill (APA 2002a).

Concerned with the use of impact fees, the Governor Minner established the Governor's Advisory Council on Planning Coordination and tasked the council with developing graduated impact fees that were fair and accurate to discourage sprawl in 2000 (APA 2002a). The statute, 29 Del. C. § 9123 (2008), authorizes the Advisory Council with developing the schedule of impact fees throughout the State for development in environmentally sensitive developing areas, secondary developing areas, and rural areas. The Council will not recommend impact fees for communities and developing areas. Statute 29 Del. C. § 9125 (2008) prohibits local jurisdictions from applying impact fees on parcels zoned as farmland.[38]

New Jersey

Back to back governors in the 1990s and 2000s were outspoken proponents of smart growth. In 2001, the State Planning Commission took on a revised State Development and Redevelopment Plan to encourage municipalities to review their local plans and negotiate with the state to make the plans consistent at both levels of government. Nearly half of the municipalities (250 out of 566) volunteered for this so-called "cross-acceptance process." New Jersey has had a Smart Growth Planning Grants program in place since 1999 that has distributed $6.7 million to smart growth planning in 248 municipalities (APA 2002a, 90-91).

New Jersey provides an incentive for local governments to purchase easements. The Garden State Farmland Preservation Trust Fund provides grants to pay up to 80 percent of the cost of acquiring development easements on farmland. The statutes also provide financial and technical assistance for local efforts at conservation (N.J. Rev. Stat. § 13:8C-20, § 13:8C-37, § 13:8C-39). Both Governor Christine Whitman and Gov. Donald DiFrancesco made significant appropriations to the Garden State Farmland

[38] Delaware does not display date of enactment in Lexis Nexis Congressional

Preservation Trust Fund for the purchase of development easements and for farmland preservation grants (APA 2000).

The legislative findings for N.J. Rev. Stat. §§40A:21-2; 40A:21-4 finds that statutes authorizing municipalities to grant 5-year exemptions or abatements in areas in need of rehabilitation are effective in promoting construction and rehabilitation in areas showing economic and social decline. The legislative findings explain that the statutes afford great flexibility to municipalities in the hopes that municipalities will use the authorizations in a more coordinated way to include infill construction in rehabilitation strategies by exempting and abating construction of new single family and multiple dwellings.

Washington

Washington enacted the Growth Management Act in 1990, which the APA describes as "one of the most comprehensive and modern planning statutes in the country" (APA 2002a, 130). The APA also reports consensus that the Growth Management statute (RCW 36.70A.130) has effectively curtailed sprawl and directed growth out of rural areas, though no studies are cited (APA 2000, 130). An important part of the statute is the requirement that counties and cities continually review and evaluate their comprehensive use plans and development regulations.

The bill mentioned in APA (2002a), H.B. 1115 (2001) to authorize property tax increment financing failed and keyword searches in WA statutes for tax increment financing yielded no results. However, Washington does have statutes that authorize city legislative authorities to use of local retail sales and use tax increment revenue, i.e. the revenue in excess of taxes collected the previous year, for costs of revitalizing a downtown or neighborhood commercial district community. The funds can also be used to pay into bond redemption funds that finance revitalization projects. The statutes describing these authorizations, Rev. Code Wash. (ARCW) § 35.100.020, -.030, -.040, -.050 (2008) were enacted in 2002.

The statute, Rev. Code Wash. (ARCW) § 36.70A.040 (2008), enacted in 1990, requires counties and cities with a population over 50,000 or those with a 10 percent increase in population in the previous ten years to conform their plans to the Growth Management statute (RCW 36.70A.130). These cities and counties are required to use impact fees to ensure adequate facilities for the new development (Rev. Code Wash. (ARCW) § 82.02.050 (2008), enacted in 1990). Statute notes discuss whether to interpret the language in the statute as requiring cities to make individual assessments for impact fees or if the fee can be assigned based on a cumulative average impact. Cities initially using a cumulative average, but a judicial decision in 2004 determined that the phrase "reasonably related to" connotes a relationship between the individual development and the impact.

Oregon

Oregon was a battleground for the debate between land use regulations and private property rights in 2000. A ballot box initiative titled Measure 7 expressed the frustration residents have with strict anti-sprawl land use regulations by demanding

reimbursement to landowners for reductions in property values caused by either state or local government regulations. Measure 7 was overruled by Oregon's supreme court for technicalities. Voters subsequently passed Measure 37 in 2004 that essentially made the same demands and 7,500 claims for public compensation flooded the government. In response, another ballot is being put forth, Measure 49, to replace Measure 37, in offering authorization for landowners to build more houses on land that lost value as opposed to financial compensation ("Funding in Support of Oregon's Measure 49 Coming Largely from In-State Contributors," *Oregonian*, October 1, 2007).

Oregon implements property tax incentives to curb sprawl in addition to regulations. Oregon Revised Statute §457.420, first enacted in 1961, authorizes tax increment financing for an urban renewal plan. Oregon Revised Statute § 457.435 (2007), enacted in 1997, sets forth property tax collection methods for urban renewal plans using TIFs. The statute provides three options, 1) collect amounts sufficient for the urban renewal plan 2) make a special levy for the amount stated in the ordinance for urban renewal 3) collect an amount equal to the amount stated by dividing the taxes according to property assessments not to exceed the total needed for the urban renewal plan.

Oregon extends an exemption from city property taxes to qualified single family dwellings in distressed areas as designated by city ordinance. The designated distressed areas cannot exceed 20 percent of the city's total area (ORS §§307.651 – 307.687).[39] The legislative findings consider "it to be in the public interest to stimulate the construction of new single-unit housing in distressed urban areas in this state in order to improve in those areas the general life quality, to promote residential infill development on vacant or underutilized lots, to encourage homeownership and to reverse declining property values" (ORS §307.654).

Commonalities Among Leading States

In general, state level initiative characterizes leading states. All leading states launch the state on a smart growth path with planning, coordinating, and outlining a vision. All states pass legislation that updates comprehensive plans with smart growth language. Most states do not mandate that local jurisdictions update their comprehensive plans to conform to the smart growth principles in the state comprehensive plan. Some, however, make it very difficult for local jurisdictions to refuse by using a stick, carrot or both. Maryland withholds state funding for projects if the projects do not comply with a smart growth plan and local governments are prohibited from approving projects that are inconsistent with the plan. Tennessee imposed a deadline for local governments to submit their updated comprehensive plans, provided the incentive of a 5 percent increase in bond authority and grants from the Tennessee Housing Authority, and declared that the state will not longer fund grants to local jurisdictions without a smart growth comprehensive plan. Wisconsin prohibits local jurisdictions from engaging in land use regulation if their plans do not comply with smart growth principles.

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[39] Oregon does not report the date of enactment in LexisNexis Congressional.

Leading states also provide technical and financial resources for local efforts to update their comprehensive plans or take other smart growth measures. For example, Maryland funds and staffs the Governor's Office of Smart Growth, Wisconsin issues Comprehensive Planning grants, and Delaware's "Livable Delaware Initiative" provides resources. Tennessee stands out as the exception in the group of leading states that does not offer planning resources.

Similar programs provide the main thrust of smart growth activity in areas of directing development toward existing communities and preserving rural land. With the Priority Funding Areas program in Maryland and the urban growth boundaries in Tennessee and Oregon, states direct state funding and therefore development towards designated areas. In order to preserve land, leading states authorize local jurisdictions to provide conservation easements, require a reduction in the assessment value of the land with an easement for property tax purposes, and offer state money to reimburse local jurisdictions for the loss in tax revenue due to easements. Leading states also have a state trust fund to purchase easements. Most states authorize impact fees; Tennessee is the only case study that prohibits them.

One other commonality among leading states is for the governor to issue an executive order for commissions to study problems and make smart growth recommendations (Maryland's Commission on Environmental Justice and Sustainable Communities, the Tennessee Strategically Targeted Areas of Redevelopment, and Delaware's Governor's Advisory Council on Planning Coordination).

In terms of property tax incentives, leading states usually authorize local governments to provide them, not mandate. The only common mandate follows authorization to provide conservation easements. Leading states tend to mandate that assessors reduce the value of land with easements for property tax purposes. Property tax incentives are typically used for affordable housing, rehabilitation, infill, and conservation easements. The next section describes examples of property incentives in other states grouped by smart growth principle.

Property Tax Incentives Consistent with Smart Growth Principles

As explained in the introduction, states intentionally use some statutes for smart growth. Other statutes are unintentionally consistent with smart growth principles. Sometimes statutes include legislative findings that articulate smart growth intentions, but usually they do not. The diverse sources of the case studies provide a clearer connection between smart growth and certain statutes than following research on property tax incentives that derived mainly from keyword searches of state statutes.

Examples of state statutes that provide or authorize property tax incentives are summarized and grouped by the smart growth principles to which they contribute. Keyword searches of state statutes uncovered the pattern that states use property tax incentives for only three of the 7 principles of smart growth identified in the introduction: creating housing options; directing growth toward existing communities; and preserving farmland and open space.

Local governments do not use property tax incentives to encourage mixed land use because neither property values nor property tax levies are differentiated directly on

the basis of the mix of uses surrounding a subject property. The market value of an individual property is influenced by the value of nearby properties, but it is not clear that the market embraces a mix of land uses. Local governments rely on zoning to encourage mixed land use. Similarly, local governments use zoning to create walkable communities. The principle of making development decisions predictable, fair and cost effective applies to all tools including property tax incentives, but property tax incentives are not used to encourage this behavior. Property tax incentives are not used to encourage comprehensive planning either. As described in the case studies, state funds are used as a carrot or stick to encourage local cooperation, but not property tax incentives. The appendix provides excerpts of statutes of the property tax incentives and some examples of regulatory alternatives verbatim.

Evaluations of how property tax incentives encourage smart growth would be the best way to assess their effectiveness, but states have not made a concerted effort to collect data and conduct evaluations of their smart growth statutes. Our search yielded no evaluations of the effectiveness of specific types of property tax incentives in achieving smart growth. In lieu of evaluations, literature reviews speak to the effectiveness of property tax incentives in directing growth to existing communities and preserving open space. No relevant literature was found for housing. Research that analyzes the effectiveness of property tax incentives in general is discussed in the section on directing development to existing communities. Research that analyzes current use assessments and conservation easements is discussed in the section on preserving farmland and open space.

We performed a literature review to determine what information is available on the effectiveness of property tax incentives to promote smart growth. We focused the search on housing, compact development, and open space because the review of statutes identified these areas of smart growth as most relevant for use of property tax incentives.

Create housing opportunities and choices for diverse income groups (e.g. affordable housing)

Quality housing choices for all income levels contributes to smart growth for a number of reasons. Housing constitutes a significant portion of new construction and therefore strongly impacts the way communities grow. Housing determines a household's access to society such as transportation, commuting patterns, access to services and education, *etc*. Strategic housing development can help employees live closer to their workplace, it can help reduce auto-dependency to benefit the environment, and it can help communities use infrastructure resources more efficiently. Smart growth housing strategies not only emphasize diversifying housing options on newly-developed land, but also increasing housing supply in existing communities. Converting some single family structures to multi-family structures in a neighborhood can slowly increase

density, which mitigates sprawl and increases the viability of public transport, without changing landscape of the community.[40]

Of the twelve statutes listed in the appendix, seven of them explicitly offer or authorize property tax incentives: **Connecticut** Conn. Gen'l Stat. §8-215 – 216 [Authorizes and incentivizes tax abatement]; Iowa Code **§** 403.22 (2008); **Maine** MRS, tit. 30, §5250-A [Authorizes Tax Increment Financing]; **New York** N.Y. R.P.T. Law §421-a. [Authorize tax exemption]; **Oregon** ORS §§307.651 – 307.687 [Authorizes zoning and tax exemption]; **Vermont** Stat. Ann. tit. 32, §3847; §3836 [Authorizes tax exemption]; **California** Cal. Health and Safety Code §33607.5 [Authorizes Tax Increment Financing].

Connecticut, New York, Vermont, and Oregon authorize local governments to encourage development of affordable housing with tax abatements or exemptions. Of these states, only Connecticut provides reimbursement to local governments for the loss in revenue due to affordable housing abatements. Connecticut authorizes municipalities to offer a tax abatement to landowners for providing housing for low and moderate income families and individuals. The landowner must spend an amount on affordable housing equal to the amount of the abatement. In addition to authorization, the state provides reimbursement to the municipalities for the tax abatements in the form of a state grant-in-aid paid each year for a maximum of 40 consecutive years. New York authorizes the local housing agency of cities with a population that exceeds one million to exempt new multiple dwellings from taxation 100 percent for the first 10 years and a declining rate for five years afterwards. Vermont encourages quality affordable housing by authorizing municipalities to exempt the value of improvements made to affordable housing units for up to 5 years. As discussed in the case study, Oregon extends an exemption from city property taxes to qualified single family dwellings in distressed areas as designated by city ordinance. The designated distressed areas cannot exceed 20 percent of the city's total area.

California, Iowa, and Maine authorize or mandate municipalities to provide affordable housing tax increment financing to encourage affordable housing. California requires the tax increment funds from redevelopment projects to be deposited in the Low and Moderate Income Housing Fund. Iowa mandates division of revenues to only aid in the provision of improvements in urban renewal areas if the municipality includes assistance for low and moderate income family housing. Assistance can mean the provision of lots for, construction of, or grants or credits to low income and moderate houses (Iowa Code 403.22). In Maine, the municipality may retain all of the revenues generated from the increased assessed value of an affordable housing development district. Maine also authorizes municipalities to reduce impact fees for sewage service to newly constructed affordable housing (MRS tit. 30-A §3446).

Illinois' statute, **Illinois** 310 ILCS 67/1 – 25 [Requires planning and incentives in municipalities with housing shortages], requires communities designated as having an

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[40] Information in this paragraph summarizes *Smart Growth Online* is a website created by the Smart Growth Network, a group of non-profit and government organizations formulated in partnership with the U.S. Environmental Protection Agency in 1996. http://www.smartgrowth.org/sgn/default.asp (accessed September 12, 2008).

inadequate supply of affordable housing to devise a plan with incentives to facilitate construction of affordable housing. Local governments may or may not choose to use property tax incentives to facilitate affordable housing construction. Further study of local government activity would be necessary to ascertain the extent of property tax incentives.

The other statutes listed in the appendix provide examples of statutes that use tools other than property tax incentives to encourage housing property choices for diverse income groups, such as incentive zoning, impact fees, and density bonuses.

One problem that arises in relying on these types of tools to promote affordable housing is that they tend to only provide incentives to create affordable housing in blighted areas in need of revitalization. These tax credit programs do not encourage developers to create affordable housing in marketable areas. Creating affordable housing in marketable areas provides housing options throughout the region in a way that accomplishes the goals described in the first paragraph of this section. An affordable housing organization in St. Louis, FOCUS St. Louis, recommends that state level tax credits should be offered at the time of sale funded through the real estate transfer tax.[41]

Strengthen and direct development to existing communities, promote infill and redevelopment, and prevent leapfrog development

Smart growth directs development away from greenfields on the urban fringe and towards existing communities. Greenfields attract developers because of the lower land costs, ease of access and construction, larger parcels, simpler zoning requirements and a lack of residents to object. The two major costs associated with greenfield development is the loss of open space and farmland on the urban fringe as well as inefficient infrastructure. When development is directed towards existing communities, it uses existing infrastructure instead of building new infrastructure (such as roads, water lines, sewers, etc.).[42]

In order to direct development to existing communities, tools must lure developers away from undeveloped land and toward land already developed that can be costly for the developer to tear down and redevelop. The APA points out that "there are as many different redevelopment programs as there are reasons or causes for redevelopment."[43] States have multiple statutory strategies for zoning and for creating financing to redevelop areas, each with a different purpose and method.

Statutes authorize local governments to utilize property tax incentives such as tax abatements by offering a lower rate or freezing the assessment value, tax increment

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[41] FOCUS, "Affordable Housing for the Region's Workforce," (August 2005), p. 19. http://www.focus-stl.org/prog/pdfs/affordablehousing.pdf (accessed August 21, 2008).

[42] Information in this paragraph summarizes *Smart Growth Online* is a website created by the Smart Growth Network, a group of non-profit and government organizations formulated in partnership with the U.S. Environmental Protection Agency in 1996. http://www.smartgrowth.org/sgn/default.asp (accessed September 12, 2008).

[43] American Planning Association. *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition*, Stuart Meck, FAICP, Gen. Editor, Vol. 2, page 14-29.

financing, tax exemptions, and tax credits to entice developers to build in that area. Of 48 statutes included in the appendix, 14 explicitly offer property tax incentives.

One tool that facilitates redevelopment is Tax Increment Financing (TIF). TIFs promote economic development by designating revenue from increases in assessed values to the TIF district. For example, Florida authorizes local governing bodies to implement TIFs with an approved community redevelopment plan: **Florida** Fla. Stat. 163.387 [Authorize Tax Increment Financing]. **Oregon** ORS § 457.435 authorizes TIFs for urban renewal, **Wisconsin** Wis. Stat. § 66.1105 – § 66.1106 authorizes TIFs for mixed use development and for environmental rehabilitation, and **Tennessee** Tenn. Code Ann. §§ 68-212-202, -224, -225, and -226 authorizes TIFs for brownfield projects as discussed in the case studies.

Another tool is a property tax credit. As discussed in the case study, Maryland authorizes the county or municipal corporation to provide a property tax credit to owners that substantially rehabilitate a single dwelling or commercial property that is unsold or unrented. The local governing entity can provide a 100 percent tax credit for one year: **Maryland** Tax-Property § 9-207 [Authorizes property tax credit]. In addition, Maryland authorizes local governing entities to provide a property tax credits for the rehabilitation of vacant or underutilized commercial buildings: **Maryland** Tax-Property 9-234 [Authorizes property tax credit]. Illinois provides an 8 year assessment freeze on historic residences to encourage the rehabilitation of historic residences: **Illinois** 35 ILCS 200/10-40 *et seq* [Historic Residence Assessment Freeze].

Indiana, Iowa, New Jersey, and New York offer property tax exemptions to encourage redevelopment. **Indiana** § IC 6-1.1-12.1 mandates that an owner is entitled to a property tax deduction for rehabilitating or redeveloping property in an Economic Revitalization Area. The statute dictates the amount of reduction as the lesser of 100 percent of the assessed value after rehabilitation or $74,880 for one family dwelling, $106,080 for two family dwellings, $156,000 for three unit multifamily dwellings, or $199,680 for four unit multifamily dwellings (Indiana § IC 6-1.1-12.1). **Iowa** Code §404.3B authorizes cities and counties to provide a partial property tax exemption on the value added to abandoned real estate by improvements on a declining schedule over a period of 15 years. The statute also authorizes cities and counties to exempt abandoned property for 100 percent of the value of improvements for a period of 5 years (Iowa Code §404.3B). As discussed in the case study, **New Jersey** N.J. Rev. Stat. §§40A:21-2; 40A:21-4 authorizes municipalities to exempt areas in need of rehabilitation from property taxation for periods of 5 years. **New York** General Municipal Law § 696 authorizes municipalities to exempt real property from local and municipal taxes in an urban development action project area for 20 years.

Indiana, Iowa, and Maine offer various other property tax incentives related to compact development. **Indiana** §IC 6-1.1-42 authorizes municipalities to designate brownfield revitalization areas and offer a tax abatement for Brownfield Revitalization. The statute entitles the property owner to receive a deduction from property taxes that is 100 percent of the increase in the assessed value in the first year, 66 percent in the second year, and 33 percent in the third year. **Iowa** Code tit. §15.332; §15.335A also authorizes communities to exempt real property from a portion or all of its property taxes for job creation linked directly to that property. **Maine** MRS tit.30-A, §3442 authorizes

municipalities to provide a disincentive to build away from existing infrastructure by increasing the assessed value of parcels when new public drains or sewers are constructed. Farmland is exempt from this increase in assessment when it does not benefit from the new service.

Other tools exemplified in the appendix that contribute to directing development towards existing communities includes administrative incentives, historic structures tax credit, zoning, brownfields liability exemption, impact fees, and incentive zoning. States charge developers impact fees that shift the cost of new public infrastructure to developers as a disincentive for building on undeveloped land.[44] Incentive zoning was previously discussed, so the discussion will focus on the other tools listed.

A challenge to redeveloping existing communities is brownfields. Defined by the Environmental Protection Agency, brownfields are "abandoned, idled, or underused industrial and commercial facilities where expansion or redevelopment is complicated by a real or perceived environmental contamination."[45] Indiana offers a property tax abatement for brownfield revitalization: **Indiana** §IC 6-1.1-42 [Tax abatement]. Aside from the cost of cleaning up a previous industrial site, the liability associated with pre-existing contamination is a strong disincentive for a new developer. States address this disincentive by exempting new owners from liability of pre-existing contamination or limiting their liability to only contamination caused or exacerbated by them. For example, Del. Code Ann. Tit. 7, § 9105 and 415 Il. Comp. Stat. § 5/58.9 proclaim, "liability for costs for voluntary cleanup assigned on a fault basis, damages proportional to polluter's portion of fault."[46] Twenty-five states exempt or limit new owners from liability of developing brownfields (APA 2002b); only two examples (Ohio) are included in the appendix because this important piece of redevelopment is not a property tax incentive: **Ohio** Code tit. §3746.01; §3746.12. [Exemption from liability]; **New Hampshire** N.H. Rev. Stat. Ann. § tit. 10, 147-F:1 – 5 [Authorize relief from brownfield liability]

Historic preservation tax credit programs are income tax credits for property improvements. While this tool exists to preserve historic sites, it is often relevant to smart growth because the complexity and expense involved in historic property rehabilitation deters developers which results in dilapidated, vacant and abandoned buildings that bring down property values and contribute to neighborhood decline. The income tax credit for historic property brings buildings back to productive use while saving new materials and land necessary for new development.[47] Though this tool is

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[44] Feiock, Richard C., António F. Tavares, and Mark Lubell. 2008. "Policy Instrument Choices for Growth Management and Land Use Regulation," *Policy Studies Journal*, 36(3): 468.

[45] U.S. Environmental Protection Agency, Region 5 Office of Public Affairs, *Basic Brownfields Fact Sheet*, (Chicago, 1996).

[46] The APA highlights brownfield programs key to smart growth strategies: Cal. Health and Safety Code § 25300 et seq; Mich. Comp. Laws §§20101 et seq; Me. Rev. Stat. tit. 38, §343-E; Minn. Stat. §115B.175; Neb. Rev. Stat. §§81-15,181 et seq.; Ohio Rev. Code §3746.01 et seq.; Pa. Stat. tit. 35, §§60626.101 et seq; Wis. Stat. §§292.11 et seq. ; 35 Pa. Cons. Stat. Ann. §66027.1 et seq. ; Ohio Rev. Code § 3746.26(A)(1)(b); Del. Code Ann. Tit. 7, § 9105; 415 Il. Comp. Stat. § 5/58.9. APA p 14-36 guidebook.

[47] *Restoring Prosperity: A roadmap for revitalizing America's older industrial cities* is an initiative led by six states and partners at the national level to provide a roadmap to revitalizing cities through coordinated

often an income tax credit instead of a property tax credit, it is a relevant incentive that credits developer's expenditure on property improvements. Examples included in the appendix are: **Kansas** §79-32.211 [Historic structure tax exemption]; **New York** N.Y. Tax Law § 606 [Historic structure tax credit]; **Rhode Island** § 44-33.2-1 and § 44-33.2-3 [Legislative findings and Historic Structures Tax credit].

Effectiveness of property tax incentives: Literature Review

Balancing urban growth with preserving farmland, open space, and environmentally sensitive areas requires compact development rather than urban sprawl. To directly influence the pattern of development, cities use planning tools like zoning and potentially, as Slack (2002) suggests, tax incentives. Property tax incentives are only effective to the extent they influence location decisions of individual firms and households. A plethora of research attempts to isolate the additive effect that property tax incentives contribute toward the decision firms make about where to locate. Local politicians have long believed that altering local taxes alone influences business location decisions, but the research shows that tax incentives are only effective when accompanied by regulation. This section defines effectiveness, discusses findings about effectiveness, explains the conditions under which property tax incentives can be effective, and provides recommendations for implementation.

Conceptually, a tax incentive is effective when it encourages a firm to locate where it otherwise would not. If the firm would have located in the same place without the tax incentive, then offering tax incentives is not a good use of public money. The concept of effectiveness is difficult to evaluate because an evaluation cannot prove definitively what would have happened had no tax breaks been provided (Chang 2001, 10).

Research on the topic of tax incentives explores whether property tax incentives affect firm location decisions and if so, to what effect. Under what conditions is the use of property tax incentives for influencing firm location cost effective? Storey (1990) defines the additive effect to measure the effectiveness of incentives as the amount of positive local economic development that can be attributed directly to a local incentive package. The additive effect as applied to smart growth would measure the amount of compact development that can be attributed solely to the offered local incentive package. In other words, it is the amount of development in the central city that would have occurred on the periphery had the property tax incentives not been offered. Measuring the additive effect contributes to understanding the extent to which the tax incentive created the observed outcome.

Wassmer (1994) develops a regression technique that measures the additive effects of local incentive programs on economic outcomes. Wassmer estimates the additive effects of manufacturing property tax abatements, commercial property tax

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efforts between the states, regions, and cities. Partnering states include CT, MI, NJ, NY, PA, and OH. http://www.restoringprosperity.org/.

abatements, and a tax increment financing authority district in the Detroit metropolitan area by controlling for structural, cyclical, and other local influences. He studies economic outcomes and measures the amount of manufacturing value added, retail employment, etc. that occurred because of the tax incentive. These economic outcomes are not necessarily related to compact development, but Wassmer's operationalization of effectiveness could be used to study the effectiveness of property tax incentives for smart growth. Wassmer found that the effectiveness of these tax incentives depended on specific characteristics of the city (Wassmer 1994; Chang 2001, 7).

Studies on the effectiveness of property tax incentives conclude generally that property tax incentives can potentially influence intrametropolitan locations of firms and be used to direct development, but empirical studies find little evidence of effectiveness (Coffin 1982, Wolkoff 1985, Willis 1985; Wren 1987; Anderson 1990; Storey 1990; Wassmer 1994). Even where there is evidence of an additive effect, the use of tax incentives is not necessarily justified (Wassmer 1994). The benefit of the additive effect must exceed the cost of offering the tax incentive. Morgan and Hackbart (1974) evaluate property tax abatements with cost-benefit analysis and find that the abatements would have to generate 5 to 10 percent of increased value to the state in order to be cost effective. In terms of smart growth, the compact development that would have otherwise occurred on the periphery reduces the cost of providing infrastructure and services. To be cost effective, this reduction in cost would have to be more than the loss of revenue from offering the property tax incentives.

Politicians and local economic development officials claim that tax abatements are responsible for attracting firms. Contrary to their claim, economists argue that local tax incentives operate as a zero-sum game that only benefit corporations taking advantage of the game. The reason for these divergant beliefs is that local competition and copycat behavior undermine the effectiveness of tax incentives, or competitive adoption theory. Man (1999) finds evidence of this theory in studying TIFs: "cities mimic their neighbors' behavior to remain competitive in their bidding for private capital investment" (page 1165). When all jurisdictions offer tax incentives, the firm will locate where it would have anyway and collect the tax abatement from that location. Similarly, Chang (2001) notes on page 33 that wealthier jurisdictions copy the tax incentives offered by the blighted central city, undermining the effectiveness of the tax incentive since the firm would have preferred to locate in the wealthier jurisdiction if no tax incentives existed. Property tax abatements only effectively alter location behavior if the targeted area is the only area offering the tax abatements. If all areas offer tax abatements, the landscape of location options for firms is the same as if no one offered tax abatements.

Wassmer (2007) and Reese and Sands (2006) recommend the use of regulation in conjunction with property tax incentives to enable cities to use tax incentives effectively. Essentially, they argue for targeted property tax incentive programs rather than a generalized business-retention program. Wassmer (2007) argues that states must restrict the offering of property tax abatements by jurisdictions (page 44-45). Reese and Sands (2006) specifically recommend 1) limiting tax abatements to distressed areas, especially prohibiting tax abatements in exurban townships; 2) limiting or capping the number of abatements a municipality can use in a particular period; 3) limit the amount of investment that can be abated; 4) favoring applications for abatements that involve new

jobs and investment in real property; 5) state requirement for collecting outcome data and regular reporting; 6) state requirement for cost-benefit assessments as part of the applications process for abatements; 7) and outreach efforts to education public officials and citizens about the changes in implementation (page 91).

Most of the literature on property tax incentives studies effectiveness in terms of economic development, not compact development. Reese and Sands (2006), however, discuss the pattern of development which directly relates to the smart growth principle of compact growth. The authors find that property tax abatements do not alter location decisions of new firms that are particularly attracted to fringe development. The study also shows that periphery municipalities use property abatements to attract new firms and new jobs while older central cities use it to retain existing jobs. The study provides evidence that property tax abatements used without coordinating regulation at the state level are not effective at directing growth to the central city. The recommendations Reese and Sands (2006) suggest on page 91 could make property tax incentives effective for smart growth.

First and foremost, firms make location decisions based on the level and quality of services available in the area. Surveys show that property tax incentives rank at the bottom of the list of factors firms consider when making location decisions. Property taxes amount to a much smaller portion of operation costs than transportation, which is affected by the municipal services. Another important factor is the type and quality of labor force in the area.

Preserve open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems

Open space as a smart growth concept refers to natural areas in and around localities that provide community space, recreation, farm land, habitats for plants and animals, natural beauty and critical environmental areas like wetlands. Preserving open space also guides development into existing communities which mitigates sprawl and the negative externalities associated with it (e.g. inefficient infrastructure, auto-dependency, pollution, congestion, *etc*.).[48]

Many states give preferential tax treatment to these kinds of activities: agricultural farmland, conservation of open space, and forest timber production. The kinds of treatment tools used are: 1) freezing assessment 2) full/partial tax exemptions 3) assessing as less than market value. The following paragraphs describe the way states legislate these types of preferential tax treatments to preserve land. The appendix includes examples of preferential tax treatment for preserving land.

Tax Freeze

Vermont authorizes local governments to freeze the assessed values, tax rates, or the total tax payment for the owners of 'agricultural, forest land, open space land, industrial

[48] Information in this paragraph summarizes Smart Growth Online is a website created by the Smart Growth Network, a group of non-profit and government organizations formulated in partnership with the U.S. Environmental Protection Agency in 1996. http://www.smartgrowth.org/sgn/default.asp (accessed September 12, 2008).

or commercial real and personal property and alternate-energy generating plants, for up to 10 years (Vermont 24 §2741). Vermont also compensates each town for the amount of municipal tax revenue loss each year due to tax rate limits on enrolled property compared to tax revenue that would have been received if all property were tax based on fair market value(Vermont Stat. Ann. tit. 32 §3760).

Full/Partial Tax Exemptions

Hawaii offers a tax exemption to owners living in urban districts who dedicate a portion of their land to open space, landscaping, or public recreation: **Hawaii** Haw. Rev. Stat. §246-34 [State tax exemption]. New York exempts property devoted to open space and conservation from the Real Estate Transfer Tax: **New York** N.Y. Tax Law § 1438-e [Real Estate Transfer Tax exemption]. Tennessee has a state compensation fund to offset losses in local government revenue due to property tax exemptions: **Tennessee** §11-14-406 and §11-7-109 [State reimbursement for exemption]. **Iowa** Code tit. 10, § 427.1 mandates the following types and uses of property be exempt from property taxes: 1) agricultural and horticultural land (except commercial); 2) pollution control and recyclying; 3) natural conservation or wildlife areas; 4) native prairie and wetland; 5) methane gas conversion; and 6) barn preservation The assessing authority may submit a claim to the department of revenue for reimbursement of the tax revenue lost from the exemption.

Current Use Assessment

Current use assessment refers to an instance of land valuation where land is assessed according to its current use in order to encourage preservation of the land's current use by lessening the burden of property taxes on owners. This tactic is commonly used to encourage landowners to commit land to conservation easements in perpetuity and to preserve farmland rather than sell it to developers.

<u>Easements</u>

Not all conservation easements fall into the category of current use assessment programs. Only statutes that mandate local governments to take the easement into account when assessing land for tax purposes are relevant here; not all statutes do this. Eighteen states mandate current use assessment of the portion of property committed to an easement:

> California, Cal. Rev. & Tax Code § 402.1(a)(8) (West 2002); Colorado, Colo. Rev. Stat. § 38-30.5-109 (2003); Florida, Fla. Stat. Ann. § 193.501 (West 2002); Indiana, Ind. Code § 32-23-5-8 (2003); Maine, Me. Rev. Stat. Ann. tit. 36, § 1106-A (West 2002); Minnesota, Minn. Stat. § 273.117 (2003); Montana, Mont. Code Ann. § 76-6-208 (2003); Nebraska, Neb. Rev. Stat. § 76-2, 116 (2002); New Hampshire, N.H. Rev. Stat. Ann. §§ 79-B:3 and 79-C:7 (2003); New Jersey, N.J. Rev. Stat. § 13:8B-7 (2002); North Carolina, N.C. Gen. Stat. § 121-40 (2003); Ohio, Ohio Rev. Code Ann. § 5713.04 (West 2003); Oregon, Ore. Rev. Stat. §§ 271.785 and 271.729 (2003); Pennsylvania, 72 PA. Cons. Stat. § 5491.3 (2003); Rhode Island, R.I. Gen. Laws § 44-27-2 (2003); South Carolina, S.C. Code Ann. § 27-8-70 (Law. Co-op. 2003); Tennessee, Tenn. Code Ann. § 66-9-308 (2003); and Virginia, VA. Code Ann. § 10.1-1011 (Eitel 2004, 78)

Some of these states provide replacement revenue to municipal governments that lose property tax revenue to open space land assessed according with easements. California Cal. Govt. Code §§ 16140-16154 provides replacement revenue for up to 10 years and dictates the amount of reimbursement as $5 per acre for prime agricultural land and $1 per acre for all other land devoted to open space use. New Jersey offers grants to local governments that reimburse up to 80 percent of the cost of acquiring easements on farmland (New Jersey § 13:8C-20, § 13:8C-37, § 13:8C-39).

Preferential assessment programs[49]

Preferential assessment is mostly used for agriculture. The programs have a number of policy goals, including preserving farmland and open space, preventing urban sprawl, and assisting family farmers.[50] The programs most likely contributing to smart growth goals of preserving farmland and open space are those with a penalty for withdrawal. The reason being, if a land owner receives preferential assessment for the current use activity, but suffers no penalty for selling to developers, then the program does not ensure long-term preservation of land used for open space or farming. Many state preferential assessment programs include penalties for changing the use of land, but even with the penalties, the effectiveness of these programs is unclear.[51]

Penalties for withdrawal tend to total the difference between the tax based on current use and the tax based on fair market value or sale price of the land for the current year, plus taxes for a previous number of years based on market valuation or an additional percentage.

California, Alaska, Alabama, Iowa, New Hampshire, Nevada, Vermont, and Washington have a penalty for withdrawal in their preferential assessment program. California requires a 10 year contract. If the contract is broken on agricultural land, California charges a cancellation fee equal to 12.5 percent of the full market value. If the contract is broken on land preserved for open space, the fee is at least 50 percent the full market value of the land, multiplied by the latest assessment ratio that had been published pursuant to section 251 of the code when the agreement was initially entered into. Both fees may be waived by the board or council.[52] In Alaska, the owner is liable to pay an amount equal to the additional tax at the current use together with 8% interest for the preceding 7 years, as though the land had not been assessed for farm use purposes.[53] As penalty, Alabama collects taxes based on the greater of the fair market value or sale price

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[49] See Bowman, Cordes and Metcalf.

[50] Youngman, Joan. 2005. "Taxing and Untaxing Land: Current Use Assessment of Farmland." *State Tax Notes*. September 5. Washington, DC: Tax Analysts.

[51] Youngman, Joan. 2005. "Taxing and Untaxing Land: Current Use Assessment of Farmland." State Tax Notes. September 5. Washington, DC: Tax Analysts, p.732-734.

[52] California Rev. & Tax. Code §§ 421-430.5; Cal. Gov't Code §51244, §423, §51283, §51283.1, §51230.2; http://www.boe.ca.gov/proptaxes/pdf/ah521.pdf

[53] http://www.legis.state.ak.us/cgi-bin/folioisa.dll/stattx06/query=*/doc/%7Bt13012%7D, This example was found through a survey conducted by the George Washington Institute of Public Policy (GWIPP) for The Lincoln Institute for Land Policy in 2007

for the current year and three preceding years.[54] Iowa exempts designated fruit-tree and forest reservations from property taxes even if the owner sells or transfers ownership of the land as long as the property is maintained as a fruit tree reservation. The land is subject to a recapture tax, the amount the owner would have paid for the preceding 5 years had the land not been exempt, if not maintained or if used for economic gain (Iowa Code 427C.12).

In New Hampshire, land that no longer qualifies for the current use program is subject to a land use change tax, which is 10% of the full and true value of the land that is no longer eligible (N.H. Rev. Stat. Ann. Tit. 5, § 79-A:1-7). Vermont also has a land use change tax at a rate of 20 percent of the full fair market value, or 10 percent if the land has been enrolled for more than 10 years continuously (Vermont Stat. Ann. tit. 32 §§3751 – 3757).

If any portion of agricultural land is converted to a higher use in Nevada, the county assessor determines the amount of taxes the owner would have paid at the higher use, during the current, any previous years the land was operating under higher use, plus the preceding 6 years (N.R.S. tit. 32, §§361A.090; 361A.130; 361A.220; 361A.225; 361A.280). In Washington, the assessor will remove the land from classified status and impose an additional tax equal to the difference between the tax paid on the current use value and the tax that would have been paid on that land had it not been so classified. The additional tax is payable for the last 7 years, plus interest at the same rate as charged on delinquent property taxes, plus a penalty of 20% of the total amount Wash. Rev. Code RCW § 84.34.010; 84.34.055; 84.34.060 (2008).

The following three groups of states have the highest potential for contributing to smart growth goals. GWIPP[55] found that at least 18 states require either a specific future time commitment, or require that in order to receive the tax benefits the land already has been in the preferential use for a specified number of years. These programs cover agricultural, open space and conservation, and parks and recreation land, and include the following states:

Arizona	Illinois	Ohio
California	Maine	Rhode Island
Colorado	Maryland	Texas
Delaware	Massachusetts	Utah
Florida	New Jersey	Washington
Georgia	New York	Wyoming

[54] http://www.legislature.state.al.us/CodeofAlabama/1975/40-7-25.1.htm, This example was found through a survey conducted by the George Washington Institute of Public Policy (GWIPP) for The Lincoln Institute for Land Policy in 2007

[55] See Bowman, Cordes and Metcalf.

For land use types in addition to agriculture, 24 states[56] impose a penalty for removal of land from a preferential assessment program. Programs from the following states include conservation and open space, parks and recreations, or forestland:

Alabama	Iowa	Oregon
California	Massachusetts	Pennsylvania
Connecticut	Maine	Rhode Island
Delaware	Minnesota	Tennessee
Florida	Missouri	Texas
Georgia	North Carolina	Virginia
Illinois	New Hampshire	Vermont
Indiana	New York	Washington

Effectiveness of Preferential Tax Treatments: Literature Review

Preferential Assessment Programs

Preferential assessment programs generally aim to protect farmland and open space and limit sprawling suburban development, though their efficacy in achieving these goals has been questioned by a number of authors. Coughlin, Berry, and Paut (1978) argue that the demand for developable land far outweighs property tax reductions in their effects on land use patterns. Malme (1993) argues that the greatest possible effect of use valuation is to slow development. Use valuation decreases the burdens of agricultural land owners, but does not deter owners who wish to convert the use of land. Kolesar and Scholl (1972) argue that New Jersey's use valuation program failed to preserve open space. Over 365,000 acres of farmland was sold in the 10 years following the implementation of use valuation.[57] Current use assessment does not necessarily limit sprawl.

Youngman (2005) explains why use valuation does not necessarily preserve farmland: long-term preservation is not ensured if the land owner has the freedom to sell to a developer at any time. A property tax disincentive, the penalty for withdrawal, is often used to legally limit development. The penalty for withdrawal penalizes the owner for selling the land to a developer. The penalty usually imposes back taxes on the land, i.e. the difference between the agricultural use value and the market value for some number of years prior to the sale. Youngman, however, also criticizes the penalty for withdrawal as ineffective in preventing land use conversion because it is often negligible compared to the profit gained in converting the land's use. Youngman argues that even with the penalty for withdrawal, use valuation does not necessarily preserve land use (page 732).

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[56] Arkansas does not impose a penalty for change in use unless the landowner does not notify the local assessor of the change.

[57] Boldt (2003) summarizes these authors' findings.

Research suggests that use valuation is more likely to prevent conversion in rural areas than on the urban fringe. Ferguson (1988) finds no change in land conversion trends, measured as farm acreage, before and after the adoption of use valuation in three Virginia counties near D.C. In the most rural county, however, Ferguson found a lower conversion trend after the county adopted use valuation. Boldt (2003) also finds a differential effect of use valuation on land use conversion in rural and urban areas. Boldt empirically tests the effectiveness of use value on preserving farmland in Wisconsin. While use valuation generated the highest tax relief on the urban fringe due to the vast difference between market and use valuation, it does not contribute to farmland preservation on the urban fringe. The regression analysis finds, however, that use valuation does contribute to farmland preservation in rural areas. Boldt posits an explanation of the disparate effect in urban and rural areas: higher land values offset property tax relief. Areas under more development pressure on the urban fringe have higher land values and therefore offset the property tax relief more. Tax savings deter farmland conversions in rural areas, but the price difference between current use and market value encourage conversion in urban areas.

Research of the efficacy of preferential use assessment in preserving farmland and open space suggests that without a penalty for withdrawal, the programs are ineffective. With a penalty for withdrawal, the programs can be effective, but not necessarily. Preferential use assessment is most effective in preserving current land use in rural areas than urban fringe areas.

Conservation Easements

Before the conservation easement, the main method of preserving open space was outright purchase of the land by a governmental agency or environmental organization. In 1959, social scientist William H. Whyte suggested in a report for the Urban Land Institute, ‘‘Securing Open Space for Urban America: Conservation Easements,’’ U.L.I. Technical Bulletin 36, December 1959 (Youngman 2006, 748) that easements be used to conserve land. An easement is “an interest in land that does not rise to the level of possession” (Youngman 2006, 747). An easement permits or restricts a specific use of the land without transferring ownership. Based on a classic appurtenant easement, where the property is jointly held by owners of neighboring property to prevent the owner’s heirs from developing, Whyte suggested a negative easement in gross and in perpetuity for the purpose of conserving land. This type of easement is negative to restrict future development (as opposed to permitting a specific use); in gross to be held by a conservation organization, government agency, or land trust; and in perpetuity to ensure long-term protection. All three components diverged from convention (Youngman 2006, 748).

States showed interest in the idea of a conservation easement and a Uniform Conservation Easement Act was developed to assist states in legislating it. Not all states retained the word “easement” since the tool diverged from traditional easements. Louisiana calls it a “conservation servitude” (La. Rev. Stat. Ann. Section 9:1271-1276 passed in 1986) and Massachusetts calls it a “conservation restriction” (Mass. Gen. Laws, ch. 184, section 31 passed in 1969). The purpose of a conservation easement is to restrict development on a land parcel (Youngman 2006, 748).

Before the conservation easement, outright purchase of land by a government agency or conservation organization was the only way to protect land. Expense alone limited the amount of land that could be protected. The conservation easement provides an alternative to outright purchase of the land in that it retains ownership rights of the land parcel under the current owner. Land subject to conservation easements increased from 1.9 million acres in 1990 to 9 million acres in 2006 (Youngman 2006, 747). The popularity of conservation easements can partially be attributed to the power it gives private parties to essentially enact land-use controls without intervention of the government. The downside of this decentralized land-use control is the lack of coordination that can lead to social and economic effects (Youngman 2006, 762). Thirty years after implementation, a debate continues over the question of whether property tax relief should accompany the easement.

The drafters of the Uniform Conservation Easement Act declared local tax issues outside their commission. The question of whether or not assessors should take conservation easements into account when valuing land for property tax purposes is not always stipulated by the legislation. Traditional legal doctrine does not provide a clear answer. Usually, divided legal interests of a property do not affect property tax assessments. However, traditional appurtenant easements, upon which conservation easements are loosely based, have historically been the exception—they are taken into account in property valuation.

With no clear historical tax treatment, pro and con arguments have developed around the question of including conservation easements in valuation for property taxes. Arguments against including conservation easements in valuation arise from skepticism that conservation easements are being used appropriately. Property tax relief for a conservation easement should occur if relinquishing development rights results in a decline in the land's market value such that the tax relief is necessary to encourage the owner to preserve the land. In cases reported in the Washington Post in 2003, owners of buildings were writing off 11 percent of the value of their residential properties because they had a conservation easement that restricted changes to the exterior of a building to preserve the historical façade. This raised skepticism because an ordinance already bans unapproved or historically inaccurate changes to the building's exterior. The owners received a tax break for something they could not do anyway. The chief assessor of D.C. found no evidence of a loss of market value in buildings with a conservation easement and those without. This practice has been going on since a U.S Tax Court case in 1985 that accounted for the conservation easement on a building façade in the French Quarter of New Orleans by reducing the property value by 10 percent for purposes of taxation even though historical districts already preserved the building facades (Youngman 2006, 754).

Tax relief for property with a conservation easement should function as an incentive for owners to commit to a conservation easement that they otherwise would not. If taxpayers would preserve the land anyway, then they should not be rewarded. For example, land unsuitable for development does not change in value by restricting rights to develop it. The property tax relief on a conservation easement is only effective as a property tax incentive if it encourages behavior to preserve land that otherwise would not have been preserved.

Idaho provides an example of a state that mandates the easement should not be taken into account in valuation. Passed in 1988, Idaho Code section 55-2109 stipulates: "The granting of a conservation easement across a piece of property shall not have an effect on the market value of property for ad valorem tax purposes and when the property is assessed for ad valorem tax purposes, the market value shall be computed as if the conservation easement did not exist'' (Youngman 2006, 751).

Arguments in favor of including conservation easements are based on the logic that an owner should only have to pay taxes on retained legal interests in the land. Furthermore, foregoing future rights to development serves a public purpose, which should not be taxed (Youngman 2006, 752). Most states legislate accordingly: eighteen of the 24 states that use conservation easements statutorily mandate that an authorization for a conservation easement implies that it should be taken into account for property tax purposes (Eitel 2004, 78).[58]

When states take conservation easements into account in valuing land for the purposes of property taxation, the question is how to measure the effect of conservation easements on the land's market value. Conservation easements have differential effects on land value determined by the specifics of the legal provisions of the easement, the local real estate market, and the potential of the property for development. The difference between rural and urban areas provides an example of differential effects. In rural areas, the low demand for development means a low value of building rights, in which case the owner does not lose much land value by transferring rights to an environmental organization or government agency. A building restriction in a rural area may have a minimal effect and go unnoticed by the market. On the urban fringe, land would lose most of its value by relinquishing building rights. Ideally, the assessor would estimate the price of the land with and without the conservation easement to accurately reduce the property value due to the easement.

Massachusetts is one of the first states to include a mandate for assessors to value the conservation easement, but provides no specific guidance for the assessors. Massachusetts law vaguely provides guidance for dealing with conservation easements for property taxation, amended in 1978 to read: ''real estate under a conservation restriction in perpetuity . . . subject to a written agreement with a city or town shall be assessed as a separate parcel and the city or town acting through its assessor shall be bound by the terms of the written agreement until its expiration'' (Mass. Gen. Laws, ch. 59, section 11). This guidance leaves much for the courts to decide, such as how to apply

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[58] California, Cal. Rev. & Tax Code § 402.1(a)(8) (West 2002); Colorado, Colo. Rev. Stat. § 38-30.5-109 (2003); Florida, Fla. Stat. Ann. § 193.501 (West 2002); Indiana, Ind. Code § 32-23-5-8 (2003); Maine, Me. Rev. Stat. Ann. tit. 36, § 1106-A (West 2002); Minnesota, Minn. Stat. § 273.117 (2003); Montana, Mont. Code Ann. § 76-6-208 (2003); Nebraska, Neb. Rev. Stat. § 76-2, 116 (2002); New Hampshire, N.H. Rev. Stat. Ann. §§ 79-B:3 and 79-C:7 (2003); New Jersey, N.J. Rev. Stat. § 13:8B-7 (2002); North Carolina, N.C. Gen. Stat. § 121-40 (2003); Ohio, Ohio Rev. Code Ann. § 5713.04 (West 2003); Oregon, Ore. Rev. Stat. §§ 271.785 and 271.729 (2003); Pennsylvania, 72 PA. Cons. Stat. § 5491.3 (2003); Rhode Island, R.I. Gen. Laws § 44-27-2 (2003); South Carolina, S.C. Code Ann. § 27-8-70 (Law. Co-op. 2003); Tennessee, Tenn. Code Ann. § 66-9-308 (2003); and Virginia, VA. Code Ann. § 10.1-1011 (Michie 2002).

the requirement that land be "assessed as a separate parcel" to a residential parcel. In a 1984 case, the courts could not find a non-arbitrary method of deciding which part of the land was used for residential purposes and which part the easement conserved as undeveloped open space. The Massachusetts Supreme Court reversed the decision a year later based on the reason that the easement was effective. The court ordered market valuation of the land subjected to the easement, but ignored the question of how to assess the change in market value due to the conservation easement. Conventions emerge in practice such as differing the percentage based on whether the land allowed public access or not (Youngman 2006, 757).

New Jersey supplemented its statute for conservation easements with legislation that specifically requires that assessments take into account the effect of easements on land value. Statutes do not provide a general rule of property value reduction for conservation easements because there is no general easement (each differs with specific provisions) and there is no general effect on land value. In some cases, courts select admittedly arbitrary percentages of land value reduction attributable to the conservation easement, usually 10 percent or 11 percent (Youngman 2006, 754 and 758). Easements vary greatly in form and their effect on land prices varies greatly.

Youngman discusses whether or not conservation easements have an effect on the property's market value, and whether the effect is positive or negative. Most states legislatively and judicially recognized a negative effect of conservation easements on land value and consider them burdened properties. Lynch, Gray, and Geoghegan (2007) found evidence that easements affect the sale price of land in Maryland. The authors compared sale prices of agricultural parcels with and without easements statewide during the period 1997 and 2003. The data showed that the average sales price of land with easements was less than land without easements, controlling for other factors that determine price differentials.

Assuming that easements do affect the market value, Eitel (2004) explores how conservation easements affect real property tax revenues. Do they decrease revenues or force property taxes up on other land? The effect of conservation easements on real property taxes is unclear. Eitel (2004) and Youngman (2006) agree that there is no way to predict the effect of conservation easements on land value. Without a prediction of the effect on land value, there is no way to predict the effect on owners' property taxes. Without a prediction of the effect on property taxes, calculations of real property tax revenue with and without conservation easements cannot be made for comparison. The effect of conservation easements on a local government's revenue cannot be isolated.

Studies in Massachusetts and Maine show that assessors' reduction of value due to conservation easement range from 5 to 95 percent. The wide range reflects how differently easements affect property values depending on the characteristics of the particular property (Eitel 2004, 81). This finding supports criticism of arbitrary rules of thumb for isolating the effect of an easement on property value, such as 10 percent or 11 percent mentioned in Youngman's article.

Without a precise prediction of the effect of conservation easements on local property tax revenue, Eitel (2004) provides four guiding points. First, there is a discernable pattern of differential effect. In Wyoming, Eitel found that localities depending heavily on residential property taxes for revenue are affected more by

conservation easements than localities depending less on residential property taxes for local revenue. Legislative enactments should consider the likelihood that local governments will be affected differently (Eitel 2004, 83).

Similar to Iowa, agriculture covers much of Wyoming's land. As a second guiding point, Wyoming's legislature recognized that a loss in property tax revenue due to conservation easements only occur when conservation easements are placed on non-agricultural lands or when burdened agricultural land is converted to non-agricultural land. Some argue that regardless of the effect on property tax revenue, conservation easements do not jeopardize the budget because undeveloped land uses fewer municipal services than developed land. For example, in Wyoming non-agricultural land costs the local government $2.01 per dollar of revenue while agricultural land costs only $0.54 per dollar of revenue for municipal services. Fourth, property tax revenue may not decline much if the property surrounding the parcel with a perpetual conservation easement rise in value due to the proximity to an amenity (Eitel 2004, 83-85).

Eitel (2004) recommends that legislatures take more control over selectively offering property tax relief for property burdened with conservation easements. For example, only consider the easement in valuation for property tax purposes when the property provides a specific public benefit, such as public access for recreational activities, or in specified locals. The legislature can direct the use of conservation easements in terms of location and public benefit to further advance smart growth principles. As a market-based, economic incentive type of tool, the conservation easement serves as an alternative to command-and-control regulations. It also leaves more property in private hands than alternative preservation methods. Legislation can coordinate this market-based tool with specifications that guide the individual decisions towards a regional goal of smart growth.

Conclusion

This research note examined the role of property tax incentives in smart growth efforts. A review of state statutes revealed that property taxes are not often used explicitly for smart growth purposes. In the framework of smart growth principles developed for this project, property tax incentives were most often in line with the principle of preserving open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems, the principle of strengthening and directing development to existing communities, promoting infill and redevelopment, and somewhat for the principle of creating housing opportunities and choices for diverse income groups, i.e. affordable housing. Property tax incentives serve a limited role in smart growth because smart growth is fundamentally about managing the time, manner, and place of growth. Property is valued and taxed, generally speaking, on the basis of its own characteristics, and weakly related if at all to the characteristics of the vicinity. The literature review will discuss the ways in which property tax incentives are effective in contributing towards the relevant principles.

This review of state statutes, as summarized in Table 1, documented seven states that provide a state tax credit or exemption at the state level that contribute toward smart

growth as defined in this research note, not including preferential assessment programs.[59] Nine states provide an incentive in the form of financial resources or compensation for local governments to provide tax exemptions, reductions, or easements.[60] Twenty-six states authorize local governments to provide easements, tax credits, incentives, abatements, tax exemption, TIFs, or preferential assessment programs geared towards smart growth principles.[61]

[59] Arizona, Georgia, Hawaii, Iowa, Indiana, Kansas, Maine, New York, Oregon, and Rhode Island
[60] California, Massachusetts, New Jersey, New York, Tennessee, and Vermont
[61] Arizona, California, Connecticut, Florida, Georgia, Illinois, Iowa, Maine, Maryland, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Vermont, West Virginia

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Table 1: Smart Growth Statute Activity

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
AK							§§29.40.020 – 030	
AL								
AR								
AZ	A.R.S. §§42-11127 ; 42-12002; 43-1180				Ariz. Rev. Stat. §9-499.10			Ariz. Rev. Stat. §9-461.05
CA		Cal. Govt. Code §§16140-16154	Cal. Govt. Code §§ 51050-51065; 51080-51087; 51090-51094; 51075; 51070-51073		Cal. Govt. Code. §§65580-65589.8;65589.7;65913.1;65915;65852.150; 65852.2	Cal. Health & Safety Code § 33607.5; §33330 et seq.	Cal. Govt. Code §§65560-65570	Cal. Govt. Code §65060-65060.8
CO							Colo. Rev. Stat. §30-28-106	
CT				Conn. Gen'l Stat. §8-215 – 216			Conn. Gen. Stat. §8-23	
DE		30 Del. C. § 5423					Del. Code tit. 22 §701—711	
FL					§ 163.2511, § 163.2517	Fla. Stat. §163.387		
GA			§ 44-10-3; § 44-10-8					

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
HI	H.R.S. §205-41; §205-46; §246-34							
IA		Iowa Code tit. 10, § 427.1	Iowa Code 427C.12	Iowa Code §404.3B; Iowa Code tit. §15.332; §15.335A	Code tit. 1, §15.332; §15.335A ; Iowa Code tit. 1, §15E.196	Iowa Code § 403.22	HF 488	
ID								Code Ann. §67-6502
IL				35 ILCS 200/10-40 *et seq*	310 ILCS 67/1 – 25	65 Il Comp Stat §5/11-74.4-1 et seq	65 ILCS 5/11-1-25 ; 310 ILCS 67/1 – 25	
IN	§IC 6-1.1-42 ; § IC 6-1.1-21.2-11 ; § IC 6-1.1-12.1							
KS	§79-32.211							
KY								Ky. Stat. Ann. tit. 9, §100.187
LA								

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
MA		Mass. Gen. Laws tit. 7, §40R.9						Mass. Gen. Laws, tit. 7, §40R
MD		Md. Housing and Community Development Code Ann. § 4-217		§ 9-107; § 9-206; § 9-208 ; § 9-220 ; § 9-226 ; Tax-Property § 9-207; § 9-234; § 9-236; § 9-243; §9-229			Md. Code 66B Land Use § 1.03	
ME	M.R.S. Ann. tit. 36, §§ 1101 – 1121			MRS tit.30-A, §3442		MRS, tit. 30, §5250-A	MRS tit. 30-A, §4312	
MI							§125.3807	
MN							Minn. Stat. §15B.05	
MO							Mo. Rev. Stat. §251.320	
MS							Miss. Code Ann. §17-1-1; §17-1-11	

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
MT							Mont. Code Ann. §7-15-4211	
NC							§ 160A-400.21	
ND							§54-40.1	
NE							§15-1102 ; §19-903	
NH			N.H. Rev. Stat. Ann. Tit. 5, § 79-C:1-7					NH tit. 1, §§9-A:1 – 9-B:1-5; tit. 64, §674:2
NJ		§ 13:8C-20, § 13:8C-37, § 13:8C-39		N.J. Rev. Stat. §§40A:21-2; 40A:21-4; §§40A:21-2; 40A:21-4				
NM							§3-56-1 – 9	
NV			N.R.S. tit. 32, §§361A.090; 361A.130; 361A.220; 361A.225; 361A.280					

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
NY	N.Y. Tax Law § 606; N.Y. Tax Law § 1438-e	N.Y. State Finance Law § 54; N.Y. Agr. & Mkts § 323; N.Y. Env. Cons. Law § 57-0211		N.Y. R.P.T. Law §421-a; N.Y. General Municipal Law § 696	N.Y. General City Law § 81-d ; N.Y. General Municipal Law § 691			
OH						Ohio Rev. Code §§5709.40 et seq		
OK							§19-866.10	
OR	ORS 315.138			ORS §§307.651 – 307.687		Or Rev. Stat. §457.420		
PA				53 P.S. § 1241	53 P.S. § 10701-A		§ 25-9.171 to 175	
RI			§ 45-36-2		§ 44-33.2-1 ; § 44-33.2-3			
SC						S.C. Code §§31-6-10 et seq.	§6-29-510	
SD							§11-6-1—2	

	State tax credit or exemption	State incentive for local government to provide tax reduction, exemption, or easement	Authorize local government to provide easement	Authorize local government to provide tax credit, abatement, or exemption	Authorizes local governments to use incentives*	Authorize TIF	Encourage smart growth subgovern-ment planning	Update statewide comprehen-sive Plan
TN		§11-14-406; §11-7-109	§ 67-5-1002; 67-5-1009; 66-9-308			§ 68-212-202 – 226	§§ 6-58-101 – 116	§§ 6-58-101 – 116
TX					§§ 374.001 – 015		§§ 391.001 – 391.004	
UT							§10-9a; §17-27a-401	
VA					Va. Code Ann. § 15.2-735.1		Va. Code Ann. § 15.2-2223.1 ; § 15.2-2223	
VT		Stat. Ann. tit. 32 §3760	Vermont Stat. Ann. tit. 32 §§3751 – 3757	Stat. Ann. tit.24 §2741 ; Stat. Ann. tit. 32, §3847 §3836				
WA			Wash. Rev. Code RCW § 84.34.010; 84.34.055; 84.34.060				RCW 36.70A.130	
WI						§ 66.1105; § 66.1106	Wis. Stat. § 66.1001	
WV			§8A-12-13, §8A 12-14, §8A-12-16				§8A-1-1; §8A-2-1; §8A-3-1	
WY								

*Vague language in the statute; local governments could use property tax incentives

Table 2: Property Tax Incentives

		Tax Credit		Exemption		Abatement or reduction		Easement		State incentives for local policies	Authorize TIF	Authorize assessment freeze	Preferential Assessment with Penalty
		State	Local Option	State	Local Option	State	Local Option	State	Local Option				
1	Mix land uses												
2	Create housing opportunities and choices for diverse income groups (i.e. affordable housing)			✓	✓		✓			✓	✓		
3	Create walkable communities												
4	Strengthen and direct development to existing communities, promote infill and redevelopment, and prevent leapfrog development	✓	✓	✓	✓	✓	✓			✓	✓	✓	
5	Preserve open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems		✓	✓				✓	✓	✓		✓	✓
6	Foster distinctive, attractive communities with a strong sense of plan												
7	Make development decisions predictable, fair, and cost effective												

Smart Growth Appendix

1. Mix land uses

Pennsylvania 53 P.S. § 10701-A [Authorizes zoning]
New York N.Y. General City Law § 81-f [Authorizes zoning]

2. Create housing opportunities and choices

California Cal. Govt. Code. §§65580-65589.8; 65589.7; 65913.1; 65915; 65852.150; 65852.2 [Authorizes incentives]
California Cal. Health and Safety Code §33607.5 [Authorizes Tax Increment Financing]
Connecticut Conn. Gen'l Stat. §8-215 – 216 [Authorizes and incentivizes tax abatement]
Iowa Code **§** 403.22 (2008) [Requires assistance to low and moderate income households]
Illinois 310 ILCS 67/1 – 25 [Requires planning and incentives in municipalities with housing shortages]
Maine MRS, tit. 30, §5250-A [Authorizes Tax Increment Financing]
Maine MRS tit. 30-A §3446 [Authorizes reduced impact fee]
Massachusetts Mass. Gen. Laws tit. 7, §40R.9 [State financial incentive for density bonus]
New York N.Y. R.P.T. Law §421-a [Authorizes tax exemption]
Pennsylvania 53 Pa.C.S.A. § 6011, § 6012, § 6013, § 6021, § 6022, § 6023 [Authorizes fee]
Vermont Stat. Ann. tit. 32, § 3847 [Authorizes tax exemption]
Virginia § 15.2-735.1 [Authorizes incentive of density bonus]

3. Create walkable communities

Pennsylvania 53 P.S. § 10701-A [Authorizes zoning]

4. Strengthen and direct development to existing communities, promote infill and redevelopment, and prevent leapfrog development

Arizona Ariz. Rev. Stat. §9-499.10; [Authorizes administrative incentives for infill districts]
Arizona §37-332 [Designate Urban Lands]
California Cal. Health and Safety Code §33607.5 [Authorizes Tax Increment Financing]
Delaware 29 Del. C. § 9123 § 9125 (2008)
Florida § 163.2511, § 163.2517 [Authorizes zoning and incentives]
Florida Fla. Stat. §163.387 [Authorize Tax Increment Financing]

Illinois 65 Il Comp Stat 5/11-74.4-1 *et seq* [Authorizes Tax Increment Financing]
Illinois 35 ILCS 200/10-40 *et seq* [Historic Residence Assessment Freeze]
Indiana §IC 6-1.1-42 [Tax abatement]
Indiana IC 6-1.1-21.2-11 [Tax Increment Replacement]
Indiana § IC 6-1.1-12.1 [Tax deduction]
Iowa Code tit. 1, §15E.196 [Authorizes incentives]
Iowa Code tit. 1, §15.332; §15.335A [Authorizes property tax incentive for Job Creation]
Iowa Code tit. 10, § 427.1 [State property tax exemptions]
Iowa Code § 455H.309 (2008)
Iowa Code 404.3B [Authorizes tax exemption]
Kansas §79-32.211 [Historic structure tax exemption]
Maryland Md. Tax Property Code Ann. § 9-207 (2008), [Authorizes property tax credit]
Maryland Md. Tax Property Code Ann. § 9-234 (2008), [Authorizes property tax credit]
Maryland Md. Tax Property Code Ann. § 9-236 (2008) [Authorize property tax credit]
Maryland Md. Tax Property Code Ann. § 9-243 (2008), [Authorizes property tax credit]
Maryland Md. Tax-Property Code Ann. §9-229 (2008) [Authorizes property tax credit]
Maryland Md. Ann. Code art. EC, § 5-337 (2008) [Brownfield Site Assessment]
Maryland Md. State Finance and Procurement Code Ann. §§ 5-7B-02 – 7B-10
Maryland Md. Environment Code Ann. § 7-503 (2008) [Voluntary Cleanup]
Maryland Md. Housing and Community Development Code Ann. § 4-217 [Live Near Your Work]
Maryland Md. Ann. Code art. EC, § 6-302 – 309 [Jobs Tax Credit Program]
Maine MRS tit.30-A, §3442 [Authorize tax assessment disincentive to build away from existing infrastructure]
New Hampshire N.H. Rev. Stat. Ann. § tit. 10, 147-F:1 – 5 [Authorize relief from brownfield liability]
New Jersey N.J. Rev. Stat. §§40A:21-2; 40A:21-4 [Authorize tax exemptions and abatements]
New York N.Y. Tax Law § 606 [Historic structure tax credit]
New York N.Y. General Municipal Law § 691 [Authorize incentives]
New York N.Y. General Municipal Law § 696 [Authorizes tax exemption]
New York N.Y. General City Law § 81-d. [Authorizes incentive zoning]
Ohio Code tit. §3746.01; §3746.12. [Exemption from liability]
Oregon Or. Rev. Stat. §457.420; § 457.435 (2007) [Authorizes Tax Increment Financing]
Pennsylvania 53 P.S. § 10705-A [Authorizes zoning]
Rhode Island § 45-33.1-1 **[**Authorize loans]
Rhode Island § 44-33.2-1 and § 44-33.2-3 [Legislative findings and Historic Structures Tax credit]

Tennessee Tenn. Code Ann. §§ 68-212-202, -224, -225, and -226 [Brownfield agreements and incentives]
Tennessee Tenn. Code Ann. § 67-4-2913 (2008) [Prohibit impact fees]
Texas § 374.001 – 015 [Authorizes incentives]
Washington Rev. Code Wash. (ARCW) § 35.100.020, -.030, -.040, -.050 (2008)
Washington Rev. Code Wash. (ARCW) § 82.02.050 (2008) [Impact fees]
Wisconsin Wis. Stat. § 66.1105 (2007) [Tax Incremental Financing]
Wisconsin Wis. Stat. § 66.1106 (2007) [Environmental Tax Incremental Financing]
Wisconsin Wis. Stat. 66.0617 (2007) [Impact Fees]
Wisconsin Wis. Stat. § 66.1027 (2007) [Require Local Ordinances]

5. Preserve open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems

Arizona Ariz. Rev. Stat. §§42-11127 ; 42-12002; 43-1180 [State tax exemption]
California Cal. Govt. Code §§16140-16154 [Provide replacement revenue for property tax reduction]
California Rev. & Tax. Code §§ 421-430.5; Cal. Gov't Code §51244, §423, §51283, §51283.1, §51230.2 [Preferential assessment with commitment]
California Cal. Govt. Code §§65910-65912 [Authorizes zoning while protecting private property]
California Cal. Govt. Code §§65560-65570 [Encourages planning]
California Cal. Govt. Code §§ 51050-51065; 51080-51087; 51090-51094; 51075; 51070-51073 [Authorizes Easement]
Delaware 30 Del. C. § 5423 (2008) [Reality Transfer Tax]
Delaware 29 Del. C. § 5028 (2008) [Allocate funds]
Georgia § 44-10-3; § 44-10-8 [Authorizes easement]
Hawaii Haw. Rev. Stat. §205-41; §205-46 [Authorizes state and local tax incentives]
Hawaii Haw. Rev. Stat. §246-34 [State tax exemption]
Iowa Iowa Code tit. 10, § 427.1 [State property tax exemptions]
Iowa Iowa Code § 427C.12 (2008)
Maine Me. Rev. Stat. Ann. tit. 36, §§ 1101 – 1121 [Preferential assessment, valuation reduction, and easements]
Maine Me. Rev. Stat. §5282 [Authorizes incentive development zones]
Maryland Md. Tax Property Code Ann. § 9-107 [Mandates property tax incentive]
Maryland Md. Tax Property Code Ann. § 9-206 (2008) [Authorizes property tax credit]
Maryland Md. Tax Property Code Ann. § 9-208 (2008) [Authorizes property tax credit]
Maryland Md. Tax Property Code Ann. § 9-220 (2008) [Authorizes property tax credit]
Maryland Md. Tax Property Code Ann. § 9-226 (2008) [Authorizes property tax credit]
Maryland Md. Natural Resources Code Ann. §§ 5-9A-05; § 5-9A-01; 5-9A-02; 5-9A-03 (2008) [Rural Legacy Program]

New Hampshire N.H. Rev. Stat. Ann. Tit. 5, § 79-A:1-7 [Authorizes preferential assessment with commitment]
New Hampshire N.H. Rev. Stat. Ann. Tit. 5, § 79-C:1-7 [Authorizes easement]
New Jersey § 13:8C-20, § 13:8C-37, § 13:8C-39 [Incentive for easement]
New York N.Y. Agr. & Mkts § 323 [State financial incentive]
New York N.Y. Tax Law § 1438-e [Real Estate Transfer Tax exemption]
New York Agric. & Mkts. Law §301 [Authorizes zoning]
New York N.Y. Env. Cons. Law § 57-0211 [State financial incentive]
Nevada N.R.S. tit. 32, §§361A.090; 361A.130; 361A.220; 361A.280 [Authorizes preferential assessment with commitment]
Nevada N.R.S. **§§** 376A.070 - 376A.080 [Authorizes property tax increase if consistent with open space plan]
Ohio Rev. Code §§929.02 to 929.05 (1999) [Authorizes zoning]
Oregon ORS 315.138 [Tax credit for device]
Pennsylvania 53 P.S. § 1241 **[**Exempts from sewer and water assessment]
Pennsylvania § 25-9.171 to 175 [Encourage planning]
Rhode Island § 45-36-2 [Authorizes easement, *etc*.]
Tennessee §11-14-406 ; §11-7-109 [State reimbursement for exemption]
Tennessee §67-5-1002; 67-5-1009; 66-9-308 [Authorize easement]
Vermont Stat. Ann. tit. 24 §2741 [Authorizes tax freeze]
Vermont Stat. Ann. tit. 32 §§3751 – 3757 [Authorizes preferential assessment with commitment]
Vermont Stat. Ann. tit. 32 §3760 [State compensation]
Washington RCW § 84.34.010; 84.34.055; 84.34.060 [Preferential assessment with commitment]
Wisconsin Wis. Stat. 92.11 (2007) [Authorizes regulation and tax incentives]

6. Foster distinctive, attractive communities with a strong sense of plan

Alaska §§29.40.020 – 030 [Requires comprehensive planning commission]
Arizona Ariz. Rev. Stat. §9-461.05 [Requires comprehensive planning]
California Cal. Govt. Code §65060-65060.8 [Recommends regional planning]
Colorado Colo. Rev. Stat. §30-28-106 [Encourages comprehensive planning]
Connecticut Conn. Gen. Stat. § 8-23 [Encourages comprehensive planning]
Delaware Del. Code tit. 22 §701—711 [Encourages comprehensive planning]
Idaho Code Ann. §67-6502 [State Comprehensive plan]
Illinois 65 ILCS 5/11-12-5 [Encourages comprehensive planning]
Kentucky Ky. Stat. Ann. tit. 9, §100.187 [State Comprehensive planning]
Maine MRS tit. 30-A, §4312 [Encourages comprehensive planning]
Maryland Md. Ann. Code art. 66B § 1.03. [Encourages Comprehensive planning]
Massachusetts Mass. Gen. Laws, tit. 7, §40R [State Comprehensive plan]
Michigan Act 33 of 2008, §125.3807 [Authorizes local comprehensive planning]
Minnesota Minn. Stat. §15B.05 [Requires comprehensive planning]
Mississippi Miss. Code Ann. §17-1-1; §17-1-11. [Authorizes comprehensive planning]

Missouri Mo. Rev. Stat. §251.320 [Encourages Regional comprehensive planning]
Montana Mont. Code Ann. §7-15-4211 [Authorize comprehensive planning]
Nebraska §15-1102 ; §19-903 [Encourages comprehensive planning]
New Hampshire NH tit. 1, §§9-A:1 – 9-B:1-5; tit. 64, §674:2 [State Comprehensive planning]
New Mexico §3-56-1 – 9 [Authorizes regional planning commission]
North Carolina § 160A-400.21 [Encourages agency comprehensive planning]
North Dakota §54-40.1 [Encourages Regional planning]
Oklahoma §19-866.10 [Encourages comprehensive plan]
South Carolina §6-29-510 [Encourages local planning commission]
South Dakota §11-6-1—2 [Requires comprehensive planning]
Tennessee §§ 6-58-101 – 116 [Comprehensive planning and state financial incentive]
Texas §§ 391.001 – 391.004 [Encourages Regional Planning]
Utah Code §10-9a; §17-27a-401 [Requires comprehensive planning]
Virginia Va. Code Ann. § 15.2-2223.1 ; § 15.2-2223. [Encourages comprehensive planning]
Washington RCW 36.70A.130 [Encourages comprehensive planning]
West Virginia §8A-1-1; §8A-2-1; §8A-3-1 [Authorizes comprehensive planning]
Wisconsin Wis. Stat. § 66.1001 [Encourages comprehensive planning]
Wyoming §9-1-207 [Authorize appointment of state planning coordinator]

7. Make development decisions predictable, fair, and cost effective

New York N.Y. State Finance Law § 54 [state incentive for regional consolidation]
Pennsylvania 53 P.S. § 10701-A [Authorize encouragement of efficient use]

1. Mix land uses

Pennsylvania 53 P.S. § 10701-A [Authorizes zoning]
"(a) This article grants powers to municipalities for the following purposes:
(2) to encourage innovations in residential and nonresidential development and renewal which makes use of a mixed-use form of development so that the growing demand for housing and other development may be met by greater variety in type, design and layout of dwellings and other buildings and structures and by the conservation and more efficient use of open space ancillary to said dwellings and uses; …
(5) to allow for the development of fully integrated, mixed-use pedestrian-oriented neighborhoods;"

New York N.Y. General City Law § 81-f [Authorizes zoning]
Planned unit development zoning districts. A city legislative body, except in a city having a population of more than one million persons, is hereby authorized to enact, as part of its zoning local law or ordinance, procedures and requirements for the establishment and mapping of planned unit development zoning districts. Planned unit development district regulations are intended to provide for residential, commercial, industrial or other land uses, or a mix thereof, in which economies of scale, creative architectural or planning concepts and open space preservation may be achieved by a developer in furtherance of the city comprehensive plan and zoning local law or ordinance.

2. Create housing opportunities and choices

California Cal. Govt. Code. §§65580-65589.8; 65589.7; 65913.1; 65915; 65852.150; 65852.2 [Authorizes incentives][1]
§65582.1. The Legislature finds and declares that it has provided reforms and incentives to facilitate and expedite the construction of affordable housing. Those reforms and incentives can be found in the following provisions: …
(d) Priority for affordable housing in the allocation of water and sewer hookups (Section 65589.7).
(e) Least cost zoning law (Section 65913.1).
(f) Density bonus law (Section 65915).
(g) Second dwelling units (Sections 65852.150 and 65852.2).

California Cal. Health and Safety Code §33607.5 [Authorizes Tax Increment Financing]
(a) (1) This section shall apply to each redevelopment project area that, pursuant to a redevelopment plan which contains the provisions required by Section 33670, is either: (A) adopted on or after January 1, 1994, including later amendments to these redevelopment plans; or (B) adopted prior to January 1, 1994, but amended, after January 1, 1994, to include new territory. For plans amended after January 1, 1994, only the tax increments from territory added by the amendment shall be subject to this section. All the amounts calculated pursuant to this section shall be calculated after the amount required to be deposited in the Low and Moderate Income Housing Fund pursuant to Sections 33334.2, 33334.3, and 33334.6 has been deducted from the total amount of tax increment funds received by the agency in the applicable fiscal year. …
(b) Commencing with the first fiscal year in which the agency receives tax increments and continuing through the last fiscal year in which the agency receives tax increments, a redevelopment agency shall pay to the affected taxing entities, including the community if the community elects to receive a payment, an amount equal to 25 percent of the tax increments received by the agency after the amount required to be deposited in the Low and Moderate Income Housing Fund has been deducted. In any fiscal year in which the agency receives tax increments, the community that has adopted the redevelopment project area may elect to receive the amount authorized by this paragraph. …

Connecticut Conn. Gen'l Stat. §8-215 – 216 [Authorizes and incentivizes tax abatement]
8-215 "Authorizes municipalities to employ tax abatement for housing solely for low or moderate-income persons or families. The abatement is implemented through individual contracts between municipalities and the landowners receiving the tax

[1] This statute does not explicitly authorize property tax incentives. It authorizes local governments to use incentives provided in state statute to facilitate affordable housing construction: priority to water and sewer hook-ups, least cost zoning, density bonus, and second dwelling units.

abatement, under which the landowner must spend an amount equal to the abatement on affordable housing and ceases to receive the abatement when the housing is no longer set aside for low or moderate-income households" (APA ch. 14).
Sec. 8-216. State reimbursement for tax abatements. Payment in lieu of taxes on housing authority or state land. (a) The state, acting by and in the discretion of the Commissioner of Economic and Community Development, may enter into a contract with a municipality for state financial assistance for housing, or any part thereof, solely for low or moderate-income persons or families, or for housing or any part thereof, on property classified by the municipality pursuant to section 8-215, for use for housing solely for low or moderate-income persons or families, in the form of reimbursement for tax abatements under said section... Such contract shall provide for state financial assistance in the form of a state grant-in-aid to the municipality not to exceed the amount of taxes abated by the municipality pursuant to section 8-215, … In such contract, the commissioner may require assurances that the amount of tax abatement will be used for the purposes stated in section 8-215, and that the commissioner shall have the right of inspection to determine that such purposes are being achieved. With respect to housing for which tax abatement has been provided pursuant to said section 8-215, such grant-in-aid shall be paid to the municipality each year, in an amount not to exceed the tax abatement for such year, as long as the housing continues to fulfill the purposes stated in said section, but in no case shall payments of such state financial assistance continue for more than forty consecutive fiscal years of the municipality.

Iowa Code **§** 403.22 (2008) [Requires assistance to low and moderate income households]
403.22 Public improvements related to housing and residential development -- low income assistance requirements. 1. With respect to any urban renewal area established upon the determination that the area is an economic development area, a division of revenue as provided in section 403.19 shall not be allowed for the purpose of providing or aiding in the provision of public improvements related to housing and residential development, unless the municipality assures that the project will include assistance for low and moderate income family housing. For a municipality with a population over fifteen thousand, the amount to be provided for low and moderate income family housing for such projects shall be either equal to or greater than the percentage of the original project cost that is equal to the percentage of low and moderate income residents for the county in which the urban renewal area is located as determined by the United States department of housing and urban development using section 8 guidelines or by providing such other amount as set out in a plan adopted by the municipality and approved by the Iowa department of economic development if the municipality can show that it cannot undertake the project if it has to meet the low and moderate income assistance requirements. However, the amount provided for low and moderate income family housing for such projects shall not be less than an amount equal to ten percent of the original project cost. For a municipality with a population of fifteen thousand or less, the amount to be provided for low and moderate income family housing shall be the same as for a municipality of over fifteen thousand in population, except that a municipality of fifteen thousand or less in population is not subject to the requirement to provide not less than an

amount equal to ten percent of the original project cost for low and moderate income family housing. For a municipality with a population of five thousand or less, the municipality need not provide any low and moderate income family housing assistance if the municipality has completed a housing needs assessment meeting the standards set out by the department of economic development, which shows no low and moderate income housing need, and the department of economic development agrees that no low and moderate income family housing assistance is needed.
2. The assistance to low and moderate income housing may be in, but is not limited to, any of the following forms: /a./ Lots for low and moderate income housing within or outside the urban renewal area. /b./ Construction of low and moderate income housing within or outside the urban renewal area. /c./ Grants, credits or other direct assistance to low and moderate income families living within or outside the urban renewal area, but within the area of operation of the municipality. /d./ Payments to a low and moderate income housing fund established by the municipality to be expended for one or more of the above purposes, including matching funds for any state or federal moneys used for such purposes. 3. Sources for low and moderate income family housing assistance may include the following: /a./ Proceeds from loans, advances, bonds or indebtedness incurred. /b./ Annual distributions from the division of revenues pursuant to section 403.19 related to the urban renewal area. /c./ Lump sum or periodic direct payments from developers or other private parties under an agreement for development or redevelopment between the municipality and a developer. /d./ Any other sources which are legally available for this purpose.
4. The assistance to low and moderate income family housing may be expended outside the boundaries of the urban renewal area. 5. Except for a municipality with a population under fifteen thousand, the division of the revenue under section 403.19 for each project under this section shall be limited to tax collections for ten fiscal years beginning with the second fiscal year after the year in which the municipality first certifies to the county auditor the amount of any loans, advances, indebtedness, or bonds which qualify for payment from the division of the revenue in connection with the project. A municipality with a population under fifteen thousand may, with the approval of the governing bodies of all other affected taxing districts, extend the division of revenue under section 403.19 for up to five years if necessary to adequately fund the project. The portion of the urban renewal area which is involved in a project under this section shall not be subject to any subsequent division of revenue under section 403.19. 6. A municipality shall not prohibit or restrict the construction of manufactured homes in any project for which public improvements were finalized under this section. As used in this subsection, /"manufactured home"/ means the same as under section 435.1, subsection 3.

Illinois 310 ILCS 67/1 – 25 [Requires planning and incentives in municipalities with housing shortages][2]
Sec. 5The legislature finds and declares that: (1) there exists a shortage of affordable, accessible, safe, and sanitary housing in the State; (2) it is imperative that action be

[2] This statute does not explicitly authorize property tax incentives. It requires communities designated as having an inadequate supply of affordable housing to devise a plan with incentives to facilitate construction of affordable housing. Some municipalities may choose to use property tax incentives.

taken to assure the availability of workforce and retirement housing; and (3) local governments in the State that do not have sufficient affordable housing are encouraged to assist in providing affordable housing opportunities to assure the health, safety, and welfare of all citizens of the State.
Sec. 10. Purpose. The purpose of this Act is to encourage counties and municipalities to incorporate affordable housing within their housing stock sufficient to meet the needs of their county or community.
Sec. 20. Determination of exempt local governments. (a) Beginning October 1, 2004, the Illinois Housing Development Authority shall determine which local governments are exempt and not exempt from the operation of this Act based on an identification of the total number of year-round housing units in the most recent decennial census for each local government within the State and by an inventory of for-sale and rental affordable housing units, as defined in this Act, for each local government from the decennial census and other relevant sources.
Sec. 25. Affordable housing plan. (a) Prior to April 1, 2005, all non-exempt local governments must approve an affordable housing plan. (b) For the purposes of this Act, the affordable housing plan shall consist of at least the following: (i) a statement of the total number of affordable housing units that are necessary to exempt the local government from the operation of this Act as defined in Section 15 and Section 20; (ii) an identification of lands within the jurisdiction that are most appropriate for the construction of affordable housing and of existing structures most appropriate for conversion to, or rehabilitation for, affordable housing, including a consideration of lands and structures of developers who have expressed a commitment to provide affordable housing and lands and structures that are publicly or semi-publicly owned; (iii) incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdiction; and (iv) a goal of a minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in this Act; or a minimum of a 3 percentage point increase in the overall percentage of affordable housing within its jurisdiction, as described in subsection (b) of Section 20 of this Act; or a minimum of a total of 10% affordable housing within its jurisdiction as described in subsection …

Iowa Code tit. 10, § 427.1 [State property tax exemptions][3]
21. Low-rent housing. The property owned and operated or controlled by a nonprofit organization, as recognized by the internal revenue service, providing low-rent housing for persons who are elderly and persons with physical and mental disabilities. The exemption granted under the provisions of this subsection shall apply only until the final payment due date of the borrower's original low-rent housing development mortgage or until the borrower's original low-rent housing development mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14. However, if the borrower's original low-rent housing development mortgage is refinanced, the exemption shall apply only until the date that would have been the final payment due date under the terms of the borrower's original low-rent housing

[3] This statute provides property tax exemptions to nonprofit organizations, which is not relevant to property tax incentives that alter private sector behavior to promote smart growth goals. It is included as an example of a statute that could be considered as a smart growth statute depending on the state's definition.

development mortgage or until the refinanced mortgage is paid in full or expires, whichever is sooner, subject to the provisions of subsection 14.…

Maine MRS, tit. 30, §5250-A [Authorizes Tax Increment Financing]
Affordable housing tax increment financing. 1. Designation of captured assessed value. A municipality may retain all or part of the tax increment revenues generated from the increased assessed value of an affordable housing development district for the purpose of financing the affordable housing development program. The amount of tax increment revenues to be retained is determined by designating the captured assessed value. When an affordable housing development program for an affordable housing development district is adopted, the municipal legislative body shall adopt a statement of the percentage of increased assessed value to be retained as captured assessed value in accordance with the affordable housing development program. The statement of percentage may establish a specific percentage or percentages or may describe a method or formula for determination of the percentage. The municipal assessor shall certify the amount of the captured assessed value to the municipality each year.

Maine MRS tit. 30-A §3446 [Authorizes reduced impact fee][4]
Impact fees and connection fees; affordable housing. The municipal officers may reduce the impact fee or connection fee, as those terms are defined in section 5061, for sewer service to newly constructed affordable housing in accordance with chapter 202-A.

Massachusetts Mass. Gen. Laws tit. 7, §40R.9 [State financial incentive for density bonus][5]
Section 9. Payments from trust fund; density bonus payment; use of discretionary funds. Each city or town with an approved smart growth zoning district shall be entitled to payments as described below. (a) Within 10 days of confirmation of approval by the department of a smart growth zoning district, the commonwealth shall pay from the trust fund a zoning incentive payment, according to the following schedule: Projected Units of New Construction (payment to municipality): Up to 20 ($10,000); 21 to 100 ($75,000); 101-200 ($200,000); 201 to 500 ($350,000); 501 or more ($600,000). The projected number of units shall be based upon the zoning adopted in the smart growth zoning district and consistent with the city or town's comprehensive housing plan. (b) The commonwealth shall pay from the trust fund a one-time density bonus payment to each city or town with an approved smart growth zoning district. This payment shall be $3,000 for each housing unit of new construction that is created in the smart growth zoning district. The amount due shall be paid on a unit-by-unit basis, within 10 days of submission by a city or town of

[4] This statute is not a property tax incentive. It provides an example of a commonly used smart growth tool: the impact fee.
[5] This statute is not a property tax incentive. It provides an example of a statute that issues an incentive from the state to increase the supply of affordable housing. The state offers to pay for municipalities' density bonuses one time.

proof of issuance of a building permit for a particular housing unit or units within the district.

New York N.Y. R.P.T. Law §421-a. [Authorize tax exemption]
Exemption of new multiple dwellings from local taxation. …(ii) (A) Within a city having a population of one million or more the local housing agency may adopt rules and regulations providing that except in areas excluded by local law new multiple dwellings, except hotels, shall be exempt from taxation for local purposes, other than assessments for local improvements,…. for dwelling purposes for a period not to exceed fifteen years in the aggregate, as follows: …The following table shall illustrate the computation of the exemption: During Construction (maximum three years) 100%; Following completion of work Year 1 through 11 (100%), Year 12 (80%), Year 13 (60%), Year 14 (40%), Year 15 (20)%.

Oregon ORS §§307.651 – 307.687 [Authorizes zoning and tax exemption]
The statute "authorizes cities to designate, by ordinance, distressed areas, not to exceed 20 percent of the city's total area, in which qualified single-family dwellings may be extended a real property tax exemption for up to 10 years. Generally, the tax exemption applies only to the city's taxes and the taxes of any governmental body that agrees to the exemption, but the exemption applies to all taxes on the exempt property when the taxes of the city and all agreeing governmental units are 51 percent or more of the property taxes levied on the property in question."[6]
307.654 (1) The Legislative Assembly finds it to be in the public interest to stimulate the construction of new single-unit housing in distressed urban areas in this state in order to improve in those areas the general life quality, to promote residential infill development on vacant or underutilized lots, to encourage homeownership and to reverse declining property values.
307.657 (b) Each governing body that adopts, by resolution or ordinance, ORS 307.651 to 307.687 shall adopt rules specifying the process for determining the boundaries of a distressed area and for distressed area boundary changes. The cumulative land area within the boundaries of distressed areas within a city, determined for purposes of ORS 307.651 to 307.687, may not exceed 20 percent of the total land area of the city. (2) The tax exemption provided under ORS 307.651 to 307.687 applies to the tax levy of all taxing units when upon request of the city that has adopted ORS 307.651 to 307.687, the rates of taxation of taxing units whose governing bodies agree by resolution to the policy of providing tax exemptions for single-unit housing as described in ORS 307.651 to 307.687, when combined with the rate of taxation of the city, equal 51 percent or more of the total combined rate of taxation levied on the property which is tax exempt under ORS 307.651 to 307.687.

Pennsylvania 53 Pa.C.S.A. § 6011, § 6012, § 6013, § 6021, § 6022, § 6023 [Authorize fee][7]

[6] American Planning Association. *Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition*, Gen. Ed. Stuart Meck (January 2002), pp 14-64.
[7] This statute does not issue or authorize a property tax incentive. It provides an example of how to use fees to contribute to the affordable housing effort.

53 Pa.C.S.A. § 6011 "Affordable housing programs fee in counties;"
53 Pa.C.S.A. § 6012 "Disposition of proceeds in counties: Money collected as a result of the fee imposed under section 6011(a) (relating to affordable housing programs fee in counties) shall be deposited in the general fund of the county. (1) At least 85% of the money collected shall be set aside in a separate account to be used to fund affordable housing efforts in the county. (2) Not more than 15% of the money collected may be used by the county for the administrative costs associated with the affordable housing efforts."
53 Pa.C.S.A. § 6013 "Affordable housing effort as used in this subchapter is any program or project approved by the governing body of the county which increases the availability of quality housing, either sales or rental, to any county resident whose annual income is less than the median income of the county and includes: (1) Providing local matching funds to secure National Affordable Housing Act of 1990 HOME funds. (2) Assisting or supporting housing efforts by the Pennsylvania Housing Finance Agency and by commercial banks and thrift institutions. (3) Supporting soft second mortgage programs."
53 Pa.C.S.A. § 6021; 53 Pa.C.S.A. § 6022; 53 Pa.C.S.A. § 6023 same program for cities of first class

Vermont Stat. Ann. tit. 32, §3847; §3836 [Authorizes tax exemption]
§ 3847. Neighborhood housing improvement programs. At an annual or special meeting, a municipality may vote to exempt, for a period not exceeding five years, the property tax on the value of improvements made to principal dwelling units with funds provided in whole or in part by a nonprofit, neighborhood or municipal housing improvement program which limits eligibility to residents with incomes below the median income of the state. Such programs include but are not limited to neighborhood housing services, community loan funds, community land trusts, neighborhood planning associations and municipal housing improvement programs.
§ 3836. Homes and dwellings. Annually at town meeting, a town may vote to exempt from taxes the first $75,000.00 or a smaller amount of the appraised value of buildings used and occupied exclusively as homes, dwelling houses or farm buildings whether for sale or rent, provided such buildings have been constructed or put in the process of construction during the 12 months immediately preceding the meeting or are to be constructed or put in the process of construction during the 12 months immediately following the meeting. The duration of such exemption shall not exceed three years, to be determined by the vote. The exemption shall first be applicable against the grand list of the year in which the vote is taken.

Virginia § 15.2-735.1 [Authorize incentive of density bonus][8]
Affordable dwelling unit ordinance; permitting certain densities in the comprehensive plan. A. In a county that provides in its comprehensive plan for the physical development within the county, adopted pursuant to § 15.2-2223, for densities of development ranging between a floor area ratio (FAR) of 1.0 FAR and 10.0 FAR, or greater, the governing body may adopt as part of its zoning ordinance requirements

[8] This statute does not authorize a property tax incentive. It provides an example of how density bonuses are used to encourage the construction of affordable housing.

for the provision of (i) on-site or off-site "Affordable Dwelling Units," as defined herein, or (ii) a cash contribution to the county's affordable housing fund, in lieu of such units, in such amounts as set out herein, as a condition of the governing body's approval of a special exception application for residential, commercial, or mixed-use projects with a density equal to or greater than 1.0 FAR, or an equivalent density based on units per acre. Residential, commercial, or mixed-use projects with a density less than 1.0 FAR, or an equivalent density based on units per acre, shall be exempt from the requirements of this section and the county's zoning ordinance adopted pursuant to this section. …

3. Create walkable communities

Pennsylvania 53 P.S. § 10701-A [Authorize zoning]
(a) This article grants powers to municipalities for the following purposes:
(5) to allow for the development of fully integrated, mixed-use pedestrian-oriented neighborhoods;

4. Strengthen and direct development to existing communities, promote infill and redevelopment, and prevent leapfrog development

Arizona Ariz. Rev. Stat. §9-499.10 [Authorizes administrative incentives for infill districts]
Infill incentive districts. A. The governing body of a city or town may designate an infill incentive district in an area in the city or town that meets at least three of the following requirements: 1. There is a large number of vacant older or dilapidated buildings or structures. 2. There is a large number of vacant or underused parcels of property, obsolete or inappropriate lot or parcel sizes or environmentally contaminated sites. 3. There is a large number of buildings or other places where nuisances exist or occur. 4. There is an absence of development and investment activity compared to other areas in the city or town. 5. There is a high occurrence of crime. 6. There is a continuing decline in population.
B. If the governing body establishes an infill incentive district, it shall adopt an infill incentive plan to encourage redevelopment in the district. The plan may include: 1. Expedited zoning or rezoning procedures. 2. Expedited processing of plans and proposals. 3. Waivers of municipal fees for development activities as long as the waivers are not funded by other development fees. 4. Relief from development standards.

Arizona §37-332 [Designate Urban Lands]
Urban lands; notice; hearing; requirements; classification; state general plan
A. On the commissioner's initiative, the commissioner may designate certain urban lands as being under consideration for classification as urban lands suitable for urban planning, or suitable for conservation purposes if the lands are to be planned in conjunction with lands to be developed, pursuant to this section. The commissioner may designate urban lands as being under consideration for classification as urban lands suitable for urban planning or conservation purposes upon application by the governing body having jurisdiction for the area in which the urban lands are located.
…
3. The state lands under consideration are located in areas where planning for urban growth and development is appropriate, is beneficial to the trust and does not promote urban sprawl or leapfrog development. …
12. The types of land uses for state lands, including residential, commercial, industrial, agricultural, open space and recreational uses are considered.

Delaware 29 Del. C. § 9123 § 9125 (2008) [Impact fees]
§ 9123 Development of impact fees. (a) In addition to its responsibilities set forth above in § 9102 of this title, the Advisory Council shall develop a schedule of impact fees for development throughout the State. The Advisory Council may engage a qualified consultant to assist in development of a fee structure that accurately represents the incremental costs to the State of providing infrastructure and services

in areas where minimal investment is planned by the State. (b) The schedule of impact fees shall include proposed impact fees for development with respect to each of the state public facilities identified in § 9122(9) of this title. (c) The schedule of impact fees shall include recommended fee levels for development in environmentally sensitive developing areas, secondary developing areas, and rural areas. The schedule of impact fees shall not recommend impact fees for communities or developing areas. (d) The schedule of impact fees developed by the Advisory Council shall be submitted to the Joint Bond Bill Committee of the General Assembly on or before May 1, 2002. The schedule of impact fees shall be accepted, rejected or modified by the Joint Bond Bill Committee and thereafter approved by the General Assembly by appropriate legislation. (e) Impact fees developed pursuant to this section shall not exceed the proportionate share of the cost of system improvements, as defined in this subchapter.
§ 9125. Farm residences. No impact fees adopted pursuant to this subchapter shall be imposed on a primary residence constructed on a parcel of land zoned as farmland and actively devoted to farming, provided that the individuals living in the residence use it as their primary residence, and either (i) are actively farming the land, or (ii) are relatives of the owners of the parcel of land.

Florida § 163.2511, § 163.2517 [Authorizes zoning and incentives, suggests waiving delinquent local taxes]
163.2511, part of The Growth Policy Act, "Infill development and redevelopment are recognized to be important components and useful mechanisms for promoting and sustaining urban cores. State and regional entities and local governments should provide incentives to promote urban infill and redevelopment. Existing programs and incentives should be integrated to the extent possible to promote urban infill and redevelopment and to achieve the goals of the state urban policy."
163.2517 "Designation of urban infill and redevelopment area authorizes local governments to designate areas for infill or redevelopment to target, among other things, land use incentives to encourage urban infill and redevelopment within the urban core. Require a community participation process. Identify and adopt a package of financial and local government incentives which the local government will offer for new development, expansion of existing development, and redevelopment within the urban infill and redevelopment area." Examples of such incentives include: Waiver of delinquent local taxes or fees to promote the return of property to productive use.

Florida Fla. Stat. 163.387 [Authorize Tax Increment Financing]
Redevelopment trust fund.— (1)(a) After approval of a community redevelopment plan, there may be established for each community redevelopment agency created under s. 163.356 a redevelopment trust fund. Funds allocated to and deposited into this fund shall be used by the agency to finance or refinance any community redevelopment it undertakes pursuant to the approved community redevelopment plan. No community redevelopment agency may receive or spend any increment revenues pursuant to this section unless and until the governing body has, by ordinance, created the trust fund and provided for the funding of the redevelopment

trust fund until the time certain set forth in the community redevelopment plan as required by s. 163.362(10). Such ordinance may be adopted only after the governing body has approved a community redevelopment plan. The annual funding of the redevelopment trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment under this part. Such increment shall be determined annually and shall be that amount equal to 95 percent of the difference between: 1. The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of a community redevelopment area; and 2. The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the community redevelopment area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund.

Illinois 65 Il Comp Stat 5/11-74.4-1 *et seq* [Authorizes Tax Increment Financing]
Sec. 11-74.4-1. This Division 74.4 shall be known and may be cited as the "Tax Increment Allocation Redevelopment Act".
Sec. 11-74.4-2. (a) It is hereby found and declared that there exist in many municipalities within this State blighted conservation and industrial park conservation areas, as defined herein; that the conservation areas are rapidly deteriorating and declining and may soon become blighted areas if their decline is not checked; that the stable economic and physical development of the blighted areas, conservation areas and industrial park conservation areas is endangered by the presence of blighting factors as manifested by progressive and advanced deterioration of structures, by the overuse of housing and other facilities, by a lack of physical maintenance of existing structures, by obsolete and inadequate community facilities and a lack of sound community planning, by obsolete platting, diversity of ownership, excessive tax and special assessment delinquencies, by the growth of a large surplus of workers who lack the skills to meet existing or potential employment opportunities or by a combination of these factors; …
(c) It is found and declared that the use of incremental tax revenues derived from the tax rates of various taxing districts in redevelopment project areas for the payment of redevelopment project costs is of benefit to said taxing districts for the reasons that taxing districts located in redevelopment project areas would not derive the benefits of an increased assessment base without the benefits of tax increment financing, all surplus tax revenues are turned over to the taxing districts in redevelopment project areas and all said districts benefit from the removal of blighted conditions, the eradication of conditions requiring conservation measures, and the development of industrial parks.

Illinois 35 ILCS 200/10-40 *et seq* [Historic Residence Assessment Freeze]

Sec. 10-40. Historic Residence Assessment Freeze Law; definitions. This Section and Sections 10-45 through 10-85 may be cited as the Historic Residence Assessment Freeze Law. As used in this Section and Sections 10-45 through 10-85: … (c) "Historic building" means an owner-occupied single family residence or an owner-occupied multi-family residence and the tract, lot or parcel upon which it is located, or a building or buildings owned and operated as a cooperative, if: (1) individually listed on the National Register of Historic Places or the Illinois Register of Historic Places; (2) individually designated pursuant to an approved county or municipal landmark ordinance; or (3) within a district listed on the National Register of Historic Places or designated pursuant to an approved county or municipal landmark ordinance, if the Director determines that the building is of historic significance to the district in which it is located. Historic building does not mean an individual unit of a cooperative. … (i) "Base year valuation" means the fair cash value of the historic building for the year in which the rehabilitation period begins but prior to the commencement of the rehabilitation and does not include any reduction in value during the rehabilitation work. (j) "Adjustment in value" means the difference for any year between the then current fair cash value and the base year valuation. (k) "Eight-year valuation period" means the 8 years from the date of the issuance of the certificate of rehabilitation.
Sec. 10-45. Valuation during 8 year valuation period. In furtherance of the policy of encouraging the rehabilitation of historic residences, property certified pursuant to this Historic Residence Assessment Freeze Law shall be eligible for an assessment freeze, as provided in this Section, eliminating from consideration, for assessment purposes, the value added by the rehabilitation and limiting the total valuation to the base year valuation as defined in subsection (i) of Section 10-40. For all property upon which the Director has issued a certificate of rehabilitation, the valuation for purposes of assessment shall not exceed the base year valuation for the entire 8-year valuation period, unless a taxing district elects, under Section 10-85, that the provisions of this Section shall not apply to taxes that are levied by that taxing district. In the event that election is made, the property shall be valued under Section 9-145 or 9-150 for the purpose of extending taxes of that taxing district. The changes made to this Section by this amendatory Act of the 91st General Assembly are declarative of existing law and shall not be construed as a new enactment.

Indiana § IC 6-1.1-21.2-11 [Tax Increment Replacement]
§IC 6-1.1-21.2-11 Version b Tax increment replacement amount; calculation. *Note: This version of section effective 1-1-2009. See also preceding version of this section, effective until 1-1-2009*. Sec. 11. (a) The governing body shall estimate the tax increment replacement amount for each allocation area under the jurisdiction of the governing body for the next calendar year on the schedule prescribed by the department of local government finance. (b) The tax increment replacement amount is the greater of zero (0) or the net amount by which: (1) laws enacted by the general assembly; and (2) actions taken by the department of local government finance; after the establishment of the allocation area have decreased the tax increment revenues of the allocation area for the next calendar year (after adjusting for any increases

resulting from laws or actions of the department of local government finance) below the sum of the amount needed to make all payments that are due in the next calendar year on obligations payable from tax increment revenues and to maintain any tax increment revenue to obligation payment ratio required by an agreement on which any of the obligations are based.

Indiana §IC 6-1.1-42 [Tax abatement]
Brownfield Revitalization Zone Tax Abatement. Designation of brownfield revitalization zone Sec. 12. (a) The designating body shall determine whether an area should be designated a brownfield revitalization zone. (b) A designating body may designate an area as a brownfield revitalization zone only if the following findings are made in the affirmative: ….
6-1.1-42-28 Amount of deduction. Sec. 28. (a) Subject to this section and section 34 of this chapter, the amount of the deduction which the property owner is entitled to receive under this chapter for a particular year equals the product of: (1) the increase in the assessed value resulting from the remediation and redevelopment in the zone or the location of personal property in the zone, or both; multiplied by (2) the percentage determined under subsection (b). (b) The percentage to be used in calculating the deduction under subsection (a) is as follows: (1) For deductions allowed over a three (3) year period: Year of Deduction (percentage): 1st year (100%), 2nd year (66%), 3rd year (33%). …

Indiana § IC 6-1.1-12.1 [Tax deduction]
Deduction for Rehabilitation or Redevelopment of Real Property in Economic Revitalization Areas. § IC 6-1.1-12.1-2 Findings by designating body; economic revitalization area; residentially distressed area; conditions; property tax deductions; fees (f) The property tax deductions provided by section 3, 4.5, or 4.8 of this chapter are only available within an area which the designating body finds to be an economic revitalization area. Statement of benefits; form; findings; period of deduction; resolution; excluded facilities Sec. 3. (a) An applicant must provide a statement of benefits to the designating body. If the designating body requires information from the applicant for economic revitalization area status for use in making its decision about whether to designate an economic revitalization area, the applicant shall provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter. …For all economic revitalization areas designated after June 30, 2000, the period is the number of years determined under subsection (d). The owner is entitled to a deduction if: (1) the property has been rehabilitated; or (2) the property is located on real estate which has been redeveloped. The owner is entitled to the deduction for the first year, and any successive year or years, in which an increase in assessed value resulting from the rehabilitation or redevelopment occurs and for the following years determined under subsection (d). §IC 6-1.1-12.1-4 Annual deduction; amount; percentage; period of deduction; effect of reassessment Sec. 4. (a) Except as provided in section 2(i)(4) of this chapter, and subject to section 15 of this chapter, the amount of the deduction which the property owner is entitled to receive under section 3 of this chapter for a particular year equals the product of: (1) the increase in the assessed value resulting from the rehabilitation

or redevelopment; multiplied by (2) the percentage prescribed in the table set forth in subsection (d). … (d) The percentage to be used in calculating the deduction under subsection (a) is as follows: Year of Deduction (Percentage)…
§IC 6-1.1-12.1-4.1 Application of sections; residentially distressed areas; deduction. Allowed Sec. 4.1. (a) Section 4 of this chapter applies to economic revitalization areas that are not residentially distressed areas. (b) This subsection applies to economic revitalization areas that are residentially distressed areas. Subject to section 15 of this chapter, the amount of the deduction that a property owner is entitled to receive under section 3 of this chapter for a particular year equals the lesser of: (1) the assessed value of the improvement to the property after the rehabilitation or redevelopment has occurred; or (2) the following amount: TYPE OF DWELLING AMOUNT One (1) family dwelling $74,880; Two (2) family dwelling $106,080; Three (3) unit multifamily dwelling $156,000; Four (4) unit multifamily dwelling $199,680

Iowa Code tit. 1, §15E.196 [Authorizes incentives]
§15E.196 Incentives - assistance. For purposes of determining the incentives or assistance provided in this section, "eligible business" means a business which has been approved to receive incentives and assistance by the department of economic development pursuant to application as provided in section 15E.195 . The incentives and assistance provided under this division for businesses located in enterprise zones shall be for a period not to exceed ten years and shall include all of the following: … 5. The county or city for which an eligible enterprise zone is certified may exempt from all property taxation all or a portion of the value added to the property upon which an eligible business locates or expands in an enterprise zone and which is used in the operation of the eligible business. The amount of value added for purposes of this subsection shall be the amount of the increase in assessed valuation of the property following the location or expansion of the business in the enterprise zone. If an exemption provided pursuant to this subsection is made applicable to only a portion of the property within an enterprise zone, the definition of that subset of eligible property must be by uniform criteria which further some planning objective established by the city or county enterprise zone commission and approved by the eligible city or county. The exemption may be allowed for a period not to exceed ten years beginning the year the eligible business enters into an agreement with the county or city to locate or expand operations in an enterprise zone.

Iowa Code §404.3B [Authorizes tax exemption]
404.3B Urban Revitalization Tax Exemptions. Abandoned Real Property Exemption. 1. Notwithstanding the schedules provided for in section 404.3, a city or county may provide that all qualified real estate that meets the definition of abandoned as stated in section 657A.1 is eligible to receive an exemption from taxation based on the schedule set forth in subsection 2 or 3. 2. All qualified real estate described in subsection 1 is eligible to receive a partial exemption from taxation on the actual value added by the improvements. The exemption is for a period of fifteen years. The amount of the partial exemption is equal to a percent of the actual value added by the improvements, determined as follows: a. For the first year, eighty percent. b. For

the second year, seventy-five percent. c. For the third year, seventy percent. d. For the fourth year, sixty-five percent. e. For the fifth year, sixty percent. f. For the sixth year, fifty-five percent. g. For the seventh year, fifty percent. h. For the eighth year, forty-five percent. i. For the ninth year, forty percent. j. For the tenth year, thirty-five percent. k. For the eleventh year, thirty percent. l. For the twelfth year, twenty-five percent. m. For the thirteenth year, twenty percent. n. For the fourteenth year, twenty percent. o. For the fifteenth year, twenty percent. 3. All qualified real estate described in subsection 1 is eligible to receive a one hundred percent exemption from taxation on the actual value added by the improvements. The exemption is for a period of five years.

Iowa Code tit. 1, §15.332; §15.335A [Authorizes property tax incentive for Job Creation]
§15.332 Value-added property tax exemption. 1. The community may exempt from taxation all or a portion of the actual value added by improvements to real property directly related to new jobs created by the location or expansion of an eligible business under the program and used in the operations of the eligible business. The exemption may be allowed for a period not to exceed twenty years beginning the year the improvements are first assessed for taxation. 2. For purposes of this section, "improvements" includes new construction and rehabilitation of and additions to existing structures. The exemption shall apply to all taxing districts in which the real property is located.
§15.335A Tax incentives. 1. Tax incentives are available to eligible businesses as provided in this section. The incentives are based upon the number of new high quality jobs created and the amount of the qualifying investment made according to the following schedule: … 2. For purposes of this section: a. "Additional research and development tax credit" means the research activities credit as provided under section 15.355. b. "Average county wage" means the same as defined in section 15I1. c. "Benefits" means the same as defined in section 15I1. d. "Investment tax credit" means the investment tax credit or the insurance premium tax credit as provided under section 15.333 or 15.333A, respectively. e. "Local property tax exemption" means the property tax exemption as provided under section 15.332.

Kansas §79-32.211 [Historic structure tax exemption][9]
Credit against tax for certain historic structure rehabilitation expenditures. (a) For all taxable years commencing after December 31, 2006, there shall be allowed a tax credit against the income, privilege or premium tax liability imposed upon a taxpayer pursuant to the Kansas income tax act, the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, or the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, in an amount equal to 25% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure pursuant to a qualified rehabilitation plan by a qualified taxpayer if the total

[9] This is an income tax exemption for to offset the expenditure of property rehabilitation, not a property tax incentive.

amount of such expenditures equal $5,000 or more; or in an amount equal to 30% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code and which is not income producing pursuant to a qualified rehabilitation plan by a qualified taxpayer if the total amount of such expenditures equals $5,000 or more. If the amount of such tax credit exceeds the qualified taxpayer's income, privilege or premium tax liability for the year in which the qualified rehabilitation plan was placed in service, as defined by section 47(b)(1) of the federal internal revenue code and federal regulation section 1.48-12(f)(2), such excess amount may be carried over for deduction from such taxpayer's income, privilege or premium tax liability in the next succeeding year or years until the total amount of the credit has been deducted from tax liability, except that no such credit shall be carried over for deduction after the 10th taxable year succeeding the taxable year in which the qualified rehabilitation plan was placed in service. …

Iowa Code § 455H.309 (2008)
455H.309 Incremental property taxes. To encourage economic development and the recycling of contaminated land to promote the purposes of this chapter, cities and counties may provide by ordinance that the costs of carrying out response actions under this chapter are to be reimbursed, in whole or in part, by incremental property taxes over a six-year period. A city or county which implements the option provided for under this section shall provide that taxes levied on property enrolled in the land recycling program under this chapter each year by or for the benefit of the state, city, county, school district, or other taxing district shall be divided as provided in section 403.19, subsections 1 and 2, in the same manner as if the enrolled property was taxable property in an urban renewal project. Incremental property taxes collected under this section shall be placed in a special fund of the city or county. A participant shall be reimbursed with moneys from the special fund for costs associated with carrying out a response action in accordance with rules adopted by the commission. Beginning in the fourth of the six years of collecting incremental property taxes, the city or county shall begin decreasing by twenty-five percent each year the amount of incremental property taxes computed under this section.

Maine MRS tit.30-A, §3442 [Authorize tax assessment disincentive to build away from existing infrastructure]
Expense of construction. … 2. Estimate and assessment of costs; notice. When any municipality or sewer district has constructed and completed a public drain or common sewer, the municipal officers or sewer district trustees shall determine what lots or parcels of land are benefited by the drain or sewer, and shall estimate and assess upon the lots and parcels of land and against the owner of the land or person in possession, or against whom the taxes on the land are assessed, whether the person to whom the assessment is so made is the owner, tenant, lessee or agent and whether the land is occupied or not, the sum not exceeding the benefit they consider just and equitable towards defraying the expenses of constructing and completing the drain or sewer, together with any sewage disposal units and appurtenances that are necessary and in operation after May 31, 1979. The whole of the assessments may not exceed

1/2 the cost of the drain or sewer and sewage disposal units unless 75% or more of the landowners that will be benefited by the expansion petition the municipal officers to construct the drain or sewer and sewage disposal unit and agree to pay a higher assessment that must be identified in the petition. The municipality or sewer district shall maintain and keep the drain or sewer in repair.
A. Farmland, as defined by Title 36, section 1102, subsection 4, is exempt from assessment under this subsection when no benefits are derived from the common sewer or drain. The owner of the farmland must notify the municipal officers or sewer district trustees that farmland property may qualify for this exception. The municipal officers or sewer district trustees shall revise the assessments against qualified farmland to exempt it from assessment. Any revision of assessment provided by this paragraph must be in writing and recorded by the clerk or sewer district trustees. When the use of the land is changed from farmland, the owner shall within 60 days notify the municipal officers or sewer district trustees in writing of the change. The municipal officers or sewer district trustees shall assess this land in an amount equal to the assessment which would have been due but for this subsection. The municipal officers or sewer district trustees shall notify the owner of the assessment due which the owner shall pay within 60 days of notice or as provided by the municipal officers under their authority in section 3444.

Maryland Md. Md. Tax Property Code Ann. § 9-207 (2008), [Authorizes property tax credit]
Newly constructed or substantially rehabilitated dwellings that are unsold or unrented. (1) In this section, "dwelling" means: (i) a newly constructed or substantially rehabilitated single dwelling unit that is unsold or unrented; or (ii) newly constructed or substantially rehabilitated commercial property that is unsold or unrented. (2) "Dwelling" does not include land. (b) *Applicability.*- (1) A property tax credit granted under this section applies only to county or municipal corporation property tax. (2) This section does not apply to Baltimore City. (c) *Tax credit not exceeding 100%.*- If the owner of a dwelling applies to the county or the municipal corporation where the dwelling is located for a property tax credit under this section, the appropriate governing body may grant, by law, a property tax credit not exceeding 100% of the county or municipal corporation property tax imposed on the dwelling (g) *Duration.*- A property tax credit granted under this section is available: (1) as long as the dwelling remains unsold or unrented; and (2) over a continuous period of time not exceeding 1 year.

Maryland Md. Tax Property Code Ann. § 9-234 (2008), [Authorizes property tax credit]
Vacant and underutilized commercial buildings. Qualifications for credit.- The governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property containing a vacant or underutilized commercial building that: (1) was built primarily for office, industrial, or other commercial purposes; (2) was last used for office, industrial, or other commercial purposes; and 3) is renovated for use primarily as housing.

Maryland Md. Tax Property Code Ann. § 9-236 (2008) [Authorize property tax credit]
Rehabilitated Property. (a) In general.- The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on real property that is rehabilitated under regulations adopted by the governing body. (b) Duration and amount.- (1) A property tax credit granted under this section may not extend beyond the first 10 years after the rehabilitation is completed. (2) The amount of a tax credit granted under this section may not exceed the property tax increase attributable to the increase in the assessment of the real property over the assessment before the real property is rehabilitated. (c) Eligibility or additional limitations.- The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may, by law: (1) subject to the limitations under subsection (b) of this section, provide for the amount and duration of a property tax credit granted under this section; (2) limit eligibility for the credit to real property used for specified purposes or to real property located in designated revitalization areas; or (3) otherwise provide additional requirements for eligibility or additional limitations for a tax credit granted under this section.

Maryland Md. Tax Property Code Ann. § 9-243 (2008), [Authorizes property tax credit]
Repaired or reconstructed dwelling. (a) *In general.*- Subject to subsection (b) of this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant a tax credit under this section against the county or municipal corporation property tax imposed on real property if: (1) the homeowner is otherwise eligible for the credit allowed under § 9-105 of this title; (2) (i) the dwelling is: 1. damaged or destroyed due to a natural disaster; and 2. subsequently repaired or reconstructed; (ii) the dwelling is revalued after the dwelling is repaired or reconstructed; and (iii) as a result of the revaluation, the assessment of the dwelling exceeds the last assessment of the dwelling; and (3) the homeowner claiming the credit had a legal interest in the dwelling at the time the dwelling was damaged or destroyed as described under item (2) of this subsection. (b) *Qualification.*- A homeowner may receive a tax credit under this section only if the homeowner qualified and received a tax credit under § 9-109 of this title and is no longer receiving a tax credit under § 9-109 of this title. (c) *Amount.*- The amount of the property tax credit allowed under this section shall equal 50% of the property tax attributable to an increase in the assessment of the dwelling on revaluation under § 8-104(c)(1)(iii) of this article, including improvements, over the last assessment of the dwelling before the natural disaster, less the amount of any assessment on which a property tax credit under § 9-105 of this title has been authorized d) *Duration.*- A credit under this section may not be granted for more than 3 years.

Maryland Md. Tax-Property Code Ann. §9-229 (2008) [Authorizes property tax credit]
Financial incentives for qualified brownfields sites. (Statewide optional)
Tax credit; contribution to Fund.- For each of the 5 taxable years immediately following the first revaluation of the property after completion of a voluntary cleanup or corrective action plan of a brownfields site, each participating taxing jurisdiction where a qualified brownfields site is located shall: (1) grant a property tax credit against the property tax imposed on the qualified brownfields site in an amount equal to 50% of the property tax attributable to the increase in the assessment of the qualified brownfields site, including improvements added to the site within the 5-year period as provided under this subsection, over the assessment of the qualified brownfields site before the voluntary cleanup; and (2) contribute to the Maryland Economic Development Assistance Fund under Article 83A, § 5-1404 of the Code, 30% of the property tax attributable to the increase in the assessment of the brownfields site, including improvements added to the site within the 5-year period as provided under this subsection, over the assessment of the qualified brownfields site before the voluntary cleanup. (d) *Additional tax credit based on assessment increase.*- (1) A taxing jurisdiction may grant a property tax credit against the property tax imposed on a qualified brownfields site in addition to the credit granted under subsection (c) of this section. … (3) The total additional property tax credit granted under this subsection may not exceed an additional 20% of the remaining property tax attributable to the increase in the assessment of the qualified brownfields site including improvements added to the site over the assessment of the qualified brownfields site before the voluntary cleanup.
"Authorizes counties and municipalities to provide a tax credit, tied directly to the increase in valuation due to redevelopment (and therefore similar to a "freeze"), to qualified brownfields property."[10]

Maryland Md. Ann. Code art. EC, § 5-337 (2008) [Brownfield Site Assessment]
§ 5-337. Financial assistance for environmental site assessments.
(a) In general. -- Notwithstanding any other provision of law, the Department may provide to a person, including a responsible person, a low-interest loan or grant to conduct the environmental site assessment of a potential brownfields site that is required to participate in the Voluntary Cleanup Program under Title 7, Subtitle 5 of the Environment Article, if the person: (1) has not already applied to participate in the Program; (2) is otherwise eligible to participate in the Program; and (3) meets the eligibility requirements that the Department sets.(b) Owner of information in environmental site assessment. -- The information contained in an environmental site assessment is: (1) the property of the State, if the assessment is financed wholly or partly by: (i) a grant from the Department; or (ii) a loan that is in payment default; or (2) the property of the person who contracted for the assessment, if the assessment is financed by: (i) a loan from the Department; or (ii) a grant that is repaid. (c) Effect of eligibility for financial assistance. -- Eligibility for a loan or grant for an environmental site assessment under this section does not constitute eligibility

[10] American Planning Association. Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition, Stuart Meck, FAICP, Gen. Editor. Volume 2, chapter 14.

for: (1) any other financial assistance under this subtitle; or (2) the tax credits provided under § 9-229 of the Tax - Property Article. (d) Grant recipient to repay grant. -- The recipient of a grant under this section shall repay the grant if, within 12 months after receiving the grant, the recipient does not receive approval from the Department of the Environment to: (1) participate in the Voluntary Cleanup Program; or (2) implement a corrective action plan under Title 4 of the Environment Article. (e) Conversion of low-interest loan to market rate loan. -- A low-interest loan provided under this section shall convert to a market rate loan if, within 12 months after receiving the loan, the recipient does not receive approval from the Department of the Environment to: (1) participate in the Voluntary Cleanup Program; or (2) implement a corrective action plan under Title 4 of the Environment Article.(f) Procedures and eligibility requirements. -- The Department may establish procedures and eligibility requirements for the approval of requests for loans and grants under this section.

Maryland Md. State Finance and Procurement Code Ann. §§ 5-7B-02 – 7B-10 § 5-7B-02. Areas considered priority funding areas The following areas shall be considered priority funding areas under this subtitle: (1) a municipal corporation, including Baltimore City, except that: (i) those areas annexed by a municipal corporation after January 1, 1997 but before October 1, 2006 shall satisfy requirements relating to density and service by water and sewer set forth in § 5-7B-03 of this subtitle; and (ii) those areas annexed by a municipal corporation after September 30, 2006, shall satisfy all of the requirements set forth in § 5-7B-03 of this subtitle; (2) a designated neighborhood, as defined in § 6-301 of the Housing and Community Development Article; (3) an enterprise zone as designated under Title 5, Subtitle 7 of the Economic Development Article, or by the United States government; (4) a certified heritage area as defined in §§ 13-1101 and 13-1111 of the Financial Institutions Article that is located within a locally designated growth area; (5) those areas of the State located between Interstate Highway 495 and the District of Columbia; (6) those areas of the State located between Interstate Highway 695 and Baltimore City; and (7) an area designated by the governing body of a county or municipal corporation under § 5-7B-03 of this subtitle. § 5-7B-03. Designating priority funding areas. … § 5-7B-04. No funding of projects not located within priority funding area (a) In general. -- Except as otherwise provided in this subtitle, beginning October 1, 1998, the State may not provide funding for a growth-related project if the project is not located within a priority funding area. (b) Water and sewer service planned. -- In a priority funding area established under § 5-7B-03(c) or (e) of this subtitle in which water and sewer service is planned, a commitment for funding for a growth-related project shall be contingent upon nonstate funding for planned water and sewer service moving forward in advance of or concurrent with the State funding. (c) Municipal corporations. -- (1) A growth-related project may not be funded by the State in a municipal corporation exercising zoning authority unless the municipal corporation has first adopted residential development standards relating to public school adequacy. These standards shall be substantially similar to: (i) the State rated capacity standards established by the public school interagency committee on school construction; or (ii) the school capacity standards established in its

county's adequate public facilities ordinance. (2) The requirement contained in paragraph (1) of this subsection does not apply: (i) in a municipal corporation exercising zoning authority located in a county in which no adequate school capacity standards have been established by the county governing body; or (ii) to a residential development project where an impact fee has been paid or other monetary or nonmonetary contributions have been provided that defray the local cost of school construction attributable to the project.
(3) After October 1, 1997, prior to establishing or changing the school capacity standards in a county's adequate public facilities ordinance, the county shall confer with the governing bodies of the municipal corporations that exercise zoning authority located within the county. (4) For planning purposes, each county board of education shall annually provide to the county and each municipal corporation exercising zoning authority in the county: (i) a list of projected student enrollments for a 5-year period for each school serving students in or near that municipal corporation; and (ii) information relating to the student capacity of each school. … § 5-7B-05. Funding for growth-related projects not within priority funding area… § 5-7B-06. Same – Approval … § 5-7B-07. Public school construction projects… § 5-7B-08. Eligibility… § 5-7B-09. Review of projects; surveys for infrastructure needs…§ 5-7B-10. Actions; decisions to fund projects

Maryland Md. Environment Code Ann. § 7-503 (2008) [Voluntary Cleanup]
§ 7-503. Voluntary Cleanup Program (a) Established. -- There is a Voluntary Cleanup Program in the Department.(b) Purpose. -- The purpose of the Voluntary Cleanup Program is to: (1) Encourage the investigation of eligible properties with known or perceived contamination; (2) Protect public health and the environment where cleanup projects are being performed or need to be performed; (3) Accelerate cleanup of eligible properties; and (4) Provide predictability and finality to the cleanup of eligible properties. § 7-504. Voluntary Cleanup Fund § 7-505. Liability of inculpable person

Maryland Md. Housing and Community Development Code Ann. § 4-217 [Live Near Your Work]
§ 4-217. Community development project. (a) In general. -- A project, undertaking, or a part of a project or undertaking, including the real, personal, and mixed property involved, qualifies as a community development project if it is planned, acquired, owned, developed, constructed, reconstructed, rehabilitated, repaired, renovated, or improved to promote sound community development. (b) Housing and facilities requirements. -- A community development project shall provide for: (1) new or existing housing: (i) that is or will be occupied in substantial part by families of limited income; or (ii) at least 20% of which is or will be occupied by families of limited income, if the project is financed with bonds, notes, or other evidences of indebtedness issued by the administration, the income from which being includable in the holder's gross income under the Internal Revenue Code as determined by the Administration at the time of issue; (2) any improvements, such as streets, roads, sewer lines, and water lines that are needed to support the housing; and (3) the public or private commercial, educational, cultural, recreational, community, or civic

facilities that are needed to support the housing. (c) Optional facilities. -- A community development project may include public or private commercial, educational, cultural, recreational, community, or civic facilities that are not needed to support the housing, if: (1) they are less than a substantial part of the project; or (2) the Secretary finds that they will promote sound community development. (d) "Live Near Your Work" program projects. -- (1) The Administration shall administer community development projects that: (i) are in designated neighborhoods approved under § 6-305 of this article; and (ii) provide employees with financial assistance in the form of grants to buy homes near their workplaces. (2) A community development project administered under this subsection is not subject to the provisions of subsection (b)(1) of this section that require part of the housing to be occupied by families of limited income. (3) The community development projects administered under this subsection shall be known as the "Live Near Your Work" program. (4) The Secretary shall adopt regulations to implement the "Live Near Your Work" program established under this subsection. (5) (i) In fiscal year 2007 and fiscal year 2008, the Governor may include in the State budget $ 250,000 for the "Live Near Your Work" program established under this subsection. (ii) In fiscal year 2009 and every fiscal year thereafter, the Governor may include in the State budget no less than $ 250,000 and no more than $ 500,000 for the "Live Near Your Work" program established under this subsection.

Maryland Md. Ann. Code art. EC, § 6-302 – 309 [Jobs Tax Credit Program]
§ 6-302. Legislative intent. The General Assembly intends that the purpose of the job creation tax credit authorized under this subtitle is to increase the number of new jobs in the State by encouraging: (1) the expansion of existing private sector enterprises; and (2) the establishment or attraction of new private sector enterprises. … § 6-303. Qualification; certification … § 6-304. Amount and application of credit… § 6-305. Recapture … § 6-306. Information sharing; confidentiality … § 6-307. Annual report… § 6-308. Regulations… § 6-309. Termination; limitations

New Hampshire N.H. Rev. Stat. Ann. § tit. 10, 147-F:1 – 5 [Authorize relief from brownfield liability]
§ 147-F:1 Findings and Purpose. – I. The general court finds that it is in the public interest to encourage the redevelopment of industrial, commercial, residential and other properties that have been subject to environmental contamination. The strict liability imposed on owners and operators of contaminated property under existing environmental statutes has had the unintended result of discouraging the repurchase and reuse of some contaminated properties. These properties, often referred to as brownfields, are therefore frequently abandoned or underused. The general court also finds that it is appropriate to consider the risk posed by the contamination to human health and the environment in light of enforceable restrictions on the future use of the property when establishing cleanup goals for a contaminated property. II. The purpose of this chapter is to give incentives to parties interested in the redevelopment of contaminated properties by facilitating the remedial process and by providing comprehensive liability protection to parties who assume responsibility for property remediation without preexisting liability for cleanup or whose existing liability is

premised solely upon their status as an owner under strict liability statutes. III. It is the further intent of this chapter to expedite the voluntary cleanup of all contaminated properties by application of the remedial process and approach provided herein where the contaminated property or party conducting the remediation does not qualify for comprehensive liability protection.
§ 147-F:5 Available Relief. – I. Any person who meets the eligibility conditions of RSA 147-F:4 may request the assistance of the department in overseeing the investigation and remediation of an eligible property. An eligible person shall be entitled to the liability protections provided in RSA 147-F:7 and shall receive a covenant not to sue issued in accordance with RSA 147-F:6 upon approval of a remedial action plan for the property.
II. A successor owner or successor owners of an eligible property may receive a covenant not to sue in accordance with the terms and conditions of RSA 147-F:17. ...

New Jersey N.J. Rev. Stat. §§40A:21-2; 40A:21-4 [Authorize tax exemptions and abatements]
§40A:21-2 Findings, purpose. 2. The Legislature finds that the various statutes authorized by Article VIII, Section I, paragraph 6 of the New Jersey Constitution permitting municipalities to grant for periods of five years exemptions or abatements, or both, from taxation in areas in need of rehabilitation have proven to be effective in promoting the construction and rehabilitation of residential and commercial and industrial structures in areas threatened with economic and social decline. There exists, however, a need to consolidate and make more coherent the most useful features of those various statutes in order to promote the most effective and coordinated use of the various authorizations afforded to municipalities and to include in-fill construction in a comprehensive strategy of rehabilitation of these areas by permitting exemptions and abatements for construction of new single family and multiple dwellings. It is the purpose of this act to permit municipalities the greatest flexibility possible within the constitutional limitations to address problems of deterioration and decay while preserving the salient features of the existing tax exemption and abatement programs.
§40A:21-4 Municipal ordinance granting exemptions or abatements. 4. The governing body of a municipality may determine to utilize the authority granted under Article VIII, Section I, paragraph 6 of the New Jersey Constitution, and adopt an ordinance setting forth the eligibility or noneligibility of dwellings, multiple dwellings, or commercial and industrial structures, or all of these, for exemptions or abatements, or both, from taxation in areas in need of rehabilitation. The ordinance may differentiate among these types of structures as to whether the property shall be eligible for exemptions or abatements, or both, within the limitations set forth in P.L.1991, c.441 (C.40A:21-1 et seq.). With respect to a type of structure, the ordinance shall specify the eligibility of improvements, conversions, or construction, or all of these, for each type of structure. The ordinance may differentiate for the purposes of determining eligibility pursuant to this section among the various neighborhoods, zones, areas or portions of the designated area in need of rehabilitation.

New York N.Y. Tax Law § 606 [Historic structure tax credit]
...(5)(A) The term "qualified historic home" means, for purposes of this subsection, a certified historic structure located within New York state:…(iv) …A historic preservation and community renewal program is a program that coordinates all applicable governmental benefits and programs with the aims of preserving and/or revitalizing neighborhoods, encouraging property owners to complete substantial rehabilitation projects and promoting smart growth economic development. Such local laws shall be filed with the office of parks, recreation and historic preservation. The office of parks, recreation and historic preservation shall assist local governments in developing historic preservation and community renewal programs.
(c) Application of credit. If the amount of the credit shall exceed the taxpayer's tax for such year the excess shall be carried over to the following year or years, and may be deducted from the taxpayer's tax for such year or years. …
(pp) Historic homeownership rehabilitation credit. (1) For taxable years beginning on or after January first, two thousand seven, a taxpayer shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article. The amount of the credit shall be equal to twenty percent of the qualified rehabilitation expenditures made by the taxpayer with respect to a qualified historic home and may be allowed in the taxable year in which the final certification step of the certified rehabilitation is completed.

New York N.Y. General Municipal Law § 691 [Authorize incentives]
Policy and purposes of article. There exist in many municipalities within this state municipally-owned areas which were acquired pursuant to the urban renewal powers delineated in article fifteen of this chapter or through condemnation for projects now abandoned or as a direct result of previous landowners' failure to meet in full their real estate tax or other obligations or through proceedings relating to abandoned multiple dwellings or which consist of municipal facilities no longer needed for public purposes. These areas are residential, non-residential, commercial, industrial, municipal facilities or vacant areas, and combinations thereof, which are slum or blighted, or which are becoming slum or blighted areas because of substandard, insanitary, deteriorated or deteriorating conditions, factors, and characteristics, with or without tangible physical blight. …
In order to protect and promote the safety, health, morals and welfare of the people of the state and to promote the sound growth and development of our municipalities, it is necessary to provide incentives for the correction of such substandard, insanitary, blighted, deteriorated or deteriorating conditions, factors, and characteristics by the clearance, replanning, reconstruction, redevelopment, rehabilitation, restoration or conservation of such areas, the undertaking of public and private improvement programs related thereto and the encouragement and participation in these programs by private enterprise.

New York N.Y. General Municipal Law § 696 [Authorizes tax exemption]
Tax incentives. Upon the consent of the governing body of any municipality in which an urban development action area project is or is to be located, the real property of a project may be exempted from local and municipal taxes, other than assessments for

local improvements and land value, to the extent of all or part of the value of the improvement included in such project, for a period of twenty years from the first date on which taxes otherwise would become due in the absence of the exemption, during the last ten years of which the exemption shall be decreased in equal annual or biennial decrements according to a formula established by the governing body at the time it gives its consent to the tax exemption, pursuant to this section. …

New York N.Y. General City Law § 81-d [Authorizes incentive zoning]
Incentive zoning; definitions, purposes, conditions, procedures. 1. Definitions. As used in this section: (a) "Incentives or bonuses" shall mean adjustments to the permissible population density, area, height, open space, use, or other provisions of a zoning ordinance, local law, or regulation for a specific purpose authorized by the legislative body of a city.…(c) "Incentive zoning" shall mean the system by which specific incentives or bonuses are granted, pursuant to this section, on condition that specific physical, social, or cultural benefits or amenities would inure to the community….The purpose of the system of incentive or bonus zoning shall be to advance the city's specific physical, cultural and social policies in accordance with the city's comprehensive plan and in coordination with other community planning mechanisms or land use techniques. The system of zoning incentives or bonuses shall be in accordance with a locally-adopted comprehensive plan. …

Ohio Code tit. §3746.01; §3746.12. [Exemption from liability]
§3746.01 Voluntary action program definitions. (G) “Covenant not to sue” means a release from liability that is issued by the director under section 3746.12 of the Revised Code.
§3746.12 Issuing or denying covenant not to sue.
(A) Except as provided in division (C) of this section, the director of environmental protection shall issue to a person on behalf of whom a certified professional has submitted to the director an original no further action letter and accompanying verification under division (A) of section 3746.11 of the Revised Code a covenant not to sue for the property that is named in the letter. The director shall not issue a covenant not to sue if an original no further action letter is submitted to him by any person other than the certified professional who prepared the letter or if a copy of the letter is submitted to him. A covenant not to sue shall contain both of the following, as applicable:
(1) A provision releasing the person who undertook the voluntary action from all civil liability to this state to perform additional investigational and remedial activities to address a release of hazardous substances or petroleum when the property has undergone a phase I or a phase II property assessment in compliance with this chapter and rules adopted under it or has been the subject of remedial activities conducted under this chapter and rules adopted under it to address a release of hazardous substances or petroleum and such an assessment or those activities demonstrate or result in compliance with applicable standards, except …

Oregon Or. Rev. Stat. §457.420; ORS § 457.435 (2007) [Authorizes Tax Increment Financing]

§457.420 Plan may provide for division of property taxes; limits on land area. (1) Any urban renewal plan may contain a provision that the ad valorem taxes, if any, levied by a taxing district in which all or a portion of an urban renewal area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.420 to 457.460. Ad valorem taxes shall not be divided if there is no provision in the urban renewal plan for the division. (2) No plan adopted after October 3, 1979, shall provide for a division of ad valorem taxes under subsection (1) of this section if: (a) For municipalities having a population of more than 50,000, according to the latest state census: (A) The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided exceeds a figure equal to 15 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas; or (B) The urban renewal areas of the plan when added to the areas included in other urban renewal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal to 15 percent of the total land area of that municipality. (b) For municipalities having a population of less than 50,000, according to the latest state census: (A) The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided exceeds a figure equal to 25 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas; or (B) The urban renewal areas of the plan, when added to the areas included in other urban renewal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal to 25 percent of the total land area of that municipality. (3) Property may not be included in more than one urban renewal area.

§ 457.435. Property tax collection methods for existing plans; special levies. (1) For each existing urban renewal plan that includes a provision for a division of ad valorem taxes under ORS 457.420 to 457.460, the municipality that activated the urban renewal agency that is carrying out the plan shall adopt an ordinance choosing one of the options listed in subsection (2) of this section as the method of collecting ad valorem property taxes sufficient to pay, when due, indebtedness issued or incurred to carry out the plan as permitted by section 11 (16), Article XI of the Oregon Constitution. (2) The options referred to in subsection (1) of this section are as follows: (a) Option One: To collect amounts sufficient to pay the obligations, as budgeted for the plan, from ORS 457.440, and if the amount estimated to be received from ORS 457.440 is not sufficient to meet the budgeted obligations of the plan for the tax or fiscal year, to make a special levy in the amount of the remainder upon all of the taxable property of the municipality that activated the urban renewal agency and upon all of the taxable property lying outside the municipality but included in an urban renewal area of the plan. (b) Option Two: To make a special levy in the amount stated in the notice given under ORS 457.440 (2) upon all of the taxable property of the municipality that activated the urban renewal agency, and upon all of the taxable property lying outside the municipality but included in an urban renewal area of the

plan. (c) Option Three: To collect an amount equal to the amount stated in the ordinance adopted as provided in subsection (1) of this section by dividing the taxes pursuant to ORS 457.440, and to make a special levy upon all of the taxable property of the municipality that activated the urban renewal agency and upon all of the taxable property lying outside the municipality but within an urban renewal area of the plan. The county assessor shall adjust the amount of the total assessed value included in the certified statement filed under ORS 457.430 so that the amount collected by dividing the taxes pursuant to ORS 457.440 does not exceed the amount stated in the ordinance to be collected by dividing the taxes pursuant to ORS 457.440. …

Pennsylvania 53 P.S. § 10705-A, § 10702-A [Authorizes zoning]
10705-A. A traditional neighborhood development may be developed and applied in any of the following forms. … (3) As a form of urban infill where existing uses and structures may be incorporated into the development." § 10702-A. Grant of power [zoning ordinances] The governing body of each municipality may enact, amend and repeal provisions of a zoning ordinance in order to fix standards and conditions for traditional neighborhood development. … (ii) In the case of either an outgrowth or extension of existing development or urban infill, a traditional neighborhood development designation may be either in the form of an overlay zone or as an outright designation, whichever the municipality decides. Outgrowths or extensions of existing development may include development of a contiguous municipality.

Rhode Island § 45-33.1-1 **[**Authorize loans]
Rehabilitation loans. The various cities and towns and their respective redevelopment agencies are severally authorized to make secured and unsecured loans with or without interest to any one or more persons, partnerships, or corporations for the purpose of making repairs, rehabilitation, or alterations to structures located within their respective communities. These loans may be made to bring those structures into compliance with their respective housing standards, or into compliance with rehabilitation standards contained in any redevelopment plan approved pursuant to chapters 31 – 33 of this title, or to improve the respective structures, real estate, or neighborhoods. These loans may also be made to state-chartered limited equity housing cooperatives.

Rhode Island § 44-33.2-1 and § 44-33.2-3 [Legislative findings and Historic Structures Tax credit][11]
§ 44-33.2-1 Declaration of purpose. The general assembly finds and declares that Rhode Island's historic structures have experienced high vacancy rates and physical deterioration. Without adding economic incentive, these structures are not viable for the redevelopment and reuse by modern commercial, residential or manufacturing enterprises and will continue their physical deterioration. The redevelopment and reuse of these historic structures are of critical importance to the economic measures and will assist in stimulating the reuse and redevelopment of historic structures and

[11] This tax credit is an income tax credit, not a property tax credit. The credit defrays the owner's costs of rehabilitation, which serves the principle of redevelopment, but not in the form of a property tax incentive.

will improve property values, foster civic beauty, and promote public education, pleasure, and welfare. The purpose of this chapter is to create economic incentives for the purpose of stimulating the redevelopment and reuse of Rhode Island's historic structures.
§ 44-33.2-3 Tax Credit. (a) Any person, firm, partnership, trust, estate, limited liability company, corporation (whether for profit or non-profit) or other business entity that incurs qualified rehabilitation expenditures for the substantial rehabilitation of a certified historic structure, provided the rehabilitation meets standards consistent with the standards of the Secretary of the United States Department of the Interior for rehabilitation as certified by the commission, shall be entitled to a credit against the taxes imposed on such person or entity pursuant to chapter 11, 12, 13, 14, 17 or 30 of this title in an amount equal to thirty percent (30%) of the qualified rehabilitation expenditures.

Tennessee Tenn. Code Ann. §§ 68-212-202, -224, -225, and -226 [Brownfield agreements and incentives]
§ 68-212-202 (1) "Brownfield project" means the screening, investigation, monitoring, control and/or remediation of any abandoned, idled, under-utilized, or other property whose re-use, growth, enhancement or redevelopment is complicated by real or perceived adverse environmental conditions. Brownfield projects may address sites contaminated by hazardous substances, solid waste, or any other pollutant;
§ 68-212-224 (6) A person who enters into a voluntary agreement or consent order with the commissioner that contains an apportionment or limitation of liability, pursuant to this section, shall not be liable to third parties for contribution regarding matters addressed in the voluntary agreement or consent order; provided, that the third party was given actual or constructive notice of the voluntary agreement or consent order, and the third party had an actual or constructive opportunity to comment upon the voluntary agreement or consent order. Constructive notice may be accomplished by, among other means, publishing a summary of the voluntary agreement or consent order in a newspaper of general circulation within the geographical area of the site or project at least thirty (30) days prior to the effective date of the agreement or order. For inactive hazardous substance sites, such voluntary agreements or consent orders shall, to the extent provided therein, constitute an approved administrative settlement pursuant to 42 U.S.C. § 9613(f). … (b) There is levied a fee of five thousand dollars ($5,000) for participation in this program. This fee shall be in addition to and not in lieu of any moneys expended from the remedial action fund and shall be in addition to any other fee assessed pursuant to this part. The commissioner may waive any part, or all, of this fee if the commissioner determines that such waiver serves the public welfare. … (c) (1) The participation fees shall be used to establish a voluntary cleanup oversight and assistance fund. The purpose of this fund is to pay for state oversight of any cleanup efforts. … (e) The criteria for selecting containment and cleanup actions, including monitoring and maintenance options to be followed under the voluntary cleanup and oversight assistance program, shall be those specified in § 68-212-206(d).

§ 68-212-225 The commissioner can determine a site as a brownfield site in need of cleanup and provide a notice of land use restriction to the current owner. It can restrict the future use of the site. … (c) Land use restrictions may apply to activities on, over, or under the land, including, but not limited to, use of property, use of groundwater, building, filling, grading, excavating, and mining. … (g) In addition to any other law concerning the establishment of conservation easements, upon approval by the commissioner, a property owner may voluntarily establish land use restrictions for the protection of streams and wetlands, or for other environmental conservation purposes by filing a notice of land use restriction pursuant to this section. The notice shall include the applicable portions of subsection (b), shall be filed as provided in subsection (d) and shall be enforceable as provided in subsection (f).
§ 68-212-226 Grants or loans from federal or matching funds -- Tax increment financing. (a) From any federal funds available to the department and any state funds used as a match to obtain those federal funds, the commissioner may, in the commissioner's discretion, provide grants and/or loans to municipalities, counties and/or other governmental instrumentalities to conduct screening, investigation, remediation, containment, cleanup and/or closure of inactive hazardous substance sites, solid waste disposal sites or Brownfield projects under the authority of any statute administered by the department.

Tennessee Tenn. Code Ann. § 67-4-2913 (2008) [Prohibit impact fees]
§ 67-4-2913. Preemption. After June 20, 2006, no county shall be authorized to enact an impact fee on development or a local real estate transfer tax by private or public act. In addition, this part shall be the exclusive authority for local governments to adopt any new or additional adequate facilities taxes on development. However, the provisions of this part shall not be construed to prevent a municipality or county from exercising any authority to levy or collect similar development taxes or impact fees granted by a private act that was in effect prior to June 20, 2006, or from revising the dedicated use and purpose of a tax on new development from public facilities to public school facilities. A county levying a development tax or impact fee by private act on June 20, 2006, shall be prohibited from using the authority provided in this part so long as the private act is in effect.
Attorney General Opinions. A county that imposed a development tax pursuant to a pre-existing private act may continue to levy that tax for so long as that act remains in effect; the County Powers Relief Act, however, precludes a county from relying on a subsequently-enacted private act to impose or increase a development tax, OAG 07-006 (1/17/07). The restrictions on impact fees and adequate facilities taxes in T.C.A.§ 67-4-2913 do not prohibit a city from enacting an ordinance that would require developers of real property either to construct sidewalks or pay a fee in lieu of constructing the sidewalks, OAG 07-161 (12/11/07)

Texas §§ 374.001 – 015 [Authorizes incentives]
§ 374.002. Legislative findings; Intent. (a) The legislature finds that slum and blighted areas exist in municipalities in this state and that those areas: (1) are a

serious and growing menace that is injurious and inimical to the public health, safety, morals, and welfare of the residents of this state; … (b) For these reasons, prevention and elimination of slum and blighted areas are matters of state policy and concern that may be best addressed by the combined action of private enterprise, municipal regulation, and other public action through approved urban renewal plans. … (25) "Urban renewal activities" includes slum clearance, redevelopment, rehabilitation, and conservation activities to prevent further deterioration of an area that is tending to become a blighted or slum area. … (E) the implementation of plans for a program of voluntary repair and rehabilitation of buildings or improvements in accordance with an urban renewal plan; and …
§ 374.015. General Municipal Powers Relating to Urban Renewal. (a) A municipality may exercise all powers necessary or convenient to carry out the purposes of this chapter, including the power to: … (11) appropriate funds and make expenditures as necessary to implement this chapter and, subject to Subsection (c), levy taxes and assessments for that purpose; (12) close, vacate, plan, or replan streets, roads, sidewalks, ways, or other places, plan, replan, zone, or rezone any part of the municipality and make exceptions from building regulations, and enter agreements with an urban renewal agency vested with urban renewal powers under Subchapter C, which may extend over any period, restricting action to be taken by the municipality under any of the powers granted under this chapter; … (14) issue tax increment bonds.

Washington Rev. Code Wash. (ARCW) § 35.100.020, -.030, -.040, -.050 (2008)
§ 35.100.020. Definitions. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. (2) "Local retail sales and use tax increment revenue" means that portion of the local retail sales and use tax collected in each year upon any retail sale or any use of an article of tangible personal property within a downtown or neighborhood commercial district that is in excess of the amount of local retail sales and use tax collected on sales or uses within the downtown or neighborhood commercial district in the year preceding.
§ 35.100.030 Local retail sales and use tax increment revenue -- Applications Local retail sales and use tax increment revenue, or any portion thereof, may be applied as follows: (1) To pay downtown or neighborhood commercial district community revitalization costs; (2) To pay into bond redemption funds established to pay the principal and interest on general obligation or revenue bonds issued to finance a downtown or neighborhood commercial district community revitalization project; (3) In combination with any other public or private funds available to the city or town for the purposes provided in this section; or (4) To pay any combination of costs under subsection (1), (2), or (3) of this section.
35.100.040. Local sales and use tax increment revenue -- Authorization of use by legislative authority (1) The legislative authority of a city or town may authorize the use of local sales and use tax increment revenue for any purpose authorized in this chapter within the boundaries of a downtown or one or more neighborhood commercial districts.(2) Prior to authorizing the use of local sales and use tax increment revenue, the legislative authority must designate the boundaries of each downtown or neighborhood commercial district.(3) The legislative authority of a city

or town may choose to pool the local sales and use tax increment revenue collected in the various downtown and neighborhood commercial districts within the city or town for the purposes authorized in this chapter.
§ 35.100.050. Determination of amount of revenue. A city or town shall determine at its own cost the amount of local sales and use tax increment revenue that may be generated in the downtown and neighborhood commercial districts it designates. The department of revenue may, at its discretion, provide advice or other assistance to cities and towns to assist in determining local sales and use tax increment revenue.

Washington Rev. Code Wash. (ARCW) § 82.02.050 (2008) [Impact fees]
§ 82.02.050. Impact fees -- Intent – Limitations (1) It is the intent of the legislature: (a) To ensure that adequate facilities are available to serve new growth and development; (b) To promote orderly growth and development by establishing standards by which counties, cities, and towns may require, by ordinance, that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and (c) To ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.(2) Counties, cities, and towns that are required or choose to plan under RCW 36.70A.040 are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees.(3) The impact fees: (a) Shall only be imposed for system improvements that are reasonably related to the new development; (b) Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and (c) Shall be used for system improvements that will reasonably benefit the new development.

Wisconsin Wis. Stat. § 66.1105 (2007) [Tax Incremental Financing]
66.1105. Tax increment law. … 3. Notwithstanding subd. 1., project costs may include any expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred by the city for newly platted residential development only for any tax incremental district for which a project plan is approved before September 30, 1995, or for a mixed-use development tax incremental district to which one of the following applies: a. The density of the residential housing is at least 3 units per acre. b. The residential housing is located in a conservation subdivision, as defined in s. 66.1027 (1) (a) c. The residential housing is located in a traditional neighborhood development, as defined in s. 66.1027 (1) (c) …
(4) CREATION OF TAX INCREMENTAL DISTRICTS AND APPROVAL OF PROJECT PLANS. In order to implement the provisions of this section, the following steps and plans are required: … (c) Identification of the specific property to be included under par. (gm) 4. as blighted or in need of rehabilitation or conservation work. Owners of the property identified shall be notified of the proposed finding and the date of the hearing to be held under par. (e) at least 15 days prior to the date of the hearing. In cities with a redevelopment authority under s. 66.1333, the notification required under this paragraph may be provided with the notice required under s.

66.1333 (6) (b) 3., if the notice is transmitted at least 15 days prior to the date of the hearing to be held under par. (e)…
(4) CREATION OF TAX INCREMENTAL DISTRICTS AND APPROVAL OF PROJECT PLANS.In order to implement the provisions of this section, the following steps and plans are required:… (gm) Adoption by the local legislative body of a resolution which:… 4. Contains findings that: a. Not less than 50%, by area, of the real property within the district is at least one of the following: a blighted area; in need of rehabilitation or conservation work, as defined in s. 66.1337 (2m) (b) [s. 66.1337 (2m) (a)]; suitable for industrial sites within the meaning of s. 66.1101 and has been zoned for industrial use; or suitable for mixed-use evelopment; and NOTE: The correct cross-reference is shown in brackets. Corrective legislation is pending. b. The improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the district. It is not necessary to identify the specific parcels meeting the criteria; and bm. The project costs relate directly to eliminating blight, directly serve to rehabilitate or conserve the area or directly serve to promote industrial development, consistent with the purpose for which the tax incremental district is created under subd. 4. a.; and c. Except as provided in sub. (17), the equalized value of taxable property of the district plus the value increment of all existing districts does not exceed 12 percent of the total equalized value of taxable property within the city. In determining the equalized value of taxable property under this subd. 4. c., the department of revenue shall base its calculations on the most recent equalized value of taxable property of the district that is reported under s. 70.57 (1m) before the date on which the resolution under this paragraph is adopted….. 5. Confirms that any real property within the district that is found suitable for industrial sites and is zoned for industrial use under subd. 4. a. will remain zoned for industrial use for the life of the tax incremental district. 6. Declares that the district is a blighted area district, a rehabilitation or conservation district, an industrial district, or a mixed-use district based on the identification and classification of the property included within the district under par. (c) and subd. 4. a. If the district is not exclusively blighted, rehabilitation or conservation, industrial, or mixed use, the declaration under this subdivision shall be based on which classification is predominant with regard to the area described in subd. 4. a.

Wisconsin Wis. Stat. § 66.1106 (2007) [Environmental Tax Incremental Financing]
…2) USE OF ENVIRONMENTAL REMEDIATION TAX INCREMENTS.
(a) A political subdivision that develops, and whose governing body approves, a written proposal to remediate environmental pollution may use an environmental remediation tax increment to pay the eligible costs of remediating environmental pollution on contiguous parcels of property that are located in an environmental remediation tax incremental district within the political subdivision and that are not part of a tax incremental district created under s. 66.1105, as provided in this section, except that a political subdivision may use an environmental remediation tax increment to pay the cost of remediating environmental pollution of groundwater without regard to whether the property above the groundwater is owned by the political subdivision. No political subdivision may submit an application to the department under sub. (4) until the joint review board approves the political

subdivisions written proposal under sub. (3) (b) No expenditure for an eligible cost may be made by a political subdivision later than 15 years after the environmental remediation tax incremental base is certified by the department under sub. (4). … (3) JOINT REVIEW BOARD. … (b)1. The board shall base its decision to approve or deny a proposal on the following criteria: a. Whether the development expected in the remediated property would occur without the use of environmental remediation tax incremental financing. b. Whether the economic benefits of the remediated property, as measured by increased employment, business and personal income and property value, are insufficient to compensate for the cost of the improvements. c. Whether the benefits of the proposal outweigh the anticipated environmental remediation tax increments to be paid by the owners of property in the overlying taxing districts.

Wisconsin Wis. Stat. 66.0617 (2007)
…(5) DIFFERENTIAL FEES, IMPACT FEE ZONES. (a) An ordinance enacted under this section may impose different impact fees on different types of land development. (b) An ordinance enacted under this section may delineate geographically defined zones within the municipality and may impose impact fees on land development in a zone that differ from impact fees imposed on land development in other zones within the municipality. The public facilities needs assessment that is required under sub. (4) shall explicitly identify the differences, such as land development or the need for those public facilities, which justify the differences between zones in the amount of impact fees imposed. … HOUSING (7) LOW-COST HOUSING. An ordinance enacted under this section may provide for an exemption from, or a reduction in the amount of, impact fees on land development that provides low-cost housing, except that no amount of an impact fee for which an exemption or reduction is provided under this subsection may be shifted to any other development in the land development in which the low-cost housing is located or to any other land development in the municipality. (9) REFUND OF IMPACT FEES. (a) Subject to par. (b), an ordinance enacted under this section shall specify that impact fees that are imposed and collected by a municipality but are not used within 7 years after they are collected to pay the capital costs for which they were imposed shall be refunded to the current owner of the property with respect to which the impact fees were imposed, along with any interest that has accumulated…

Wisconsin Wis. Stat. § 66.1027 (2007) [Require Local Ordinances]
(1) DEFINITIONS. In this section: (a) "Conservation subdivision" means a housing development in a rural setting that is characterized by compact lots and common open space, and where the natural features of land are maintained to the greatest extent possible. (b) "Extension" has the meaning given in s. 36.05 (7) (c) "Traditional neighborhood development" means a compact, mixed-use neighborhood where residential, commercial and civic buildings are within close proximity to each other. (2) MODEL ORDINANCES. (a) Not later than January 1, 2001, the extension, in consultation with any other University of Wisconsin System institution or with a landscape architect, as that term is used in s. 443.02 (5), or with independent planners or any other consultant with expertise in traditional neighborhood planning and

development, shall develop a model ordinance for a traditional neighborhood development and an ordinance for a conservation subdivision. … (a) Not later than January 1, 2002, every city and village with a population of at least 12,500 shall enact an ordinance that is similar to the model traditional neighborhood development ordinance that is developed under sub. (2) (a) if the ordinance is approved under sub. (2) (b), although the ordinance is not required to be mapped.

5. Preserve open space, farmland, parks, natural beauty, and critical environmental areas, and ecosystems

Arizona Ariz. Rev. Stat. §§§42-11127 ; 42-12002 [State tax exemption]
§42-11127. Exempt personal property; definition. A. Pursuant to article IX, section 2, subsection (6), Constitution of Arizona, personal property that is class two property pursuant to section 42-12002, paragraph 2, subdivision (a) or (b) that is used for agricultural purposes or personal property that is class one property pursuant to section 42-12001 that is used in a trade or business as described in section 42-12001, paragraphs 8 through 11 or 13 is exempt from taxation up to a maximum amount of fifty thousand dollars of full cash value for each taxpayer. …
§42-12002. Class two property . For purposes of taxation, class two is established consisting of two subclasses: 1. Class two (R) consists of: (a) Real property and improvements to property that are used for agricultural purposes and that are valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable. (b) Real property and improvements to property that are primarily used for agricultural purposes to produce trees other than standing timber, vines, rosebushes, ornamental plants or other horticultural crops, regardless of whether the crop is grown in containers, soil or any other medium, that are not included in class one, three, four, six, seven or eight and that are valued at full cash value or pursuant to chapter 13, article 3 of this title, as applicable. …

California Cal. Govt. Code §§ 16140-16154 [Provides replacement revenue for property tax reduction]
§16141. It is the purpose of this chapter to provide replacement revenues to local government by reason of the reduction of the property tax on open-space lands assessed under Sections 423, 423.3, 423.4, and 423.5 of the Revenue and Taxation Code. Notwithstanding any other provisions of this chapter, no subvention payments to a county, city, city and county, or school district shall be made pursuant to this chapter for land enforceably restricted pursuant to the Open-Space Easement Act of 1974 (Chapter 6.6 (commencing with Section 51070) of Part 1 of Division 1 of Title 5).
§16142. (a) The Secretary of the Resources Agency shall direct the Controller to pay annually out of the funds appropriated by Section 16140, to each eligible county, city, or city and county, the following amounts for each acre of land within its regulatory jurisdiction that is assessed pursuant to Section 423, 423.3, 423.4, or 423.5, or 426 if it was previously assessed under Section 423.4, of the Revenue and Taxation Code:
(1) Five dollars ($5) for prime agricultural land, as defined in Section 51201.
(2) One dollar ($1) for all land, other than prime agricultural land, which is devoted to open-space uses of statewide significance, as defined in Section 16143.
(b) The amount per acre in paragraph (1) of subdivision (a) may be increased by the Secretary of the Resources Agency to a figure which would offset any savings due to a more restrictive determination by the secretary as to what land is devoted to open-space use of statewide significance.

(c) The amount per acre in subdivision (a) shall only be paid for 10 years from the date that the land was first assessed pursuant to Section 426 of the Revenue and Taxation Code, if it was previously assessed under Section 423.4 of that code. …
§16143. Land shall be deemed to be devoted to open-space uses of statewide significance if it: (a) Could be developed as prime agricultural land, or
(b) Is open-space land as defined in Section 65560 which constitutes a resource whose preservation is of more than local importance for ecological, economic, educational, or other purposes.
The Secretary of the Resources Agency shall be the final judge of whether the land is in fact devoted to open-space use of statewide
significance.

California Rev. & Tax. Code §§ 421-430.5; Cal. Gov't Code §51244, §423, §51283, §51283.1, §51230.2 [Preferential assessment with commitment]
§421. For the purposes of this article: (a) "Agricultural preserve" means an agricultural preserve created pursuant to the California Land Conservation Act of 1965 (Williamson Act) (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of the Government Code). … (g) "Open-space land" means any of the following: (1) Land within an agricultural preserve and subject to a contract or an agreement. (2) Land subject to a scenic restriction. (3) Land subject to an open-space easement. (4) Land that has been restricted by a political subdivision or an entity of the state or federal government, acting within the scope of its regulatory or other legal authority, for the benefit of wildlife, endangered species, or their habitats.
§423. … (3) A component for property taxes that shall be a percentage equal to the estimated total tax rate applicable to the land for the assessment year times the assessment ratio. The estimated total tax rate shall be the cumulative rates used to compute the state's reimbursement of local governments for revenues lost on account of homeowners' property tax exemptions in the tax rate area in which the enforceably restricted land is situated.
"Landowners who wish to have their agricultural property valued at its use value enter into a contract with the local government; the contracts are for a minimum of 10 years, although the contracts can be extended on an annual basis. Once the land is subject to contract, it is valued for agricultural purposes under a 'capitalization of income' approach under state law (Cal. Rev. & Tax. Code §423 (1999). If the contract is cancelled before the end of its expiration date, the owner is obligated to pay the actual deferred taxes as well as a cancellation fee of 12.5 percent of the fair market value of the property (Cal. Gov't Code §§51283, 51283.1). The California law also contains limitations on the ability to subdivide contracted lands (Cal. Gov't Code §51230.2)."[12]

California Cal. Govt. Code §§65910-65912 [Authorizes zoning while protecting private property]

[12] American Planning Association. Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition, Stuart Meck, FAICP, Gen. Editor. Volume 2, page 14-14 to 14-76).

§65910. Every city and county by December 31, 1973, shall prepare and adopt an open-space zoning ordinance consistent with the local open-space plan adopted pursuant to Article 10.5 (commencing with Section 65560) of Chapter 3 of this title…
§65912. The Legislature hereby finds and declares that this article is not intended, and shall not be construed, as authorizing the city or the county to exercise its power to adopt, amend or repeal an open-space zoning ordinance in a manner which will take or damage private property for public use without the payment of just compensation therefor. This section is not intended to increase or decrease the rights of any owner of property under the Constitution of the State of California or of the United States. …

California Cal. Govt. Code §§65560-65570 [Encourages planning]
65561. The Legislature finds and declares as follows: (a) That the preservation of open-space land, as defined in this article, is necessary not only for the maintenance of the economy of the state, but also for the assurance of the continued availability of land for the production of food and fiber, for the enjoyment of scenic beauty, for recreation and for the use of natural resources. (b) That discouraging premature and unnecessary conversion of open-space land to urban uses is a matter of public interest and will be of benefit to urban dwellers because it will discourage noncontiguous development patterns which unnecessarily increase the costs of community services to community residents. (c) That the anticipated increase in the population of the state demands that cities, counties, and the state at the earliest possible date make definite plans for the preservation of valuable open-space land and take positive action to carry out such plans by the adoption and strict administration of laws, ordinances, rules and regulations as authorized by this chapter or by other appropriate methods. (d) That in order to assure that the interests of all its people are met in the orderly growth and development of the state and the preservation and conservation of its resources, it is necessary to provide for the development by the state, regional agencies, counties and cities, including charter cities, of statewide coordinated plans for the conservation and preservation of open-space lands. (e) That for these reasons this article is necessary for the promotion of the general welfare and for the protection of the public interest in open-space land.
65563. On or before December 31, 1973, every city and county shall prepare, adopt and submit to the Secretary of the Resources Agency a local open-space plan for the comprehensive and long-range preservation and conservation of open-space land within its jurisdiction. Every city and county shall by August 31, 1972, prepare, adopt and submit to the Secretary of the Resources Agency, an interim open-space plan, which shall be in effect until December 31, 1973, containing, but not limited to, the following: (a) The officially adopted goals and policies which will guide the preparation and implementation of the open-space plan; and (b) A program for orderly completion and adoption of the open-space plan by December 31, 1973, including a description of the methods by which open-space resources will be inventoried and conservation measures determined.

California Cal. Govt. Code §§ 51050-51065; 51080-51087; 51090-51094; 51075; 51070-51073 [Authorizes Easement]

51050. Any city or county which has adopted a general plan may accept grants of open-space easements on privately owned lands lying within the city or county in the manner provided in this chapter, provided no city or county shall accept any grants of open-space easements pursuant to this chapter on or after January 1, 1975.
51051. "Grant of an open-space easement" means a grant by an instrument whereby the owner relinquishes to the public, either in perpetuity or for a term of years, the right to construct improvements upon the land except as may be expressly reserved in the instrument and which contains a covenant with the city or county, running with the land, either in perpetuity or for a term of years, not to construct or permit the construction of any improvements, except as such right is expressly reserved in the instrument and except for public service facilities installed for the benefit of the land subject to such covenant or public service facilities installed pursuant to an authorization by the governing body of the city or county or the Public Utilities Commission.

Delaware 30 Del. C. § 5423 (2008) [Reality Transfer Tax]
§ 5423. Delaware Land and Water Conservation Trust Fund. (a) There is created and established under the jurisdiction and control of the Department a trust fund to be known as the Delaware Land and Water Conservation Trust Fund to implement the conservation program described in Volume 65, Chapter 212 of the Laws of Delaware. Within the Conservation Trust Fund there is established an "Endowment Account," a "Stewardship Account," a "Project Account," and an "Earnings Account." Funds in the Conservation Trust Fund shall be applied for the purposes of this subchapter as hereinafter provided.…
(c) (1) Funds in the Project Account, and the earnings thereon to be retained therein, shall be applied by the Department to pay the costs of planning, and acquisition and development of property, to achieve the purposes of this subchapter. The Project Account shall be funded by a transfer of $ 9,000,000 of **realty transfer taxes** at the close of each fiscal year until such time as the Endowment Account reaches $ 60,000,000 as heretofore provided, from other state funds as the General Assembly may from time to time determine, and from any other public and private sources which may from time to time be made available. The Project Account is intended to provide funds for current expenditure to achieve the purposes of this subchapter although the Department may, in its discretion, accumulate funds in the Project Account for particular project purposes… (2) It is intended that property acquired or improved with funds from the Project Account shall remain in public outdoor recreation and conservation use in perpetuity. Said property may not be converted to other uses without a subsequent act of the General Assembly. If the General Assembly approved the sale or lease of any project or portion thereof, the State shall receive its pro rata share of net sale and/or lease income. Said funds shall be deposited in the Project Account to be immediately available for other projects.

Delaware 29 Del. C. § 5028 (2008) [Allocate funds]
§ 5028. Fund purposes (a) Moneys appropriated to the Fund may be loaned, granted or used in other financing mechanisms by the Authority within the State of Delaware. The Fund may be used for the following purposes: … (c) During any fiscal year of

the State, up to $ 1,000,000, in aggregate, of the moneys appropriated to the Fund may be used to provide matching grants for the costs of environmental assessment and remediation at certified brownfields. The amount of a matching grant with respect to a certified brownfield shall not exceed the lesser of $ 100,000 or 50 percent of environmental assessment and remediation costs with respect to such certified brownfield. For purposes of this subsection, a "certified brownfield" is a brownfield, as defined in § 9103 of Title 7, that the Secretary of the Department of Natural Resources and Environmental Control has certified as a brownfield pursuant to regulations promulgated under § 9104(b)(2)p of Title 7. The Chairperson of the Authority may at any time suspend the making of grants under this subsection if the Chairperson finds that moneys in the Fund would be better used for other Fund purposes consistent with this subchapter, and may resume the making of grants under this subsection at any time after previously suspending the making of such grants.

Georgia § 44-10-3; § 44-10-8 [Authorizes easement]
Creation or alteration of conservation easements; acceptance; duration; effect on existing rights and duties; limitation of liability. § 44-10-8. Recordation of easements; revaluation of encumbered property; appeals. A conservation easement may be recorded in the office of the clerk of the superior court of the county where the land is located. Such recording shall be notice to the board of tax assessors of such county of the conveyance of the conservation easement and shall entitle the owner to a revaluation of the encumbered real property so as to reflect the existence of the encumbrance on the next succeeding tax digest of the county. Any owner who records a conservation easement and who is aggrieved by a revaluation or lack thereof under this Code section may appeal to the board of equalization and may appeal from the decision of the board of equalization in accordance with Code Section 48-5-311. (a) Except as otherwise provided in this article, a conservation easement may be created, conveyed, recorded, assigned, released, modified, terminated, or otherwise altered or affected in the same manner as other easements, except that a conservation easement may not be created or expanded by the exercise of the power of eminent domain.

Hawaii Haw. Rev. Stat. §205-41; §205-46 [Authorizes state and local tax incentives]
§205-41 Declaration of policy. It is declared that the people of Hawaii have a substantial interest in the health and sustainability of agriculture as an industry in the State. There is a compelling state interest in conserving the State's agricultural land resource base and assuring the long-term availability of agricultural lands for agricultural use to achieve the purposes of:

(1) Conserving and protecting agricultural lands;
(2) Promoting diversified agriculture;
(3) Increasing agricultural self-sufficiency; and
(4) Assuring the availability of agriculturally suitable lands,

pursuant to article XI, section 3, of the Hawaii state constitution.
L 2005, c 183, §§9 and 10 provide:
"SECTION 9. (a) It is the intent of this Act [enacting sections 205-41 to 52 and amending sections 205-3.1, 4, 6, and 17, Hawaii Revised Statutes]:

(1) That agricultural incentive programs to promote agricultural viability, sustained growth of the agricultural industry, and the long-term use and protection of important agricultural lands for agricultural use shall be developed concurrently with the process of identifying important agricultural lands as required under section 2 of this Act [sections 205-41 to 52];

…

(c) Incentives and other programs to promote agricultural viability, sustained growth of the agricultural industry, and the long-term use and protection of important agricultural lands for agricultural use in Hawaii by farmers and landowners to be considered by the department of agriculture shall include but not be limited to the following:

(1) Assistance in identifying federal, state, and private grant and loan resources for agricultural business planning and operations, assistance with grant and loan application processes, and the processing of grants and loans;

(2) Real property tax systems that support the needs of agriculture, including property tax assessment of land and improvements used or held only for use in agriculture based on agricultural use value rather than fair market value;

(3) Reduced infrastructure requirements and facilitated building permit processes for the construction of dedicated agricultural structures;

(4) Tax incentives that include but are not limited to:

(A) Tax credits for the sale or donation of agricultural easements on important agricultural lands; and

(B) General excise tax exemption for retail sales of farm produce;

(5) Incentives that promote investment in agricultural businesses or value-added agricultural development, and other agricultural financing mechanisms;

(6) Incentives and programs that promote long-term or permanent agricultural land protection, and the establishment of a dedicated funding source for these programs;

(7) Establishment of a permanent state revolving fund, escalating tax credits based on the tax revenues generated by increased investment or agricultural activities conducted on important agricultural lands, and dedicated funding sources to provide moneys for incentives and other programs;…

§205-46 Incentives for important agricultural lands. … Agricultural operations occurring on important agricultural lands shall be eligible for incentives and protections provided by the State and counties pursuant to this section to promote the viability of agricultural enterprise on important agricultural lands and to assure the availability of important agricultural lands for long-term agricultural use.

(b) State and county incentive programs shall provide preference to important agricultural lands and agricultural businesses on important agricultural lands. The State and each county shall cooperate in program development to prevent duplication of and to streamline and consolidate access to programs and services for agricultural businesses located on important agricultural lands

(c) Incentive and protection programs shall be designed to provide a mutually supporting framework of programs and measures that enhance agricultural viability on important agricultural lands, including but not limited to:

(1) Grant assistance;

(2) Real property tax systems that support the needs of agriculture, including property tax assessments based on agricultural use valuation;

(3) Reduced infrastructure requirements and facilitated building permit processes for dedicated agricultural structures;

Tax incentives to offset operational costs, promote agricultural business viability, and promote the long-term protection of important agricultural lands;…

Hawaii Haw. Rev. Stat. §246-34 [State tax exemption]

§246-34 Exemption, dedicated lands in urban districts. (a) Portions of taxable real property which are dedicated and approved by the director of taxation as provided for by this section shall be exempted in determining and assessing the value of such taxable real property.

(b) Any owner of taxable real property in an urban district desiring to dedicate a portion or portions thereof for landscaping, open spaces, public recreation, and other similar uses shall petition the director of taxation stating the exact area of the land to be dedicated and that the land is not within the setback and open space requirements of applicable zoning and building code laws and ordinances, and that the land shall be used, improved, and maintained in accordance with and for the sole purpose for which it was dedicated, except that land within a historic district may be so dedicated without regard to the setback and open space requirements of applicable zoning and building code laws and ordinances.

The director shall make a finding as to whether the use to which such land will be dedicated has a benefit to the public at least equal to the value of the real property taxes for such land. Such finding shall be measured by the cost of improvements, the continuing maintenance thereof, and such other factors as the director may deem pertinent. If the director finds that the public benefit is at least equal to the value of real property taxes for such land, the director shall approve the petition and declare such land to be dedicated land.

(c) The approval of the petition by the director shall constitute a forfeiture on the part of the owner of any right to change the use of the owner's land for a minimum period of ten years, automatically renewable indefinitely, subject to cancellation by either the owner or the director upon five years' notice at any time after the end of the fifth year.

Iowa Code tit. 10, § 427.1 [State property tax exemptions]

427.1 Exemptions. The following classes of property shall not be taxed: …11. Agricultural produce. Growing agricultural and horticultural crops except commercial orchards and vineyards.… 18. /Assessed value of exempt property./ Each county and city assessor shall determine the assessment value that would be assigned to the property if it were taxable and value all tax exempt property within the assessor's jurisdiction. A summary report of tax exempt property shall be filed with the director of revenue and the local board of review on or before April 16 of each year on forms prescribed by the director of revenue. 19. /Pollution control and recycling./ Pollution-control or recycling property as defined in this subsection shall be exempt from taxation to the extent provided in this subsection, upon compliance with the provisions of this subsection. This exemption shall apply to new installations of

pollution-control or recycling property beginning on January 1 after the construction or installation of the property is completed. This exemption shall apply beginning on January 1, 1975, to existing pollution-control property if its construction or installation was completed after September 23, 1970, and this exemption shall apply beginning January 1, 1994, to recycling property. This exemption shall be limited to the market value, as defined in section 441.21, of the pollution-control or recycling property. If the pollution-control or recycling property is assessed with other property as a unit, this exemption shall be limited to the net market value added by the pollution-control or recycling property, determined as of the assessment date. …22. /Natural conservation or wildlife areas./ Recreational lakes, forest covers, rivers and streams, river and stream banks, and open prairies as designated by the board of supervisors of the county in which located. The board of supervisors shall annually designate the real property, not to exceed in the aggregate for the fiscal year beginning July 1, 1983, the greater of one percent of the acres assessed as agricultural land or three thousand acres in each county, for which this exemption shall apply. For subsequent fiscal years, the limitation on the maximum acreage of real property that may be granted exemptions shall be the limitation for the previous fiscal year, unless the amount of acreage granted exemptions for the previous fiscal year equaled the limitation for that year, then the limitation for the subsequent fiscal year is the limitation for the previous fiscal year plus an increase, not to exceed three hundred acres, of ten percent of that limitation. The procedures of this subsection shall be followed for each assessment year to procure an exemption for the fiscal year beginning in the assessment year. The exemption shall be only for the fiscal year for which it is granted. A parcel of property may be granted subsequent exemptions. The exemption shall only be granted for parcels of property of two acres or more. … The board of supervisors does not have to grant tax exemptions under this subsection, grant tax exemptions in the aggregate of the maximum acreage which may be granted exemptions, or grant a tax exemption for the total acreage for which the applicant requested the exemption. Only real property in parcels of two acres or more which is recreational lakes, forest cover, river and stream, river and stream banks, or open prairie and which is utilized for the purposes of providing soil erosion control or wildlife habitat or both, and which is subject to property tax for the fiscal year for which the tax exemption is requested, is eligible for the exemption under this subsection. However, in addition to the above, in order for a gully area which is susceptible to severe erosion to be eligible, there must be an erosion control plan for it approved by the commissioners of the soil and water conservation district in which it is located. In the case of an open prairie that has been restored or reestablished, the property shall be inspected and certified as provided by the county board of supervisors as having adequate ground cover consisting of native species and that all primary and secondary noxious weeds present are being controlled to prevent the spread of seeds by either wind or water. In the case of an exemption for river and stream or river and stream banks, the exemption shall not be granted unless there is included in the exemption land located at least thirty-three feet from the ordinary high water mark of the river and stream or river and stream banks. Property shall not be denied an exemption because of the existence upon the property of an abandoned building or structure which is not used for economic gain. If the real property is

located within a city, the approval of the governing body must be obtained before the real property is eligible for an exemption. …The assessing authority each year may submit to the department a claim for reimbursement of tax revenue lost from the exemption. Upon receipt of the claim, the department shall reimburse the assessing authority an amount equal to the lost tax revenue based on the value of the protected wetland as assessed by the authority, unless the department reimburses the authority based upon a departmental assessment of the protected wetland. The authority may contest the department's assessment as provided in chapter 17A. The department is not required to honor a claim submitted more than sixty days after the authority has assessed land where the protected wetland is located and which is owned by the person granted the exemption. …23. Native prairie and wetland. Land designated as native prairie or land designated as a protected wetland by the department of natural resources pursuant to section 456B.12. Application for the exemption shall be made on forms provided by the department of revenue. Land designated as a protected wetland shall be assessed at a value equal to the average value of the land where the wetland is located and which is owned by the person granted the exemption. … 29. Methane gas conversion. Methane gas conversion property shall be exempt from taxation. For purposes of this subsection, "methane gas conversion property" means personal property, real property, and improvements to real property, and machinery, equipment, and computers assessed as real property pursuant to section 427A.1, subsection 1, paragraphs "e" and "j", used in an operation connected with, or in conjunction with, a publicly owned sanitary landfill to collect methane gas or other gases produced as a by-product of waste decomposition and to convert the gas to energy, or to collect waste that would otherwise be collected by, or deposited with, a publicly owned sanitary landfill in order to decompose the waste to produce methane gas or other gases and to convert the gas to energy. However, property used to decompose the waste and convert the waste to gas is not eligible for this exemption. … 24. /Land certified as a wildlife habitat./ The owner of agricultural land may designate not more than two acres of the land for use as a wildlife habitat. After inspection, if the land meets the standards established by the natural resource commission for a wildlife habitat under section 483A.3, and, in the case of a wildlife habitat that has been restored or reestablished, is inspected and certified as provided by the county board of supervisors as having adequate ground cover consisting of native species and that all primary and secondary noxious weeds present are being controlled to prevent the spread of seeds by either wind or water, the department of natural resources shall certify the designated land as a wildlife habitat and shall send a copy of the certification to the appropriate assessor not later than February 1 of the assessment year for which the exemption is requested…. 31. Barn preservation. The increase in assessed value added to a farm structure constructed prior to 1937 as a result of improvements made to the farm structure for purposes of preserving the integrity of the internal and external features of the structure as a barn is exempt from taxation. To be eligible for the exemption, the structure must have been first placed in service as a barn prior to 1937. The exemption shall apply to the assessment year beginning after the completion of the improvements to preserve the structure as a barn. For purposes of this subsection, "barn" means an agricultural structure, in

whatever shape or design, which is used for the storage of farm products or feed or for the housing of farm animals, poultry, or farm equipment.

Iowa Iowa Code § 427C.12 (2008)
427C.12 Application -- inspection -- continuation of exemption -- recapture of tax. It shall be the duty of the assessor to secure the facts relative to fruit-tree and forest reservations by taking the sworn statement, or affirmation, of the owner or owners making application under this chapter; and to make special report to the county auditor of all reservations made in the county under the provisions of this chapter. The board of supervisors shall designate the county conservation board or the assessor who shall inspect the area for which an application is filed for a fruit-tree or forest reservation tax exemption before the application is accepted. Use of aerial photographs may be substituted for on-site inspection when appropriate. The application can only be accepted if it meets the criteria established by the natural resource commission to be a fruit-tree or forest reservation. Once the application has been accepted, the area shall continue to receive the tax exemption during each year in which the area is maintained as a fruit-tree or forest reservation without the owner having to refile. If the property is sold or transferred, the seller shall notify the buyer that all, or part of, the property is in fruit-tree or forest reservation and subject to the *recapture tax* provisions of this section. The tax exemption shall continue to be granted for the remainder of the eight-year period for fruit-tree reservation and for the following years for forest reservation or until the property no longer qualifies as a fruit-tree or forest reservation. The area may be inspected each year by the county conservation board or the assessor to determine if the area is maintained as a fruit-tree or forest reservation. If the area is not maintained or is used for economic gain other than as a fruit-tree reservation during any year of the eight-year exemption period and any year of the following five years or as a forest reservation during any year for which the exemption is granted and any of the five years following those exemption years, the assessor shall assess the property for taxation at its fair market value as of January 1 of that year and in addition the area shall be subject to a recapture tax. However, the area shall not be subject to the recapture tax if the owner, including one possessing under a contract of sale, and the owner's direct antecedents or descendants have owned the area for more than ten years. The tax shall be computed by multiplying the consolidated levy for each of those years, if any, of the five preceding years for which the area received the exemption for fruit-tree or forest reservation times the assessed value of the area that would have been taxed but for the tax exemption. This tax shall be entered against the property on the tax list for the current year and shall constitute a lien against the property in the same manner as a lien for property taxes. The tax when collected shall be apportioned in the manner provided for the apportionment of the property taxes for the applicable tax year.

Maine Me. Rev. Stat. Ann. tit. 36, §§ 1101 – 1121 [Preferential assessment, valuation reduction, and easements]
§1101. Purpose. It is declared that it is in the public interest to encourage the preservation of farmland and open space land in order to maintain a readily available

source of food and farm products close to the metropolitan areas of the State to conserve the State's natural resources and to provide for the welfare and happiness of the inhabitants of the State, that it is in the public interest to prevent the forced conversion of farmland and open space land to more intensive uses as the result of economic pressures caused by the assessment thereof for purposes of property taxation at values incompatible with their preservation as such farmland and open space land, and that the necessity in the public interest of the enactment of this subchapter is a matter of legislative determination.

§1105. Valuation of farmland. The municipal assessor, chief assessor or State Tax Assessor for the unorganized territory shall establish the 100% valuation per acre based on the current use value of farmland used for agricultural or horticultural purposes. The values established must be guided by the Department of Agriculture, Food and Rural Resources as provided in section 1119 and adjusted by the assessor if determined necessary on the basis of such considerations as farmland rentals, farmer-to-farmer sales, soil types and quality, commodity values, topography and other relevant factors. These values may not reflect development or market value purposes other than agricultural or horticultural use. The values may not reflect value attributable to road frontage or shore frontage. The 100% valuation per acre for farm woodland within a parcel classified as farmland under this subchapter is the 100% valuation per acre for each forest type established for each county pursuant to subchapter II-A. Areas other than woodland, agricultural land or horticultural land located within any parcel of farmland classified under this subchapter are valued on the basis of just value.

§1106-A. Valuation of open space land. 1. Valuation method. For the purposes of this subchapter, the current use value of open space land is the sale price that particular open space parcel would command in the marketplace if it were required to remain in the particular category or categories of open space land for which it qualifies under section 1102, subsection 6, adjusted by the certified ratio.

2. Alternative valuation method. Notwithstanding any other provision of law, if an assessor is unable to determine the valuation of open space land under the valuation method in subsection 1, the assessor may value that land under the alternative method in this subsection. The assessor may reduce the ordinary assessed valuation of the land, without regard to conservation easement restrictions and as reduced by the certified ratio, by the cumulative percentage reduction for which the land is eligible according to the following categories.

A. All open space land is eligible for a reduction of 20%.

B. Permanently protected open space land is eligible for the reduction set in paragraph A and an additional 30%.

C. Forever wild open space land is eligible for the reduction set in paragraphs A and B and an additional 20%.

D. Public access open space land is eligible for the applicable reduction set in paragraph A, B or C and an additional 25%.

Notwithstanding this section, the value of forested open space land may not be reduced to less than the value it would have under subchapter II-A, and the open space land valuation may not exceed just value as required under section 701-A.

3. Definition of land eligible for additional percentage reduction. The following categories of open space land are eligible for the additional percentage reduction set forth in subsection 2, paragraphs B, C and D.
A. Permanently protected open space is an area of open space land that is eligible for an additional cumulative percentage reduction in valuation because that area is subject to restrictions prohibiting building development under a perpetual conservation easement pursuant to Title 33, chapter 7, subchapter VIII-A or as an open space preserve owned and operated by a nonprofit entity in accordance with section 1109, subsection 3, paragraph H. …
§1111. Scenic easements and development rights
Any municipality may, through donation or the expenditure of public funds, accept or acquire scenic easements or development rights for preserving property for the preservation of agricultural farmland or open space land. The term of such scenic easements or development rights must be for a period of at least 10 years.

Maine Me. Rev. Stat. §5282 [Authorizes incentive development zones]
§5282. Municipal incentive development zones. Municipal incentive development zones may be established to assist municipalities in encouraging private investment in industrial and commercial projects through the provision of public infrastructure necessary for improvements. Improvements and investments must provide new employment opportunities, improve and broaden the tax base and improve the general economy of the State.

Maryland Md Tax Property Code Ann. § 9-107 (2008) [Mandates property tax incentive]. Conservation property. (a) "Conservation property" defined.- In this section, "conservation property" means land that is: (1) unimproved; (2) not used for commercial purposes; and (3) subject to a perpetual conservation easement that is: (i) donated to the Department of Natural Resources or the Maryland Environmental Trust and identifies the Department of Natural Resources or the Maryland Environmental Trust as a grantee under Title 3, Subtitle 2 of the Natural Resources Article; and (ii) accepted and approved by the Board of Public Works after June 30, 1986. (b) Property tax credit granted.- There shall be a property tax credit granted under this section against the property tax imposed on conservation property. (c) Application for tax credit.- On or before October 1 of the taxable year for which property tax relief under this section is sought, an owner of conservation property may apply to the Department for the property tax credit. The application shall be made on the form that the Department provides. (d) Amount of credit.- The property tax credit provided under this section shall be granted against 100% of all property tax that otherwise would be due. (e) Manner of valuation and assessment of conservation property.- Conservation property shall be valued and assessed as provided in § 8-209.1 of this article. (f) Duration of credit.- A property tax credit granted under this section is effective for 15 consecutive tax years beginning July 1 following the donation of the easement.
Maryland § 9-206 [Authorizes property tax credit]
Maryland Agricultural Land Preservation Foundation. (a) "Agricultural land" defined.- In this section, "agricultural land" means real property subject to an

easement or other interest that is permanently conveyed or assigned to the Maryland Agricultural Land Preservation Foundation under § 2-504 of the Agriculture Article. [2-504 gives the The Maryland Agricultural Land Preservation Foundation the power to restrict use of agricultural land. To acquire, by gift, purchase, devise, bequest or grant, easements in gross or other rights to restrict the use of agricultural land and woodland as may be designated to maintain the character of the land as agricultural land or woodland]
(b) Tax credit not exceeding 75%.- The Mayor and City Council of Baltimore City or the governing body of a county may grant, by law, a property tax credit not exceeding 75% of any county property tax imposed on agricultural land.
(c) Procedures and enforcement.- The Mayor and City Council of Baltimore City or the governing body of a county may provide, by law, any procedural or enforcement provision necessary to carry out this section.
(d) Valuation and assessment.- Valuation and assessment of agricultural land shall be made in the same manner as any other real property in the county.

Maryland Md Tax Property Code Ann. § 9-208 (2008)[Authorizes property tax credit]
"Open space" or "open area." "…(2) real property that is determined by law of the Mayor and City Council of Baltimore City or the governing body of the county where the real property is located to be an "open space" or an "open area" on the recommendation of: (i) the Maryland-National Capital Park and Planning Commission; or (ii) the Department of Natural Resources; and (3) real property subject to an easement of interest in the property that: (i) except as provided in subsection (i) of this section, limits the use of the property in a manner to preserve in perpetuity the natural open character of the property; and (ii) is permanently conveyed or assigned to: 1. the federal, the State, or local government; or 2. The Maryland-National Capital Park and Planning Commission. (b) Tax credit not exceeding 75%.- Except as provided in subsections (c) and (d) of this section, the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a property tax credit not exceeding 75% of the county, municipal corporation, or special district property tax imposed on any category of "open space" or "open area". (c) Tax credit not exceeding 100%.- A property tax credit not exceeding 100% of the county, municipal corporation, or special district property tax imposed on real property by the governing body of a county or of a municipal corporation on any category of "open space" or "open area" may be granted in 9 of the 24 counties in Maryland. (1) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may designate a functional or geographical category of "open space" or "open area" on which a property tax credit under this section may be granted. (i.e country club, woodland, golf course, etc.)…(4) Any property tax credit granted and any standard used in granting a property tax credit shall be applied uniformly to all real property in each category."

Maryland Md. Tax Property Code Ann. § 9-220 [Authorizes property tax credit]

(2) "Conservation land" means real property that is: (i) subject to a perpetual conservation easement donated to a land trust, the Department of Natural Resources, or the Maryland Environmental Trust on or after July 1, 1991; Qualifications for credit.- The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit against the county or municipal corporation property tax imposed on conservation land or property owned by a land trust that qualifies under subsection (d) of this section, that is used: (1) to assist in the preservation of a natural area; … (5) to conserve agricultural land and to promote continued agricultural use of the land.

Maryland Md. Tax Property Code Ann. § 9-226 (2008) [Authorizes property tax credit]
"Real property used for agricultural purposes and subject to soil conservation and water quality plan. (a) Authorized.- The governing body of a county may grant, by law, a property tax credit against the county property tax imposed on real property that is used for agricultural purposes and is subject to a current soil conservation and water quality plan approved by the county soil conservation district and, if eligible, that is subject to a nutrient management plan under Title 8, Subtitle 8 of the Agriculture Article. (ii) The property tax credit for a property may not exceed 50% of the real property tax assessed on that property. (3) The soil conservation and water quality plan shall set forth the practices to eliminate or reduce nonpoint source pollution from agricultural runoff on the property. (4) (i) A property owner who has been granted a property tax credit under this section, and who subsequently violates the soil conservation and water quality plan or nutrient management plan in effect on a property, shall be liable for a penalty of twice the amount of all property taxes that the owner would have been liable for on the property if a property tax credit had not been granted under this section, calculated from the date of notice of the violation from the county."

Maryland Md. Natural Resources Code Ann. §§ 5-9A-05; § 5-9A-01; 5-9A-02; 5-9A-03 (2008) [Rural Legacy Program]
§ 5-9A-05. Applications for designation of Rural Legacy Area; requirements and restrictions on easements and other rights. (a) Filing of applications; jurisdictional restrictions. -- A sponsor may file an application to designate a Rural Legacy Area in accordance with a schedule established by the Board. A local government may not apply for or approve an application for a Rural Legacy Area designation inside another jurisdiction's boundaries without that jurisdiction's approval. (b) Contents of applications. -- (1) The application shall describe the proposed Rural Legacy Area, include a Rural Legacy Area Plan, identify existing protected lands, state the anticipated level of initial landowner participation in the Program and the amount of the grant requested, and comply with the criteria set forth below…. (1) The significance of the agricultural, forestry, and natural resources proposed for protection, including: (i) The degree to which proposed fee or easement purchases will protect the location, proximity, and size of contiguous blocks of lands, green belts or greenways, or agricultural, forestry, or natural resource corridors; (ii) The nature, size, and importance of the land area to be protected, such as farmland,

forests, wetlands, wildlife habitat and plant species, vegetative buffers, or bay or waterfront access; and (iii) The quality and public or economic value of the land; (2) The degree of threat to the resources and character of the area proposed for preservation, as reflected by patterns and trends of development and landscape modifications in and surrounding the proposed Rural Legacy Area; (3) The significance and extent of the cultural resources proposed for protection through fee simple purchases, including the importance of historic sites and significant archaeological areas; (4) The economic value of the resource-based industries or services proposed for protection through land conservation, such as agriculture, forestry, recreation, and tourism; (5) The overall quality and completeness of the Rural Legacy Plan, including: (i) The degree to which existing planning, zoning, and growth management policies contribute to land conservation and the protection of cultural resources; (ii) The degree to which the proposed plan is consistent with the applicable local comprehensive plan, including protection of sensitive areas and mineral resources; (iii) How well existing or new conservation programs are coordinated with the proposed acquisition plan; (iv) How well the plan will maximize acquisition of real property interests in contiguous blocks of land within the Rural Legacy Area while providing for protection of isolated acquisitions important to the plan; (v) Provisions for protection of resources, such as voluntarily granted or purchased easements, fee estate purchases, or gifts of lands; (vi) How the sponsor plans to manage, prioritize, and sequence easement and land acquisitions… (6) The strength and quality of partnerships created for land conservation among federal, State, and local governments and land trusts for implementing the plan, including:…(j) Development rights. -- (1) With the approval of a landowner, funds under this Program may be used to purchase a development right as part of an easement or fee estate acquisition. A development right shall be held by the titleholder and the Board and may be sold only within the same jurisdiction pursuant to local law. (2) In a county with a locally adopted transferable development rights program and with the approval of the county, funds under this Program may be used to purchase transferable development rights in the county in accordance with the locally adopted transferable development rights program. (3) The right to resell the development right shall be stated in the instrument of purchase. (4) The Rural Legacy Board shall maintain records concerning: (i) Real property from which transferable development rights are purchased; and (ii) Real property to which rights are resold and transferred. (5) The county shall provide to the Board information relating to the records required in paragraph (4) of this subsection. (6) Transferable development rights may be resold only to owners or option purchasers of real property located in priority funding areas, including municipalities, within the county in which the rights were purchased. (7) (i) The proceeds associated with the resale of transferable development rights shall be distributed only as described in this paragraph. (ii) Fifty percent of the proceeds shall be used by the local government in which the development using transferable development rights is located to fund capital projects in the county or municipal corporation which is receiving transferable development rights. Funds shall be distributed to the municipal corporation if the receiving area is within the corporate limits of a municipal corporation. (iii) Fifty percent of the proceeds shall be returned to the Rural Legacy Program for use in the

county in which the proceeds were generated. (iv) Proceeds may not be used for operating expenses….

New Hampshire N.H. Rev. Stat. Ann. Tit. 5, § 79-A:1-7 [Authorizes preferential assessment with commitment]
§ 79-A:1 Declaration of Public Interest. It is hereby declared to be in the public interest to encourage the preservation of open space, thus providing a healthful and attractive outdoor environment for work and recreation of the state's citizens, maintaining the character of the state's landscape, and conserving the land, water, forest, agricultural and wildlife resources. It is further declared to be in the public interest to prevent the loss of open space due to property taxation at values incompatible with open space usage. Open space land imposes few if any costs on local government and is therefore an economic benefit to its citizens. The means for encouraging preservation of open space authorized by this chapter is the assessment of land value for property taxation on the basis of current use. It is the intent of this chapter to encourage but not to require management practices on open space lands under current use assessment.
§ 79-A:5 Assessment of Open Space Land. – I. The selectmen or assessing officials shall appraise open space land, as classified under the provisions of this chapter, excluding any building, appurtenance or other improvement on the land, at valuations based upon the current use values established by the board. The valuations shall be equalized for the purpose of assessing taxes. The selectmen or assessing officials shall use the soil potential index when available, to determine the value of farm land within the ranges established by the board. It shall be the duty of the owner to provide the soil potential index to the selectmen or assessing officials.
§ 79-A:7 Land Use Change Tax. – I. Land which has been classified as open space land and assessed at current use values on or after April 1, 1974, pursuant to this chapter shall be subject to a land use change tax when it is changed to a use which does not qualify for current use assessment.

New Hampshire N.H. Rev. Stat. Ann. Tit. 5, § 79-C:1-7 [Authorizes easement]
§79-C:1 Declaration of Public Interest. – It is hereby declared to be in the public interest to encourage the preservation of open space which is potentially subject to development, thus providing a healthful and attractive outdoor environment for work and recreation of the state's citizens, maintaining the character of the state's landscape, and conserving the land, water, forest, agricultural, recreational, and wildlife resources. It is further declared to be in the public interest to prevent the loss of open space due to property taxation at values incompatible with open space usage. The means for encouraging preservation of open space authorized by this chapter is the acquisition of discretionary easements of development rights by town or city governments on such open space land which provides a demonstrated public benefit.
§79-C:3 Qualifying Land. – I. Any owner of land which does not meet the criteria for open space land as defined in RSA 79-A but meets the tests of demonstrated public benefit in paragraph II of this section and who wishes to keep the land in a use consistent with the purposes of this chapter may apply to the governing body of the municipality in which the land is located to convey a discretionary easement to the

municipality. II. A discretionary easement on open space land shall be considered to provide a demonstrated public benefit if it provides at least one of the following public benefits: (a) The preservation of land for outdoor recreation by, or for the education of, the general public where: (1) The general public has the regular opportunity for access to and use of the land for pedestrian purposes; and (2) The land has conservation and recreational values which make it attractive for public use. (b) A relatively natural habitat for fish, wildlife, or plants, or similar ecosystem, where: (1) The property is in a relatively natural state; and (2) Rare or endangered or threatened species are present; or the property contributes to the ecological viability of a park or other conservation area; or otherwise represents a high quality native terrestrial or aquatic ecosystem. (c) The preservation of open space land, where: (1) There is scenic enjoyment by the general public from a public way or from public waters; or (2) The open space protection is pursuant to a clearly delineated federal, state, or local conservation policy. (d) The preservation of an historically important land area, where: (1) The property is either independently significant due to recorded local, regional, or state history, or is within a historic district; or (2) The property is immediately adjacent to an historic district; or (3) The land's physical or environmental features contribute to the historic or cultural integrity of a property listed on the National Register of Historic Places.
§79-C:7 Assessment of Land Subject to Discretionary Easement. – The method of assessment of discretionary easement land, excluding any buildings, their curtilage, appurtenances, or other improvements, shall be included as a term of the agreement in any discretionary easement acquired by a municipality, and shall fall within a range of values determined as follows: I. One end of the range shall consist of the value such land would have been assigned under the current use values established pursuant to RSA 79-A, if the land had met the criteria for open space land under that chapter. II. The other end of the range shall be determined by multiplying 75 percent of the land's fair market value by the current equalization rate. III. The local governing body shall have the discretion to set the value of the discretionary easement at a level within this range which it believes reflects the public benefit conferred by the property, under the criteria set forth in RSA 79-C:3 and RSA 79-C:5, I.

New Jersey N.J. Rev. Stat. § 13:8C-20, § 13:8C-37, § 13:8C-39 [Incentive for easement]
Title 13 Conservation and Development – Parks and Reservations. 13:8C-20 "Garden State Farmland Preservation Trust Fund." 13:8C-37. Use of funds appropriated for farmland preservation. 37. a. Moneys appropriated from the Garden State Farmland Preservation Trust Fund to the State Agriculture Development Committee for farmland preservation purposes shall be used by the committee to: (1) Provide grants to local government units to pay up to 80% of the cost of acquisition of development easements on farmland, and to qualifying tax exempt nonprofit organizations to pay up to 50% of the cost of acquisition of development easements on farmland as provided in section 39 of this act, provided that any funds received for the transfer of a development easement shall be dedicated to the future purchase of development easements on farmland and the State's pro rata share of any such funds shall be deposited in the Garden State Farmland Preservation Trust Fund to be used

for the purposes of that fund and provided that the terms of any such development easement to be acquired by a qualifying tax exempt nonprofit organization shall be approved by the committee;
13:8C-39 Grant to qualifying tax exempt nonprofit organization for farmland.
39. a. The committee may provide a grant to a qualifying tax exempt nonprofit organization for up to 50% of the cost of acquisition of (1) a development easement on farmland, provided that the terms of any such development easement shall be approved by the committee, or (2) fee simple title to farmland, which shall be offered for resale or lease with an agricultural deed restriction, as determined by the committee, and any proceeds received from a resale shall be dedicated for farmland preservation purposes and the State's pro rata share of any such proceeds shall be deposited in the Garden State Farmland Preservation Trust Fund to be used for the purposes of that fund.

New York N.Y. Agr. & Mkts § 323 [State financial incentive]
State agricultural and farmland protection program. The commissioner shall initiate and maintain a state agricultural and farmland protection program to provide financial and technical assistance, within funds available, to counties, municipalities and not-for-profit conservation organizations for their agricultural and farmland protection efforts. …

New York N.Y. Tax Law § 1438-e [Real Estate Transfer Tax exemption]
Exemptions. 1. The following shall be exempt from the payment of the real estate transfer tax imposed by this article:… 2. The tax shall not apply to any of the following conveyances: … (j) Conveyances of real property or a portion or portions of real property that are the subject of one or more of the following development restrictions: (1) agricultural, conservation, scenic, or an open space easement,… (5) real property subject to any locally adopted land preservation agreement, provided said exemption is included in the local law imposing the tax authorized by this article; (k) Conveyances of real property, where the property is viable agricultural land… (l) Conveyances of real property for open space, parks, or historic preservation purposes to any not-for-profit tax exempt corporation operated for conservation, environmental, or historic preservation purposes.

New York N.Y. Env. Cons. Law § 57-0211 [State financial incentive]
State funding. Projects which implement the plan, including the acquisition of interests in real property for the purpose of protecting open spaces or open areas where such properties are part of the state open space plan, shall be eligible for state funding under the environmental protection fund, pursuant to article fifty-four of this chapter, where such projects meet the existing eligibility requirements of such article, subject to available appropriation. No funding shall be provided unless the commissioner determines that a town is in compliance with all the provisions of this title.

New York Agric. & Mkts. Law §301 [Authorizes zoning]

Land in the district that is used for agricultural production is eligible for an agricultural assessment. Creation of the district is initiated by property owners, but the county legislative body, after holding a public hearing, and receiving a recommendation from the county planning board and from a specially-created county agricultural and farmland protection board, may establish the district. The proposal to establish the district may recommend an appropriate review period of either eight, twelve, or twenty years. The plan as adopted must, to the extent feasible, include adjacent viable farmlands, and exclude, to the extent feasible, nonviable farmland and non-farmland. The statute requires a review of the proposal by the state commissioner of agriculture and markets, who may modify the proposal, although the county legislative body has final authority over the district's establishment (Id., §303). The statute contains detailed provisions for the valuation of land for agricultural use. If land that received an agricultural assessment is converted to agricultural use, the land is subject to payments equaling five times the taxes saved in the last year in which the land benefitted from the agricultural assessment, plus a interest of six percent a year compounded annually for each year in which an agricultural assessment was granted, not exceeding five years (Id., §305). The state also contains limitations on the exercise of eminent domain and the advance of public funds that would adversely affect agriculture (Id., §305.4). (APA ch. 14 p14-76)

Nevada N.R.S. tit. 32, §§361A.090; 361A.130; 361A.220; 361A.225; 361A.280 [Authorizes preferential assessment with commitment]
§361A.090 Legislative declaration. 1. It is the intent of the Legislature to: (a) Constitute agricultural and open-space real property as a separate class for taxation purposes; and (b) Provide a separate plan for: (1) Appraisal and valuation of such property for assessment purposes; and (2) Partial deferred taxation of such property with tax recapture as provided in NRS 361A.280 and 361A.283. 2. The Legislature hereby declares that it is in the best interest of the State to maintain, preserve, conserve and otherwise continue in existence adequate agricultural and open-space lands and the vegetation thereon to assure continued public health and the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the State and its citizens. 3. The Legislature hereby further finds and declares that the use of real property and improvements on that real property as a golf course achieves the purpose of conserving and enhancing the natural and scenic resources of this State and promotes the conservation of open space.
§ 361A.220 Determination of value for open-space use; notification of assessment. 1. If property is to be assessed as open-space real property, the county assessor shall determine its value for open-space use and assess it for taxes to be collected in the ensuing fiscal year at 35 percent of that value. 2. The open-space use assessment must be maintained in the records of the assessor and must be made available to any person upon request. The property owner must be notified of the open-space use assessment in the manner provided for notification of taxable value assessments. The notice must contain the statement: Deferred taxes will become due on any portion of this parcel which is converted to a higher use.
§ NRS 361A.225 Determination of value for open-space use of real property used as golf course. 1. For the purposes of NRS 361A.220, the value for open-space use

of real property used as a golf course in a fiscal year is equal to the sum of: (a) The value of the land; and (b) The value of the improvements made to the real property before that fiscal year as adjusted for obsolescence, 2. The Nevada Tax Commission shall establish a manual for determining the value for open-space use of real property used as a golf course. ...(b) For the purpose of determining the value of the land, define various classifications of golf courses and provide for the valuation of each such classification in a manner that is consistent with the provisions of NRS 361.227, except that the value of the land must not be determined to exceed the product of $2,860 per acre multiplied by 1 plus the percentage change in the Consumer Price Index (All Items) for July 1 of the current year as compared to July 1, 2004. (c) For the purpose of determining the value of the improvements made to the real property, require the use of such factors as the Nevada Tax Commission determines to be appropriate. Those factors must include, for the purpose of determining obsolescence, a factor for golf courses that are not used on a consistently frequent basis each month of the year, which is based upon the actual number of rounds of golf played on the golf course in relation to the number of rounds that could have been played under optimum conditions.

§ 361A.280 Payment of deferred tax when property converted to higher use. If the county assessor is notified or otherwise becomes aware that a parcel or any portion of a parcel of real property which has received agricultural or open-space use assessment has been converted to a higher use the county assessor shall add to the tax extended against that portion of the property on the next property tax statement the deferred tax, which is the difference between the taxes that would have been paid or payable on the basis of the agricultural or open-space use valuation and the taxes which would have been paid or payable on the basis of the taxable value calculated pursuant to NRS 361A.155, for each year in which agricultural or open-space use assessment was in effect for the property during the fiscal year in which the property ceased to be used exclusively for agricultural use or approved open-space use and the preceding 6 fiscal years. The county assessor shall assess the property pursuant to NRS 361.227 for the next fiscal year following the date of conversion to a higher use.

Nevada N.R.S. **§§** 376A.070 - 376A.080 [Authorizes property tax increase if consistent with open space plan][13]

§376A.070 Imposition in certain counties of ad valorem tax on property; increase in allowed revenue for county. [Effective October 1, 2029.] 1. The board of county commissioners in a county whose population is 100,000 or more but less than 400,000, may levy an ad valorem tax at the rate of up to 1 cent on each $100 of assessed valuation upon all taxable property in the county after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. … 3. Before the tax is imposed, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

§376A.080 Use of proceeds of tax imposed pursuant to NRS 376A.050 or 376A.070.

[13] This is not a property tax incentive, but suggests another use of tax law to encourage smart growth.

1. The money received from any tax imposed pursuant to NRS 376A.050 or 376A.070 and any applicable penalty or interest must be retained by the county, or remitted to a city or general improvement district in the county, and used as provided in this section. 2. The money received by a county, city or general improvement district pursuant to NRS 376A.050 and 376A.070 must only be used to pay the cost of: (a) Planning the acquisition and other administrative acts relating to the acquisition of open-space land; and (b) The operation and maintenance of open-space land. 3. The money received from the tax imposed pursuant to NRS 376A.050 and 376A.070 and any applicable penalty or interest must not be used for any neighborhood or community park or facility. 4. Any money used for the purposes described in this section must be used in a manner: (a) That is consistent with the provisions of the open-space plan adopted pursuant to NRS 376A.020; and (b) That provides an equitable allocation of the money among the county and the incorporated cities within the county

Ohio Rev. Code §§929.02 to 929.05 (1999) [Authorizes zoning]
"Allows owners of agricultural land to apply to the county auditor to place the land in agricultural districts for five years. For the previous three years, the land in a proposed district must have been devoted exclusively to agricultural production and devoted to or qualified for payments and other compensation from a federal land retirement or conservation program. The land area must be at least ten acres, or the activities conducted on the land must have produced an average yearly gross income of at least $2500 during the three-year period, or the owner must have evidence of an anticipated gross income of that amount from those activities. If the owner withdraws the land from the district, then he or she must pay the county auditor a withdrawal penalty. Land in the district cannot be assessed for sewer, water, or electrical service without permission of the owner. The statute provides a defense from civil nuisance actions for certain agricultural activities."[14]

Oregon ORS 315.138 [Tax credit for device]
The tax incentive is for taxpayers that install fish screening devices and by pass fishways. The tax credit is 50 % of the taxpayer's cost of installing the device.

Pennsylvania 53 P.S. § 1241 **[**Exempts from sewer and water assessment]
Agricultural and cemetery land defined; certification of land use; when exempt from sewer and water assessments; certification by landowner; change of land use.
If the land owner primarily uses the land for agricultural or cemetery purposes for at least 3 years prior to installation of water or sewer lines in a right-of-way fronting on or crossing, then the owner is not liable for the cost of the installation provided that he does not change the use of the land." "…if the present or any subsequent owner of the land avails himself of the services provided by the lines or if the use of the land is changed … such owner shall be liable for the assessment cost of installation of such water and/or sewer lines as per originally assessed except, that in the case of a cemetery when the land is used for other than cemetery purposes…

[14] American Planning Association. Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition, Stuart Meck, FAICP, Gen. Editor. Volume 2, page 14-78).

Pennsylvania § 25-9.175 [Encourages planning]
It shall be the environmental policy of the Commonwealth to ensure the protection of metropolitan open space by encouraging coordinated land use planning which respects the natural capabilities and limitations of the land.

Rhode Island § 45-36-2 [Authorizes easement, etc.]
"Any city, subject to the approval of its council, or any town, subject to the approval of the town council and financial town meeting, if it has one, may by purchase, bequest, gift, grant, devise, or lease, acquire land and improvements on it, rights of way, water riparian and other rights, easements, conservation easements, scenic easements, privileges, present and future estates, and interests of any kind or description in real property; and may enter into covenants and agreements with owners of land and owners of interests in land to maintain, improve, protect, and limit the future use of or otherwise conserve open spaces; and may enter into agreements or compacts with any other city or town for any purposes; provided, if an open space is to be acquired by the expenditure of public funds, the city or town shall, prior to the expenditure, obtain from the department of environmental management a statement, in writing, that the open space is not desired by the department for open space purposes."

Tennessee Tenn. Code Ann. §11-14-406 ; §11-7-109 [State reimbursement for exemption]
§11-14-406. Compensation fund. — (a) There is hereby created a special agency account in the state general fund to be known as the compensation fund. Expenditures from such fund shall only be made to implement and effectuate the purposes of this part. Funds deposited in such fund shall not revert at the end of any fiscal year and all interest accruing on investments and deposits of the fund shall be returned to and made a part of the fund. The first three hundred thousand dollars ($300,000) deposited in the 1986 wetland acquisition fund shall be transferred and credited to the "compensation fund." (b) On or before January 1 of each year, the commissioner of finance and administration shall certify to the comptroller of the treasury such information as is necessary to identify the parcels of property which have been rendered tax exempt pursuant to this part. The comptroller of the treasury shall determine the appropriate tax rate and assessed value of each such parcel of property and, on or before March 1 of each year, shall certify to the commissioner of finance… Each subsequent yearly reimbursement amount shall be based on the same assessed value, tax rate and use in effect on the date of purchase….
§11-7-109. Conservation compensation fund — Determination of tax ramifications — Reimbursement for lost taxes. — (a) There is hereby created a special agency account in the state general fund to be known as the conservation compensation fund. Expenditures from such fund shall only be made to implement and effectuate the purposes of this part. Funds deposited in such fund shall not revert at the end of any fiscal year, and all interest accruing on investments and deposits of the fund shall be returned to and made a part of the fund. (b) On or before January 1 of each year, the commissioner of finance and administration shall certify to the comptroller of the

treasury such information as is necessary to identify the parcels of property that have been rendered tax exempt through acquisition by the state pursuant to this chapter. The comptroller of the treasury shall determine the appropriate tax rate and assessed value of each such parcel of property, and on or before March 1 of each year, shall certify to the commissioner of finance and administration the amount of property tax revenue lost by each affected city or county the prior calendar year. … The commissioner of finance and administration shall reimburse each affected city and county the amount so determined, from funds available in the conservation compensation fund. In any year in which funds available in the conservation compensation fund are insufficient to fully reimburse such cities and counties, the commissioner of finance and administration shall effect a transfer of funds from the Tennessee heritage conservation trust fund to the conservation compensation fund, in an amount sufficient to fully reimburse the affected cities and counties.

Tennessee Tenn. Code Ann. § 67-5-1002; 67-5-1009; 66-9-308 [Authorizes easement]

§ 67-5-1002. Legislative findings. — The general assembly finds that: (1) The existence of much agricultural, forest and open space land is threatened by pressure from urbanization, scattered residential and commercial development, and the system of property taxation. This pressure is the result of urban sprawl around urban and metropolitan areas, which also brings about land use conflicts, creates high costs for public services, contributes to increased energy usage, and stimulates land speculation; …(4) Many landowners are being forced by economic pressures to sell such agricultural, forest, or open space land for premature development by the imposition of taxes based, not on the value of the land in its current use, but on its potential for conversion to another use; and (5) The findings of subdivisions (1)-(4) must be tempered by the fact that in rural counties an over abundance of land held by a single landowner that is classified on the tax rolls by the provisions of this part could have an adverse effect upon the ad valorem tax base of the county, and thereby disrupt needed services provided by the county. To this end, a limit must be placed upon the number of acres that any one (1) owner within a tax jurisdiction can bring within the provisions of this part.

§ 67-5-1009. Assessment of open space easement — Basis of classification. — (a) Where an open space easement as defined in § 67-5-1004 has been executed and recorded for the benefit of a local government or a qualified conservation organization as provided in this section or as provided in § 11-15-107, the assessor of property shall henceforth assess the value and classification of such land, and taxes shall be computed and recorded each year both on the basis of: (1) Farm classification and value in its existing use under this part, taking into consideration the limitation on future use as provided for in the easement; and (2) Such classification and value, under part 6 of this chapter, as if the easement did not exist; but taxes shall be assessed and paid only on the basis of farm classification and fair market value in its existing use, taking into consideration the limitation on future use as provided for in the easement.

§ 66-9-308. Assessment for taxation purposes. — (a) (1) When a conservation easement is held by a public body or exempt organization for the purposes of this

chapter, the subject real property shall be assessed on the basis of the true cash value of the property or as otherwise provided by law, less such reduction in value as may result from the granting of the conservation easements. (2) The value of the easement interest held by the public body or exempt organization shall be exempt from property taxation to the same extent as other public property. …

Vermont 24 §2741 [Authorizes tax freeze]
"enables local governments to enter into tax stabilization agreements with the owners of 'agricultural, forest land, open space land, industrial or commercial real and personal property and alternate-energy generating plants,' under which assessed values, tax rates, or the total tax payment can be frozen. The agreements generally cannot last more than 10 years and must be approved at a town meeting by two-thirds of those present for commercial or industrial property or a majority for other authorized property."[15]

Vermont Stat. Ann. tit. 32 §§3751 – 3757 [Authorizes preferential assessment with commitment]
§ 3751. Statement of purpose. The purpose of this subchapter is to encourage and assist the maintenance of Vermont's productive agricultural and forest land; to encourage and assist in their conservation and preservation for future productive use and for the protection of natural ecological systems; to prevent the accelerated conversion of these lands to more intensive use by the pressure of property taxation at values incompatible with the productive capacity of the land; to achieve more equitable taxation for undeveloped lands; to encourage and assist in the preservation and enhancement of Vermont's scenic natural resources; and to enable the citizens of Vermont to plan its orderly growth in the face of increasing development pressures in the interests of the public health, safety and welfare.
§ 3755. Eligibility for use value appraisals (a) Except as modified by subsection (b) of this section, any agricultural land, managed forest land and farm buildings which meet the criteria contained in this subchapter and in the regulations adopted by the board shall be eligible for use value appraisal
§ 3757. Land use change tax. (a) Land which has been classified as agricultural land or managed forest land pursuant to this chapter shall be subject to a land use change tax upon the development of that land, as defined in section 3752 of this chapter. Said tax shall be at the rate of 20 percent of the full fair market value of the changed land determined without regard to the use value appraisal; or the tax shall be at the rate of 10 percent if the owner demonstrates to the satisfaction of the director that the parcel has been enrolled continuously more than 10 years. If changed land is a portion of a parcel, the fair market value of the changed land shall be the fair market value of the changed land prorated on the basis of acreage, divided by the common level of appraisal. …

Vermont Stat. Ann. tit. 32 §3760 [State compensation]

[15] American Planning Association. Growing Smart Legislative Guidebook: Model Statutes for Planning and the Management of Change 2002 Edition, Stuart Meck, FAICP, Gen. Editor. Volume 2, p. 14-65.

Payment to municipalities. (a) Annually the state shall pay to each town the amount necessary to limit its tax rate increase in the prior year due to the loss of municipal property tax revenue for that year based on use value of enrolled property as compared to municipal property tax revenue for that year based on fair market value of enrolled property, to zero. The director of property valuation and review shall determine the amount of the available funds under this section to be paid to each town, and a town may appeal the director's decision in the same manner and under the same procedures as an appeal from a decision of a board of civil authority, as set forth in subchapter 2 of chapter 131 of this title. On November 1 of each year, the director of property valuation and review shall pay to each municipality the amount calculated as described in this section. If the appropriation for the year is insufficient to pay the full amount due to every town under this subsection, payments in that year shall be made to such towns proportionately. The director's calculation of payment amounts to municipalities shall be based on grand list values and total tax appropriations as submitted to the director for the prior year.

Washington RCW § 84.34.010; 84.34.055; 84.34.060 [Preferential assessment with commitment]

§84.34.010 Legislative declaration. The legislature hereby declares that it is in the best interest of the state to maintain, preserve, conserve and otherwise continue in existence adequate open space lands for the production of food, fiber and forest crops, and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the state and its citizens. The legislature further declares that assessment practices must be so designed as to permit the continued availability of open space lands for these purposes, and it is the intent of this chapter so to provide. The legislature further declares its intent that farm and agricultural lands shall be valued on the basis of their value for use as authorized by section 11 of Article VII of the Constitution of the state of Washington.

§84.34.055 Open space priorities — Open space plan and public benefit rating system. (1)(a) The county legislative authority may direct the county planning commission to set open space priorities and adopt, after a public hearing, an open space plan and public benefit rating system for the county. The plan shall consist of criteria for determining eligibility of lands, the process for establishing a public benefit rating system, and an assessed valuation schedule. The assessed valuation schedule shall be developed by the county assessor and shall be a percentage of market value based upon the public benefit rating system. The open space plan, the public benefit rating system, and the assessed valuations schedule shall not be effective until approved by the county legislative authority after at least one public hearing: PROVIDED, That any county which has complied with the procedural requisites of chapter 393, Laws of 1985, prior to July 28, 1985, need not repeat those procedures in order to adopt an open space plan pursuant to chapter 393, Laws of 1985. …

§84.34.060 Determination of true and fair value of classified land — Computation of assessed value. In determining the true and fair value of open space land and timber land, which has been classified as such under the provisions of this chapter, the assessor shall consider only the use to which such property and improvements is

currently applied and shall not consider potential uses of such property. The assessed valuation of open space land shall not be less than the minimum value per acre of classified farm and agricultural land except that the assessed valuation of open space land may be valued based on the public benefit rating system adopted under RCW 84.34.055 …

Wisconsin Wis. Stat. 92.11 (2007) [Authorizes regulation and tax incentives]
92.11. Regulation of local soil and water resource management practices.
(1) PROPOSED ORDINANCES. To promote soil and water conservation or nonpoint source water pollution abatement, a county, city, village or town may enact ordinances for the regulation of land use, land management and pollutant management practices. …3. An explanation of the financial aids and technical assistance which are available to the landowner or land user. These may include, but are not necessarily limited to, cost-sharing, loans, tax incentives and technical assistance available from the land conservation committee and other agencies.

6. Foster distinctive, attractive communities with a strong sense of plan

Alaska §§29.40.020 – 030 [Requires comprehensive planning commission]
§29.40.020 Planning Commission. (a) Each first and second class borough shall establish a planning commission consisting of five residents unless a greater number is required by ordinance. Commission membership shall be apportioned so that the number of members from home rule and first class cities reflects the proportion of borough population residing in home rule and first class cities located in the borough. A member shall be appointed by the borough mayor for a term of three years subject to confirmation by the assembly, except that a member from a home rule or first class city shall be selected from a list of recommendations submitted by the council. Members first appointed shall draw lots for one, two, and three year terms. Appointments to fill vacancies are for the unexpired term. The compensation and expenses of the planning commission and its staff are paid as directed by the assembly. (b) In addition to the duties prescribed by ordinance, the planning commission shall (1) prepare and submit to the assembly a proposed comprehensive plan in accordance with AS 29.40.030 for the systematic and organized development of the borough; (2) review, recommend, and administer measures necessary to implement the comprehensive plan, including measures provided under AS 29.40.040.
§29.40.030 (a) The comprehensive plan is a compilation of policy statements, goals, standards, and maps for guiding the physical, social, and economic development, both private and public, of the first or second class borough, and may include, but is not limited to, the following: (1) statements of policies, goals, and standards; (2) a land use plan; (3) a community facilities plan; (4) a transportation plan; and (5) recommendations for implementation of the comprehensive plan. (b) With the recommendations of the planning commission, the assembly shall adopt by ordinance a comprehensive plan. The assembly shall, after receiving the recommendations of the planning commission, periodically undertake an overall review of the comprehensive plan and update the plan as necessary.

Arizona Ariz. Rev. Stat. §9-461.05 [Requires comprehensive planning]
General plans; authority; scope. A. Each planning agency shall prepare and the governing body of each municipality shall adopt a comprehensive, long-range general plan for the development of the municipality. The planning agency shall coordinate the production of its general plan with the creation of the state land department conceptual land use plans under title 37, chapter 2, article 5.1 and shall cooperate with the state land department regarding integrating the conceptual state land use plans into the municipality's general land use plan. The general plan shall include provisions that identify changes or modifications to the plan that constitute amendments and major amendments. The plan shall be adopted and readopted in the manner prescribed by section 9-461.06.

California Cal. Govt. Code §65060-65060.8 [Recommends regional planning]

65060.2. Regional Planning Law. The Legislature further finds and declares: (a) That the State has a positive interest in the preparation and maintenance of a long-term, general plan for the physical development of each of the State's urban areas that can serve as a guide to the affected local governmental units within such areas and to the state departments and divisions that are charged with constructing state-financed public works within such urban areas. (b) That continuing growth of the State, and particularly urban areas within the State, present problems which are not confined to the boundaries of any single county or city. 65060.8. A regional plan shall be advisory only and shall not have any binding effect on the counties and cities located within the boundaries of the regional planning district for which the regional plan is adopted.

Colorado Colo. Rev. Stat. §30-28-106 [Encourages comprehensive planning] Adoption of master plan – contents. (1) It is the duty of a county planning commission to make and adopt a master plan for the physical development of the unincorporated territory of the county. When a county planning commission decides to adopt a master plan, the commission shall conduct public hearings, after notice of such public hearings has been published in a newspaper of general circulation in the county in a manner sufficient to notify the public of the time, place, and nature of the public hearing, prior to final adoption of a master plan in order to encourage public participation in and awareness of the development of such plan and shall accept and consider oral and written public comments throughout the process of developing the plan. (2) (a) It is the duty of a regional planning commission to make and adopt a regional plan for the physical development of the territory within the boundaries of the region, but no such plan shall be effective within the boundaries of any incorporated municipality within the region unless such plan is adopted by the governing body of the municipality for the development of its territorial limits and under the terms of paragraph (b) of this subsection (2). …

Connecticut Conn. Gen. Stat. §8-23 [Encourages comprehensive planning] Preparation, amendment or adoption of plan of conservation and development. (a)(1) At least once every ten years, the commission shall prepare or amend and shall adopt a plan of conservation and development for the municipality. Following adoption, the commission shall regularly review and maintain such plan. The commission may adopt such geographical, functional or other amendments to the plan or parts of the plan, in accordance with the provisions of this section, as it deems necessary. The commission may, at any time, prepare, amend and adopt plans for the redevelopment and improvement of districts or neighborhoods which, in its judgment, contain special problems or opportunities or show a trend toward lower land values.

Delaware Del. Code tit. 22 §701—711 [Encourages comprehensive planning] § 701. Establishment; membership. Any incorporated city or town may at any time establish a planning commission under this chapter. A planning commission established hereunder shall consist of not less than 5 nor more than 9 members. Such members shall in cities be appointed by the mayor, subject to confirmation by the city council, and in towns where there is not a mayor shall be elected by the town

commissioners. When a planning commission is first established the members thereof shall be appointed or elected for terms of such length and shall be so arranged that the term of at least 1 member shall expire each year and their successor shall be appointed or elected for terms of 2 to 5 years each. Any member of the planning commission so established in a city may be removed for cause after a public hearing by the mayor with the approval of city council; members of the planning commission elected by town commissioners shall be removed by them for cause after a public hearing by a majority vote. A vacancy occurring otherwise than by expiration of term shall be filled for the unexpired term in a city in the same manner as an original appointment and in a town by the town commissioners. Such a planning commission shall elect annually a chairperson and a secretary from among its own number and may employ experts, clerical and other assistants. It may appoint a custodian of its plan and records who may be the city engineer or town clerk.
§ 702. Comprehensive development plan. (a) A planning commission established by any incorporated municipality under this chapter shall prepare a comprehensive plan for the city or town or portions thereof as the commission deems appropriate. It is the purpose of this section to encourage the most appropriate uses of the physical and fiscal resources of the municipality and the coordination of municipal growth, development and infrastructure investment actions with those of other municipalities, counties and the State through a process of municipal comprehensive planning.
(b) Comprehensive plan means a document in text and maps, containing at a minimum, a municipal development strategy setting forth the jurisdiction's position on population and housing growth within the jurisdiction, expansion of its boundaries, development of adjacent areas, redevelopment potential, community character, and the general uses of land within the community, and critical community development and infrastructure issues. The comprehensive planning process shall demonstrate coordination with other municipalities, the county and the State during plan preparation. The comprehensive plan for municipalities of greater than 2,000 population shall also contain, as appropriate to the size and character of the jurisdiction, a description of the physical, demographic and economic conditions of the jurisdiction; as well as policies, statements, goals and planning components for public and private uses of land, transportation, economic development, affordable housing, community facilities, open spaces and recreation, protection of sensitive areas, community design, adequate water and wastewater systems, protection of historic and cultural resources, annexation and such other elements which in accordance with present and future needs, in the judgment of the municipality, best promotes the health, safety, prosperity and general public welfare of the jurisdiction's residents. (c) The comprehensive plan shall be the basis for the development of zoning regulations as permitted pursuant to Chapter 3 of this title. Should a jurisdiction exercise its authority to establish municipal zoning regulations pursuant to Chapter 3 of this title, it shall, within 18 months of the adoption of a comprehensive development plan or revision thereof, amend its official zoning map to rezone all lands within the municipality in accordance with the uses of land provided for in the comprehensive development plan.

Idaho Code Ann. §67-6502 [State Comprehensive plan]

Purpose. The purpose of this act shall be to promote the health, safety, and general welfare of the people of the state of Idaho as follows: (a) To protect property rights while making accommodations for other necessary types of development such as low-cost housing and mobile home parks. (b) To ensure that adequate public facilities and services are provided to the people at reasonable cost. (c) To ensure that the economy of the state and localities is protected. (d) To ensure that the important environmental features of the state and localities are protected. (e) To encourage the protection of prime agricultural, forestry, and mining lands for production of food, fibre, and minerals. (f) To encourage urban and urban-type development within incorporated cities. (g) To avoid undue concentration of population and overcrowding of land. (h) To ensure that the development on land is commensurate with the physical characteristics of the land. (i) To protect life and property in areas subject to natural hazards and disasters. (j) To protect fish, wildlife, and recreation resources. (k) To avoid undue water and air pollution. (l) To allow local school districts to participate in the community planning and development process so as to address public school needs and impacts on an ongoing basis.

Illinois 65 ILCS 5/11-12-5 (Encourages comprehensive planning)
Every plan commission and planning department authorized by this division 12 has the following powers and whenever in this division 12 the term plan commission is used such term shall be deemed to include the term planning department:
(1) To prepare and recommend to the corporate authorities a comprehensive plan for the present and future development or redevelopment of the municipality. Such plan may be adopted in whole or in separate geographical or functional parts, each of which, when adopted, shall be the official comprehensive plan, or part thereof, of that municipality….

Kentucky Ky. Stat. Ann. tit. 9, §100.187 [State Comprehensive planning]
Contents of comprehensive plan. The comprehensive plan shall contain, as a minimum, the following elements: (1) A statement of goals and objectives, which shall serve as a guide for the physical development and economic and social well-being of the planning unit; (2) A land use plan element, which shall show proposals for the most appropriate, economic, desirable, and feasible patterns for the general location, character, extent, and interrelationship of the manner in which the community should use its public and private land at specified times as far into the future as is reasonable to foresee. Such land uses may cover, without being limited to, public and private, residential, commercial, industrial, agricultural, and recreational land uses; (3) A transportation plan element…(4) A community facilities plan element …(5) (a) Provisions for the accommodation of all military installations greater than or equal in area to three hundred (300) acres …. (6) The comprehensive plan may include any additional elements such as, without being limited to, community renewal, housing, flood control, pollution, conservation, natural resources, regional impact, historic preservation, and other programs which in the judgment of the planning commission will further serve the purposes of the comprehensive plan.

Maine MRS tit. 30-A, §4312 [Encourages comprehensive planning]
Statement of findings, purpose and goals. 2. Legislative purpose. The Legislature declares that it is the purpose of this Act to: A. Establish, in each municipality of the State, local comprehensive planning and land use management; B. Encourage municipalities to identify the tools and resources to effectively plan for and manage future development within their jurisdictions with a maximum of local initiative and flexibility; C. Encourage local land use ordinances, tools and policies based on local comprehensive plans; D. Incorporate regional considerations into local planning and decision making so as to ensure consideration of regional needs and the regional impact of development; F. Provide for continued direct state regulation of development proposals that occur in areas of statewide concern, that directly impact natural resources of statewide significance or that by their scale or nature otherwise affect vital state interests; G. Encourage the widest possible involvement by the citizens of each municipality in all aspects of the planning and implementation process, in order to ensure that the plans developed by municipalities have had the benefit of citizen input; and H. [1991, c. 622, Pt. F, §20 (RP).] I. Encourage the development and implementation of multimunicipal growth management programs. 3. State goals. The Legislature hereby establishes a set of state goals to provide overall direction and consistency to the planning and regulatory actions of all state and municipal agencies affecting natural resource management, land use and development. The Legislature declares that, in order to promote and protect the health, safety and welfare of the citizens of the State, it is in the best interests of the State to achieve the following goals: A. To encourage orderly growth and development in appropriate areas of each community and region while protecting the State's rural character, making efficient use of public services and preventing development sprawl; B. To plan for, finance and develop an efficient system of public facilities and services to accommodate anticipated growth and economic development;
C. To promote an economic climate which increases job opportunities and overall economic well-being; D. To encourage and promote affordable, decent housing opportunities for all Maine citizens; E. To protect the quality and manage the quantity of the State's water resources, including lakes, aquifers, great ponds, estuaries, rivers and coastal areas; F. To protect the State's other critical natural resources, including without limitation, wetlands, wildlife and fisheries habitat, sand dunes, shorelands, scenic vistas and unique natural areas; G. To protect the State's marine resources industry, ports and harbors from incompatible development and to promote access to the shore for commercial fishermen and the public; H. To safeguard the State's agricultural and forest resources from development which threatens those resources; I. To preserve the State's historic and archeological resources; and J. To promote and protect the availability of outdoor recreation opportunities for all Maine citizens, including access to surface waters.

Maryland Md. Ann. Code art. 66B § 1.03. [Encourages comprehensive planning][16]

[16] The APA identified Maryland as a leading state in smart growth and comprehensive planning in its 2002 publication, State of States. Maryland's statewide comprehensive plan highlighted in APA's 2002 publication has since been repealed. The current planning statute (Md. Ann. Code art. 66B § 1.03)

§ 1.03. Same - Comprehensive plans. (a) Required elements.- (1) When developing a comprehensive plan for a charter county, a planning commission shall include: (i) A transportation plan element…(ii) If current geological information is available, a mineral resources plan element…(iii) A water resources plan element…(iv) An element which contains the planning commission's recommendation for land development regulations to implement the comprehensive plan …(v) A sensitive areas element…(4) The Department of the Environment shall provide, on request, technical assistance to a local government on the development of the water resources element of the comprehensive plan. …

Massachusetts Mass. Gen. Laws, tit. 7, §40R [State Comprehensive plan]
Section 1. It is the purpose of this chapter to encourage smart growth and increased housing production in Massachusetts. Smart growth is a principle of land development that emphasizes mixing land uses, increases the availability of affordable housing by creating a range of housing opportunities in neighborhoods, takes advantage of compact design, fosters distinctive and attractive communities, preserves open space, farmland, natural beauty and critical environmental areas, strengthens existing communities, provides a variety of transportation choices, makes development decisions predictable, fair and cost effective and encourages community and stakeholder collaboration in development decisions.

Michigan Act 33 of 2008, §125.3807 [Authorizes local comprehensive planning]
§125.3807. new Master plan; adoption, amendment, and implementation by local government; purpose. Sec. 7. (1) A local unit of government may adopt, amend, and implement a master plan as provided in this act. (2) The general purpose of a master plan is to guide and accomplish, in the planning jurisdiction and its environs, development that satisfies all of the following criteria:…(d) Includes, among other things, promotion of or adequate provision for 1 or more of the following: (i) A system of transportation to lessen congestion on streets. (ii) Safety from fire and other dangers. (iii) Light and air. (iv) Healthful and convenient distribution of population. (v) Good civic design and arrangement and wise and efficient expenditure of public funds. (vi) Public utilities such as sewage disposal and water supply and other public improvements. (vii) Recreation. (viii) The use of resources in accordance with their character and adaptability.

Minnesota Minn. Stat. §15B.05 [Requires comprehensive planning]
Subdivision 1. Comprehensive plan required. The board must have, and prescribe for the Capitol Area, a comprehensive use plan called the comprehensive plan in this chapter. Subd. 2. Land uses. The comprehensive plan must show the current uses and recommend future uses of land including, but not limited to: (1) areas for public taking and use; (2) zoning for private land and criteria for development of public land, including, but not limited to, building areas, open spaces, and monuments and other memorials; (3) circulation of vehicles and pedestrians; (4) utility systems; (5) storage of vehicles; and (6) elements of landscape architecture.

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encourages local planning. Maryland remains active in smart growth, as discussed in the MD government website, http://www.mdp.state.md.us/smartintro.htm.

Mississippi Miss. Code Ann. §17-1-1; §17-1-11 [Authorizes comprehensive planning]
§17-1-1 Definitions. The following words, whenever used in this chapter, shall, unless a different meaning clearly appears from the context, have the following meanings: … (c) "Comprehensive plan" means a statement of public policy for the physical development of the entire municipality or county adopted by resolution of the governing body, consisting of the following elements at a minimum: (i) Goals and objectives for the long-range (twenty (20) to twenty-five (25) years) development of the county or municipality. Required goals and objectives shall address, at a minimum, residential, commercial and industrial development; parks, open space and recreation; street or road improvements; public schools and community facilities. (ii) A land use plan which designates in map or policy form the proposed general distribution and extent of the uses of land for residences, commerce, industry, recreation and open space, public/quasi-public facilities and lands. … (iii) A transportation plan … (iv) A community facilities plan …
§17-1-11. Official plan; local planning commission. (1) (a) The governing authority of each municipality and county may provide for the preparation, adoption, amendment, extension and carrying out of a comprehensive plan for the purpose of bringing about coordinated physical development in accordance with present and future needs and may create, independently or jointly, a local planning commission with authority to prepare and propose (a) a comprehensive plan of physical development of the municipality or county; (b) a proposed zoning ordinance and map; (c) regulations governing subdivisions of land; (d) building or set back lines on streets, roads and highways; and (e) recommendations to the governing authorities of each municipality or county with regard to the enforcement of and amendments to the comprehensive plan, zoning ordinance, subdivision regulations and capital improvements program. …

Missouri Mo. Rev. Stat. §251.320 [Encourages regional comprehensive planning]
251.320. The regional planning commission shall have the function and duty of making and adopting a comprehensive plan for the development of the region. The comprehensive plan, with the accompanying maps, plats, charts, programs and descriptive and explanatory matter, shall show the commission's recommendations for such development and may include, among other things, without limitation because of enumeration, the general location, character and extent of main traffic arteries, bridges and viaducts; public places and areas; parks, parkways; recreational areas; sites for public buildings and structures; airports; waterways; routes for public transit; and the general location and extent of main and interceptor sewers, water conduits and other public utilities whether privately or publicly owned; areas for industrial, commercial, residential, agricultural or recreational development. The comprehensive plan shall be made with the general purpose of guiding and accomplishing a coordinated, adjusted and harmonious development of the region which will, in accordance with existing and future needs, best promote public health, safety, morals, order, convenience, prosperity or the general welfare, as well as efficiency and economy in the process of development.

Montana Mont. Code Ann. §7-15-4211 [Authorizes comprehensive planning]
7-15-4211. Preparation of comprehensive development plan for municipality. For the purpose of approving an urban renewal plan and other municipal purposes, authority is hereby vested in every municipality: (1) to prepare, to adopt, and to revise from time to time a comprehensive plan or parts thereof for the physical development of the municipality as a whole (giving due regard to the environs and metropolitan surroundings); (2) to establish and maintain a planning commission for such purpose and related municipal planning activities; and (3) to make available and appropriate necessary funds therefor.

Nebraska §15-1102 ; §19-903 [Encourages comprehensive planning]
§15-1102 Comprehensive plan; requirements; contents. The general plan for the improvement and development of the city of the primary class shall be known as the comprehensive plan. This plan for governmental policies and action shall include the pattern and intensity of land use, the provision of public facilities including transportation and other governmental services, the effective development and utilization of human and natural resources, the identification and evaluation of area needs including housing, employment, education, and health and the formulation of programs to meet such needs, surveys of structures and sites determined to be of historic, cultural, archaeological, or architectural significance or value, long-range physical and fiscal plans for governmental policies and action, and coordination of all related plans and activities of the state and local governments and agencies concerned. The comprehensive plan, with the accompanying maps, plats, charts and descriptive and explanatory materials, shall show the recommendations concerning the physical development pattern of such city and of any land outside its boundaries related thereto, taking into account the availability of and need for conserving land and other irreplaceable natural resources, the preservation of sites of historic, cultural, archaeological, and architectural significance or value, the projected changes in size, movement, and composition of population, the necessity for expanding housing and employment opportunities, and the need for methods of achieving modernization, simplification, and improvements in governmental structures, systems, and procedures related to growth objectives. The comprehensive plan shall, among other things, show: (1) The general location, character, and extent of existing and proposed streets and highways and railroad, air, and other transportation routes and terminals; (2) Existing and proposed public ways, parks, grounds, and open spaces; (3) The general location, character, and extent of schools, school grounds, and other educational facilities and properties; (4) The general location and extent of existing and proposed public utility installations; (5) The general location and extent of community development and housing activities; and (6) The general location of existing and proposed public buildings, structures, and facilities. The comprehensive plan shall include a land-use plan showing the proposed general distribution and general location of business and industry, residential areas, utilities, and recreational, educational, and other categories of public and private land uses. The land-use plan shall also show the recommended standards of population density based upon population estimates and providing for activities for which space should

be supplied within the area covered by the plan. The comprehensive plan shall include and show proposals for acquisition, extension, widening, narrowing, removal, vacation, abandonment, sale, and other actions affecting public improvements. §19-903 Comprehensive development plan; requirements; regulations and restrictions made in accordance with plan; considerations. The regulations and restrictions authorized by sections 19-901 to 19-915 shall be in accordance with a comprehensive development plan which shall consist of both graphic and textual material and shall be designed to accommodate anticipated long-range future growth which shall be based upon documented population and economic projections. The comprehensive development plan shall, among other possible elements, include: (1) A land-use element which designates the proposed general distributions, general location, and extent of the uses of land for agriculture, housing, commerce, industry, recreation, education, public buildings and lands, and other categories of public and private use of land; (2) The general location, character, and extent of existing and proposed major roads, streets, and highways, and air and other transportation routes and facilities; (3) The general location, type, capacity, and area served of present and projected or needed community facilities including recreation facilities, schools, libraries, other public buildings, and public utilities and services; ... Regulations shall be designed to lessen congestion in the streets; to secure safety from fire, panic, and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to secure safety from flood; to avoid undue concentration of population; to facilitate the adequate provision of transportation, water, sewerage, schools, parks and other public requirements; to protect property against blight and depreciation; to protect the tax base; to secure economy in governmental expenditures; and to preserve, protect, and enhance historic buildings, places, and districts. Such regulations shall be made with reasonable consideration, among other things, for the character of the district and its peculiar suitability for particular uses and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout such municipality.

New Hampshire NH tit. 1, §§9-A:1 – 9-B:1-5; tit. 64, §674:2 [State Comprehensive planning]
§9-A:1 Comprehensive Plan. – I. There shall be a comprehensive state development plan which establishes state policy on development related issues and proposes new or expanded programs to implement such policies. The plan shall provide a basis for identifying critical issues facing the state, determining state priorities, allocating limited state resources, and taking into account the plans of various state, regional, and local governmental units. II. The comprehensive development plan shall establish policies in areas related to the orderly physical, social, and economic growth and development of the state. III. The comprehensive development plan shall include: (a) State policies to provide for the orderly growth and development of the state and to maximize smart growth. (b) Goals and policies which are relevant to the topical areas included in the plan, including but not limited to: (1) An overall vision section …(2) A land use section … (3) A transportation section … (4) A public facilities section … (5) A housing section… (6) An economic development section … (7) A natural resources section… (8) A natural hazards… (9) A recreation section …. (10) A

utility and public service section … (11) A regional concerns …(12) A section which identifies state policies and actions necessary to protect cultural and historic resources of statewide significance…(13) An implementation section …
§9-B:3 Definition. – In this chapter, "smart growth" means the control of haphazard and unplanned development and the use of land which results over time, in the inflation of the amount of land used per unit of human development, and of the degree of dispersal between such land areas. "Smart growth" also means the development and use of land in such a manner that its physical, visual, or audible consequences are appropriate to the traditional and historic New Hampshire landscape. Smart growth may include denser development of existing communities, encouragement of mixed uses in such communities, the protection of villages, and planning so as to create ease of movement within and among communities. Smart growth preserves the integrity of open space in agricultural, forested, and undeveloped areas. The results of smart growth may include, but shall not be limited to: I. Vibrant commercial activity within cities and towns. II. Strong sense of community identity. III. Adherence to traditional settlement patterns when siting municipal and public buildings and services. IV. Ample alternate transportation modes. V. Uncongested roads. VI. Decreased water and air pollution. VII. Clean aquifer recharge areas. VIII. Viable wildlife habitat. IX. Attractive views of the landscape. X. Preservation of historic village centers.
§ 674:2 Local Land Use Planning and Regulatory Powers Master Plan; Purpose and Description. – I. The purpose of the master plan is to set down as clearly and practically as possible the best and most appropriate future development of the area under the jurisdiction of the planning board, to aid the board in designing ordinances that result in preserving and enhancing the unique quality of life and culture of New Hampshire, and to guide the board in the performance of its other duties in a manner that achieves the principles of smart growth, sound planning, and wise resource protection. III. The master plan may also include the following sections: (a) A transportation section…(b) A community facilities section… (c) An economic development section… d) A natural resources section… (e) A natural hazards section… (f) A recreation section…(g) A utility and public service section…(h) A section which identifies cultural and historic resources and protects them for rehabilitation or preservation…(i) A regional concern section…(j) A neighborhood plan section…(k) A community design section…(l) A housing section… (m) An implementation section …

New Mexico §3-56-1 – 9 [Authorizes regional planning commission]
§3-56-1 Creation of Regional Planning Commission. A. A regional planning commission may be established as follows: (1) two or more municipalities, two or more adjacent counties, or one or more counties and a municipality or municipalities within or adjacent to the county or counties may, by agreement among their respective governing bodies, create a regional planning commission, if: (a) the municipality having the greatest population within the regional planning area is a party to the agreement; and (b) the number of counties and municipalities party to the agreement equals all of the total number of counties and municipalities within the

region. The agreement shall be effected through the adoption by each governing body concerned, acting individually, of an appropriate resolution. …
§3-56-5 Powers and Duties of Regional Planning Commission. The regional planning commission shall: A. prepare and from time to time revise, amend, extend or add to a plan or plans for the development of the region. The plans shall be based on studies of physical, social, economic and governmental conditions and trends, and shall aim at the coordinated development of the region in order to promote the general health, welfare, convenience and prosperity of its people. The plans shall embody the policy recommendations of the commission and shall include, but not be limited to: (1) a statement of the objectives, standards and principles sought to be expressed in the plan; (2) recommendations for the most desirable pattern and intensity of general land use within the region in the light of the best available information concerning natural environmental factors, the present and prospective economic and demographic bases of the region, and the relation of land use within the region to land use in adjoining regions; (3) recommendations for the general circulation pattern for the region, including land, water and air transportation and communication facilities whether used for movement within the region or to and from adjoining areas; …

North Carolina § 160A-400.21 [Encourages agency comprehensive planning]
§ 160A-400.21. Definitions. The following definitions apply in this Part: (1) Comprehensive plan. – The comprehensive plan, land-use plan, small area plans, neighborhood plans, transportation plan, capital improvement plan, official map, and any other plans regarding land use and development that have been officially adopted by the governing board.

North Dakota §54-40.1 [Encourages Regional planning]
54-40.1-01. Regional Planning Councils. Legislative findings and purpose. The legislative assembly finds that the citizens of the state have a fundamental interest in the orderly development of the state and its resources. This finding recognizes the fact that the mobility of the population, changes in economic forces, and governmental mandates within and without the state present problems that cannot always be met by individual counties or cities and that local government planning and development efforts can be strengthened when aided by studies, planning, and implementation of both a statewide and regional character.
The legislative assembly further finds that the state has a positive interest in the establishment, preparation, and maintenance of a long-term, continuing, comprehensive planning and development process for the physical, social, and economic development of the state and each of its regions to serve as a guide for activities of state and local governmental units. It is the purpose of this chapter to establish a consistent, comprehensive statewide policy for planning, economic development, program operations, coordination, and related cooperative activities of state and local governmental units and to enhance the ability of and opportunity for local governmental units to resolve issues and problems transcending their individual boundaries. In furtherance of this purpose, the legislative assembly finds that the governor is required to assure orderly and harmonious coordination of state and local plans and programs with federal, state, and regional planning and programming.

Oklahoma §19-866.10 [Encourages comprehensive plan]
§19-866.10. Metropolitan comprehensive plan. A. 1. The metropolitan area planning commission shall prepare, adopt, and from time to time revise, amend, extend or add to a plan or plans for the development of the metropolitan area. The plan or plans may be published and collectively shall be known as the metropolitan comprehensive plan. 2. The comprehensive plan shall be developed: a. for the purpose of bringing about an orderly, coordinated, physical development in accordance with the present and future needs of such area, b. to conserve the natural resources of the area, c. to ensure efficient expenditure of public funds, and d. to promote the health, safety, convenience, prosperity, and general welfare of the people of the area and the state. 3. The metropolitan comprehensive plan shall: a. set forth the policy recommendations of the metropolitan area planning commission in regard to the physical development of the metropolitan area, b. contain a statement of the objectives, standards and principles sought to be embodied therein, c. contain recommendations for the most desirable pattern of land use within the metropolitan area, in the light of the best available information concerning: (1) topography, climate, soil and underground conditions, water courses and bodies of water and other natural or environmental factors, (2) the present and prospective economic bases of the metropolitan area, past and future trends of industry, population or other developments and the habits and standards of life of the people of the metropolitan area, and (3) the relation of land use within the metropolitan area to land use in adjoining areas, d. insofar as appropriate, indicate areas for residential uses and maximum recommended densities therein; areas for manufacturing and industrial uses, with classification of such areas in accordance with their compatibility with land use in adjoining areas; areas for the concentration of wholesale and retail business and other commercial uses; areas for recreational uses and areas for open spaces; and areas for mixed uses, e. include the circulation pattern recommended for the metropolitan area, including routes and terminals of transit, transportation and communication facilities whether used for movement within the metropolitan area or for the movement from and to adjoining areas, f. include recommendations concerning the need for and the proposed general location of public and private works and facilities, such as utilities, flood control works, water reservoirs and pollution control facilities, g. include such other recommendations of the metropolitan area planning commission concerning current and impending problems as may affect the metropolitan areas as a whole, and h. be based on studies of physical, social, economic and governmental conditions and trends.

South Carolina §6-29-510 [Encourages local planning commission]
Planning process; elements; comprehensive plan. (A) The local planning commission shall develop and maintain a planning process which will result in the systematic preparation and continual re-evaluation and updating of those elements considered critical, necessary, and desirable to guide the development and redevelopment of its area of jurisdiction. (B) Surveys and studies on which planning elements are based must include consideration of potential conflicts with adjacent jurisdictions and regional plans or issues. (C) The basic planning process for all planning elements

must include, but not be limited to: (1) inventory of existing conditions; (2) a statement of needs and goals; and
(3) implementation strategies with time frames. (D) A local comprehensive plan must include, but not be limited to, the following planning elements: (1) a population element… (2) an economic development element …(3) a natural resources element … (4) a cultural resources element …(5) a community facilities element …(6) a housing element …(7) a land use element which considers existing and future land use by categories, including residential, commercial, industrial, agricultural, forestry, mining, public and quasi-public, recreation, parks, open space, and vacant or undeveloped; (8) a transportation element …(9) a priority investment element …

South Dakota §11-6-1—2 [Requires comprehensive planning]
§ 11-6-1 Comprehensive City Planning. Definition of terms. Terms used in this chapter mean: (1) "Commission," "planning and zoning commission," or "planning commission," any city planning and zoning commission created under the terms of this chapter; (2) Comprehensive plan," any document which describes in words, and may illustrate by maps, plats, charts, and other descriptive matter, the goals, policies, and objectives of the municipality to interrelate all functional and natural systems and activities relating to the development of the territory under its jurisdiction;
§ 1-6-2. Planning and zoning commission required in municipality--Comprehensive plan to be effected. For the purpose of promoting the health, safety, and general welfare of the municipality, each municipality of the state shall provide by ordinance for a planning and zoning commission, including the appropriation of money to a fund for the expenditures of such commission and to provide by ordinance the qualifications of the members, mode of appointment, tenure of office, compensation, powers, duties of and rules governing such board. Municipalities shall, as soon as possible, make, adopt, amend, extend, add to or carry out a general municipal plan of development, such plan to be referred to as the comprehensive plan.

Tennessee §§ 6-58-101 – 116 [Comprehensive planning and state financial incentive]
§6-58-102. Purpose of chapter. With this chapter, the general assembly intends to establish a comprehensive growth policy for this state that: (1) Eliminates annexation or incorporation out of fear; (2) Establishes incentives to annex or incorporate where appropriate; (3) More closely matches the timing of development and the provision of public services; (4) Stabilizes each county's education funding base and establishes an incentive for each county legislative body to be more interested in education matters; and (5) Minimizes urban sprawl.
§6-58-107. Approved plan required — Land use decisions to be consistent with plan. — The goals and objectives of a growth plan include the need to: (1) Provide a unified physical design for the development of the local community; (2) Encourage a pattern of compact and contiguous high density development to be guided into urban areas or planned growth areas; (3) Establish an acceptable and consistent level of public services and community facilities and ensure timely provision of those services and facilities; (4) Promote the adequate provision of employment opportunities and the economic health of the region; (5) Conserve features of significant statewide or regional architectural, cultural, historical, or archaeological interest; (6) Protect life

and property from the effects of natural hazards, such as flooding, winds, and wildfires; (7) Take into consideration such other matters that may be logically related to or form an integral part of a plan for the coordinated, efficient and orderly development of the local community; and (8) Provide for a variety of housing choices and assure affordable housing for future population growth.
§6-58-109. Increased allocation of certain funds for counties and municipalities with approved growth plans. — (a) Upon approval of the growth plan by the local government planning advisory committee but beginning no earlier than July 1, 2000, each municipality within the county and the county shall receive an additional five (5) points on a scale of one hundred (100) points or a comparable percentage increase as determined by the commissioner of economic and community development in any evaluation formula for the allocation of private activity bond authority and for the distribution of grants from the department of economic and community development for the: (1) Tennessee industrial infrastructure program; (2) Industrial training service program; and (3) Community development block grants. (b) Upon approval of the growth plan by the local government planning advisory committee but beginning no earlier than July 1, 2000, each municipality within the county and the county shall receive an additional five (5) points on a scale of one hundred (100) points or a comparable percentage increase as determined by the commissioner if permissible under federal requirements in any evaluation formula for the distribution of grants from the department of environment and conservation for state revolving fund loans for water and sewer systems; provided, that no such preferences shall be granted if prohibited by federal law or regulation.…

Texas §§ 391.001 – 391.004 [Encourages Regional Planning]
§ 391.001. Purpose. (a) The purpose of this chapter is to encourage and permit local governmental units to: (1) join and cooperate to improve the health, safety, and general welfare of their residents; and (2) plan for the future development of communities, areas, and regions so that: (A) the planning of transportation systems is improved; (B) adequate street, utility, health, educational, recreational, and other essential facilities are provided as the communities, areas, and regions grow; (C) the needs of agriculture, business, and industry are recognized; (D) healthful surroundings for family life in residential areas are provided; (E) historical and cultural values are preserved; and (F) the efficient and economical use of public funds is commensurate with the growth of the communities, areas, and regions. (b) The general purpose of a commission is to make studies and plans to guide the unified, far-reaching development of a region, eliminate duplication, and promote economy and efficiency in the coordinated development of a region.
§ 391.004. Plans and recommendations. (a) A commission may plan for the development of a region and make recommendations concerning major thoroughfares, streets, traffic and transportation studies, bridges, airports, parks, recreation sites, school sites, public utilities, land use, water supply, sanitation facilities, drainage, public buildings, population density, open spaces, and other items relating to the commission's general purposes. …

Utah Code §10-9a; §17-27a-401 [Requires comprehensive planning]

§10-9a-102 Purposes -- General land use authority. (1) The purposes of this chapter are to provide for the health, safety, and welfare, and promote the prosperity, improve the morals, peace and good order, comfort, convenience, and aesthetics of each municipality and its present and future inhabitants and businesses, to protect the tax base, to secure economy in governmental expenditures, to foster the state's agricultural and other industries, to protect both urban and nonurban development, to protect and ensure access to sunlight for solar energy devices, to provide fundamental fairness in land use regulation, and to protect property values. (2) To accomplish the purposes of this chapter, municipalities may enact all ordinances, resolutions, and rules and may enter into other forms of land use controls and development agreements that they consider necessary or appropriate for the use and development of land within the municipality, including ordinances, resolutions, rules, restrictive covenants, easements, and development agreements governing uses, density, open spaces, structures, buildings, energy efficiency, light and air, air quality, transportation and public or alternative transportation, infrastructure, street and building orientation and width requirements, public facilities, fundamental fairness in land use regulation, considerations of surrounding land uses and the balance of the foregoing purposes with a landowner's private property interests, height and location of vegetation, trees, and landscaping, unless expressly prohibited by law.
§10-9a-401 General plan required -- Content. (1) In order to accomplish the purposes of this chapter, each municipality shall prepare and adopt a comprehensive, long-range general plan for: (a) present and future needs of the municipality; and (b) growth and development of all or any part of the land within the municipality. (2) The plan may provide for: (a) health, general welfare, safety, energy conservation, transportation, prosperity, civic activities, aesthetics, and recreational, educational, and cultural opportunities; (b) the reduction of the waste of physical, financial, or human resources that result from either excessive congestion or excessive scattering of population; (c) the efficient and economical use, conservation, and production of the supply of: (i) food and water; and (ii) drainage, sanitary, and other facilities and resources; (d) the use of energy conservation and solar and renewable energy resources; (e) the protection of urban development; (f) the protection or promotion of moderate income housing; (g) the protection and promotion of air quality; (h) historic preservation; (i) identifying future uses of land that are likely to require an expansion or significant modification of services or facilities provided by each affected entity; and (j) an official map. (3) Subject to Subsection 10-9a-403(2), the municipality may determine the comprehensiveness, extent, and format of the general plan.
§17-27a-401 General plan required -- Content -- Provisions related to radioactive waste facility. (1) In order to accomplish the purposes of this chapter, each county shall prepare and adopt a comprehensive, long-range general plan for: (a) present and future needs of the county; and (b) growth and development of all or any part of the land within the unincorporated portions of the county. (2) The plan may provide for: (a) health, general welfare, safety, energy conservation, transportation, prosperity, civic activities, aesthetics, and recreational, educational, and cultural opportunities; (b) the reduction of the waste of physical, financial, or human resources that result from either excessive congestion or excessive scattering of population; (c) the

efficient and economical use, conservation, and production of the supply of: (i) food and water; and (ii) drainage, sanitary, and other facilities and resources; (d) the use of energy conservation and solar and renewable energy resources; (e) the protection of urban development; (f) the protection or promotion of moderate income housing; (g) the protection and promotion of air quality; (h) historic preservation; (i) identifying future uses of land that are likely to require an expansion or significant modification of services or facilities provided by each affected entity; and (j) an official map.

Virginia Va. Code Ann. § 15.2-2223.1 ; § 15.2-2223. [Encourages comprehensive planning]
§ 15.2-2223. Comprehensive plan to be prepared and adopted; scope and purpose. The local planning commission shall prepare and recommend a comprehensive plan for the physical development of the territory within its jurisdiction and every governing body shall adopt a comprehensive plan for the territory under its jurisdiction. As part of the comprehensive plan, each locality shall develop a transportation plan that designates a system of transportation infrastructure needs and recommendations … It may include, but need not be limited to: 1. The designation of areas for various types of public and private development and use, … 2. The designation of a system of community service facilities such as parks, …3. The designation of historical areas and areas for urban renewal or other treatment; 4. The designation of areas for the implementation of reasonable ground water protection measures; 5. A capital improvements program, a subdivision ordinance, a zoning ordinance and zoning district maps, mineral resource district maps and agricultural and forestal district maps, where applicable; 6. The location of existing or proposed recycling centers; 7. The location of military bases, military installations, and military airports and their adjacent safety areas; and 8. The designation of corridors or routes for electric transmission lines of 150 kilovolts or more. The plan shall include: the designation of areas and implementation of measures for the construction, rehabilitation and maintenance of affordable housing, which is sufficient to meet the current and future needs of residents of all levels of income in the locality while considering the current and future needs of the planning district within which the locality is situated. …
§ 15.2-2223.1 Comprehensive plan to include urban development areas; new urbanism. A. Every county, city, or town that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of Title 15.2 and that (i) has a population of at least 20,000 and population growth of at least 5% or (ii) has population growth of 15% or more, shall, and any county, city or town may, amend its comprehensive plan to incorporate one or more urban development areas. … The comprehensive plan shall provide for commercial and residential densities within urban development areas that are appropriate for reasonably compact development at a density of at least four residential units per gross acre and a minimum floor area ratio of 0.4 per gross acre for commercial development. The comprehensive plan shall designate one or more urban development areas sufficient to meet projected residential and commercial growth in the locality for an ensuing period of at least 10 but not more than 20 years, which may include phasing of development within the urban development areas. …

Such districts may be areas designated for redevelopment or infill development. B. The comprehensive plan shall further incorporate principles of new urbanism and traditional neighborhood development, which may include but need not be limited to (i) pedestrian-friendly road design, (ii) interconnection of new local streets with existing local streets and roads, (iii) connectivity of road and pedestrian networks, (iv) preservation of natural areas, (v) satisfaction of requirements for stormwater management, (vi) mixed-use neighborhoods, including mixed housing types, (vii) reduction of front and side yard building setbacks, and (viii) reduction of subdivision street widths and turning radii at subdivision street intersections. C. The comprehensive plan shall describe any financial and other incentives for development in the urban development areas.

Washington RCW 36.70A.130 [Encourages comprehensive planning] Comprehensive plans -- Review procedures and schedules -- Amendments. (1)(a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the time periods specified in subsection (4) of this section. …

West Virginia §8A-1-1; §8A-2-1; §8A-3-1 [Authorizes comprehensive planning] §8A-1-1. Legislative findings. (a) The Legislature finds, as the object of this chapter, the following: (1) That planning land development and land use is vitally important to a community; (2) A planning commission is helpful to a community to plan for land development, land use and the future; (3) A plan and a vision for the future is important when deciding uses for and development of land; (4) That sprawl is not advantageous to a community; (5) A comprehensive plan is a guide to a community's goals and objectives and a way to meet those goals and objectives; (6) That the needs of agriculture, residential areas, industry and business be recognized in future growth; (7) That the growth of the community is commensurate with and promotive of the efficient and economical use of public funds; (8) Promoting growth that is economically sound, environmentally friendly and supportive of community livability to enhance quality of life is a good objective for a governing body; and (9) Governing bodies of municipalities and counties need flexibility when authorizing land development and use. (b) Therefore, the Legislature encourages and recommends the following: (1) The goal of a governing body should be to have a plan and a vision for the future, and an agency to oversee it; (2) A governing body should have a planning commission, to serve in an advisory capacity to the governing body, and promote the orderly development of its community; (3) A comprehensive plan should be the basis for land development and use, and be reviewed and updated on a regular basis; (4) A goal of a governing body should be to reduce sprawl; (5) That planning commissions prepare a comprehensive plan and governing bodies adopt the comprehensive plans; (6) Governing bodies, units of government and planning commissions work together to provide for a better community; (7) Governing bodies may have certain regulatory powers over developments affecting the public welfare; and (8) Based upon a

comprehensive plan, governing bodies may: (A) Enact a subdivision and land development ordinance; (B) Require plans and plats for land development; (C) Issue improvement location permits for construction; and (D) Enact a zoning ordinance.
§8A-2-1. Planning commissions authorized. (a) A governing body of a municipality or county may, by ordinance, create a planning commission to promote the orderly development of its jurisdiction. (b) Governing bodies may, by ordinance, create a multicounty planning commission, a regional planning commission or a joint planning commission to promote the orderly development of land and reduce duplication of effort. (c) The planning commission shall serve in an advisory capacity to the governing body or governing bodies that created it and have certain regulatory powers over land planning. (d) Governing bodies and planning commissions are authorized to carry out the objectives and overall purposes of this chapter. (e) A planning commission has only those powers, duties and jurisdiction as given to it in the ordinance creating it.
§8A-3-1. Purpose and goals of a comprehensive plan.
(a) The general purpose of a comprehensive plan is to guide a governing body to accomplish a coordinated and compatible development of land and improvements within its territorial jurisdiction, in accordance with present and future needs and resources. (b) A comprehensive plan is a process through which citizen participation and thorough analysis are used to develop a set of strategies that establish as clearly and practically as possible the best and most appropriate future development of the area under the jurisdiction of the planning commission. A comprehensive plan aids the planning commission in designing and recommending to the governing body ordinances that result in preserving and enhancing the unique quality of life and culture in that community and in adapting to future changes of use of an economic, physical or social nature. A comprehensive plan guides the planning commission in the performance of its duties to help achieve sound planning. (c) A comprehensive plan must promote the health, safety, morals, order, convenience, prosperity and general welfare of the inhabitants, as well as efficiency and economy in the process of development. (d) The purpose of a comprehensive plan is to: (1) Set goals and objectives for land development, uses and suitability for a governing body, so a governing body can make an informed decision; (2) Ensure that the elements in the comprehensive plan are consistent; (3) Coordinate all governing bodies, units of government and other planning commissions to ensure that all comprehensive plans and future development are compatible; (4) Create conditions favorable to health, safety, mobility, transportation, prosperity, civic activities, recreational, educational, cultural opportunities and historic resources; (5) Reduce the wastes of physical, financial, natural or human resources which result from haphazard development, congestion or scattering of population; (6) Reduce the destruction or demolition of historic sites and other resources by reusing land and buildings and revitalizing areas; (7) Promote a sense of community, character and identity; (8) Promote the efficient utilization of natural resources, rural land, agricultural land and scenic areas; (9) Focus development in existing developed areas and fill in vacant or underused land near existing developed areas to create well designed and coordinated communities; and (10) Promote cost-effective development of community facilities and services. (e) A comprehensive plan may provide for innovative land use management techniques,

including: (1) Density bonuses and/or density transfer; (2) Clustering; (3) Design guidelines, including planned unit developments; (4) Conservation easements; (5) Infill development; (6) Consolidation of services; and (7) Any other innovative land use technique that will promote the governing body's development plans.

Wisconsin Wis. Stat. § 66.1001 [Encourages comprehensive planning]
66.1001 Comprehensive planning. (1) DEFINITIONS. In this section: (a) "Comprehensive plan" means: 1. For a county, a development plan that is prepared or amended under s. 59.69 (2) or (3). 2. For a city or a village, or for a town that exercises village powers under s. 60.22 (3), a master plan that is adopted or amended under s. 62.23 (2) or (3). 3. For a regional planning commission, a master plan that is adopted or amended under s. 66.0309 (8), (9) or (10).
(b) "Local governmental unit" means a city, village, town, county or regional planning commission that may adopt, prepare or amend a comprehensive plan. (c) "Political subdivision" means a city, village, town, or county that may adopt, prepare, or amend a comprehensive plan.
(2) CONTENTS OF A COMPREHENSIVE PLAN. A comprehensive plan shall contain all of the following elements: (a) *Issues and opportunities element*. Background information on the local governmental unit and a statement of overall objectives, policies, goals and programs of the local governmental unit to guide the future development and redevelopment of the local governmental unit over a 20−year planning period. …(b) *Housing element*. A compilation of objectives, policies, goals, maps and programs of the local governmental unit to provide an adequate housing supply that meets existing and forecasted housing demand in the local governmental unit. The element shall assess the age, structural, value and occupancy characteristics of the local governmental unit's housing stock. The element shall also identify specific policies and programs that promote the development of housing for residents of the local governmental unit and provide a range of housing choices that meet the needs of persons of all income levels and of all age groups and persons with special needs, policies and programs that promote the availability of land for the development or redevelopment of low−income and moderate−income housing, and policies and programs to maintain or rehabilitate the local governmental unit's existing housing stock. (c) *Transportation element*. A compilation of objectives, policies, goals, maps and programs to guide the future development of the various modes of transportation…(d) *Utilities and community facilities element*. A compilation of objectives, policies, goals, maps and programs to guide the future development of utilities and community facilities in the local governmental unit such as sanitary sewer service, storm water management, water supply, solid waste disposal, on−site wastewater treatment technologies, recycling facilities, parks…(e) *Agricultural, natural and cultural resources element*. A compilation of objectives, policies, goals, maps and programs for the conservation, and promotion of the effective management, of natural resources such as groundwater, forests, productive agricultural areas, environmentally sensitive areas, threatened and endangered species, stream corridors, surface water, floodplains, wetlands, wildlife habitat, metallic and nonmetallic mineral resources consistent with zoning limitations under s. 295.20 (2), parks, open spaces, historical and cultural resources, community design,

recreational resources and other natural resources. (f) *Economic development element*. A compilation of objectives, policies, goals, maps and programs to promote the stabilization, retention or expansion, of the economic base and quality employment opportunities in the local governmental unit, including an analysis of the labor force and economic base of the local governmental unit... (g) *Intergovernmental cooperation element*. A compilation of objectives, policies, goals, maps, and programs for joint planning and decision making with other jurisdictions, including school districts, drainage districts, and adjacent local governmental units, for siting and building public facilities and sharing public services. The element shall analyze the relationship of the local governmental unit to school districts, drainage districts, and adjacent local governmental units, and to the region, the state and other governmental units. …(h) *Land−use element*. A compilation of objectives, policies, goals, maps and programs to guide the future development and redevelopment of public and private property. The element shall contain a listing of the amount, type, intensity and net density of existing uses of land in the local governmental unit, such as agricultural, residential, commercial, industrial and other public and private uses. …(i) *Implementation element*. A compilation of programs and specific actions to be completed in a stated sequence, including proposed changes to any applicable zoning ordinances, official maps, or subdivision ordinances, to implement the objectives, policies, plans and programs contained in pars. (a) to (h). The element shall describe how each of the elements of the comprehensive plan will be integrated and made consistent with the other elements of the comprehensive plan, and shall include a mechanism to measure the local governmental unit's progress toward achieving all aspects of the comprehensive plan. The element shall include a process for updating the comprehensive plan. A comprehensive plan under this subsection shall be updated no less than once every 10 years.

Wyoming §9-1-207 [Authorize appointment of state planning coordinator]
§ 9-1-207. State planning coordinator; appointment; qualifications; term; removal; powers; duties. (a) The governor may employ a state planning coordinator, who shall be a qualified elector of the state and who may be removed by the governor as provided in W.S. 9-1-202. (b) In fulfilling the provisions of W.S. 9-1-215, the coordinator may sit as the governor's personal representative on all nonconstitutionally created boards and commissions which are not exclusively licensing in nature. The coordinator shall have the right to speak on behalf of the governor but not to vote. The coordinator shall not sit as the governor's personal representative for purposes of fulfilling the provisions of W.S. 9-1-215 on any boards or commissions on which one (1) or more of the other four (4) elective state officers sit. (c) The governor personally or through his coordinator may: (i) Cooperate with other states and the federal government and its agencies, and with all private concerns, to coordinate planning in the state of Wyoming; (ii) Coordinate the planning activities of all state departments, boards, commissions and agencies in regard to economic, fiscal, educational, social, cultural, recreational and artistic development of the state, for the purpose of creation and implementation of a comprehensive state plan. All plans prepared by state departments, boards, commissions and agencies shall be submitted at least semiannually for review and

comment by the coordinator; (iii) Report to the legislature the comprehensive plan for economic and social development within the state of Wyoming. (d) The governor through the state planning coordinator shall: (i) Develop and advocate official state positions on federal land use issues regarding multiple use of federal lands in Wyoming based on each of the beneficial uses contributed to the state and to its people; (ii) Actively monitor and request federal agencies to include the state government in the early planning stages of various federal land use management decisions; (iii) Notify various individuals, interest and user groups and solicit from them their views regarding pending federal land management issues; (iv) Utilize state agency expertise on specific issues, solicit and coordinate appropriate agency comments on pending federal land issues; and (v) Review comments from individuals, interest and user groups and state agencies, as well as other sources of information and prepare, submit and advocate the state of Wyoming's official position to federal land use management issues; and (vi) Prepare a biennial report to include: (A) Current state positions regarding federal land use management in Wyoming; (B) Activities of the state planning coordinator regarding federal land use management issues; and (C) Impacts of the federal land use management issues and decisions on the state of Wyoming.

7. Make development decisions predictable, fair, and cost effective

New York N.Y. State Finance Law § 54 [State incentive for regional consolidation] Per capita state aid for the support of local government. (v) Twenty-first century demonstration project grants. (1) Within the amounts appropriated therefor, subject to a plan developed in consultation with the commission on local government efficiency and competitiveness and approved by the director of the budget, the secretary of state may award competitive grants to municipalities to cover costs associated with a functional consolidation or a shared services agreement having great potential to achieve financial savings and serve as a model for other municipalities, including the consolidation of services on a multi-county basis, the consolidation of certain services countywide as identified in such plan, the creation of a regional entity empowered to provide multiple functions on a countywide or regional basis, the creation of a regional or city-county consolidated municipal government, the consolidation of school districts or supporting services for school districts encompassing the area served by a board of cooperative educational services, or the creation of a regional smart growth compact or program.

Pennsylvania 53 P.S. § 10701-A [Authorizes encouragement of efficient use] "(a) This article grants powers to municipalities for the following purposes: (4) to encourage a more efficient use of land and of public services to reflect changes in the technology of land development so that economies secured may benefit those who need homes and for other uses;"