

Incentive-Based Techniques



**ALABAMA WATERFRONT ACCESS STUDY
COMMITTEE**

Current Use Taxation



- Traditional property tax assessments are at the rate of best use, highest use or fair market value.
- Alabama has implemented current use taxation to help retain farmland for agricultural uses.
- Would reduce the economic pressures on working waterfront property owners to sell their valuable and desirable water-front property for non-water-dependent developments.
- Implemented by North Carolina, Maine, and Florida

Property Tax Deferrals



- Deferment of taxes should the property be assessed at best or highest use.
- If the property is taxed at the current use rate, the property owner can defer the difference in the tax amount until such time as the property no longer meets any of the conditions or requirements of the current use classification.
- Some communities have passed ordinances that defer ad valorem taxes and non-ad valorem assessments.

Land Trusts



- Conservation easements on working waterfront properties which could be held by existing land trusts, or through the creation of a land trust.
- Easements are held in perpetuity, regardless of changes in land ownership.
- A method for non-profits and communities to preserve targeted lands.
- Utilized by many states, including Hawaii, Maine, and North Carolina.

Bonds



- Public port authorities can issue bonds to finance infrastructure needs such as access roads and other fisheries-related services to working waterfront facilities.
- State Industrial Development Authority to sell bonds to make grants to counties, municipalities and other authorities to pay for site preparation for land owned or leased by these entities.
- Utilized in Maine.

Zoning



- Municipalities and towns can designate how specific parcels of land are to be used.
- Can be applied to maintain diversity along the waterfront.
- May incorporate overlay zoning or historic districts.
- Utilized in Maryland, Maine, Florida, and North Carolina.

No Net Loss Policy



- Requires developers to find a waterfront space at some other location that is of equal size to the displaced business.
- Implemented in Martin County, Florida.

Purchase and Transfer of Development Rights



- Serves to limit undesirable development and ensure that the property owner is compensated for the fair value of any limitation on the development of the property.
- Development rights of a particular property are purchased from the property owner, which permits the property to continue to be used in its current capacity, but restricts any further development of it by the present or future owner.

Purchase and Transfer of Development Rights



- Current use becomes its best use, qualifies the property owner to a reduced tax burden.
- Rights would transfer to a Land Trust or other appropriate non-profit.
- Applied in agricultural uses.
- Currently not widely used protection strategy.

Federal, State and Local Initiatives



- Agencies at the Federal and State levels could provide planning assistance and funding.
- Development of waterfront plans at the community level, including include current and future coastal, recreational and land-use elements.