



Transferrable Development Rights

as a tool for Historic Preservation

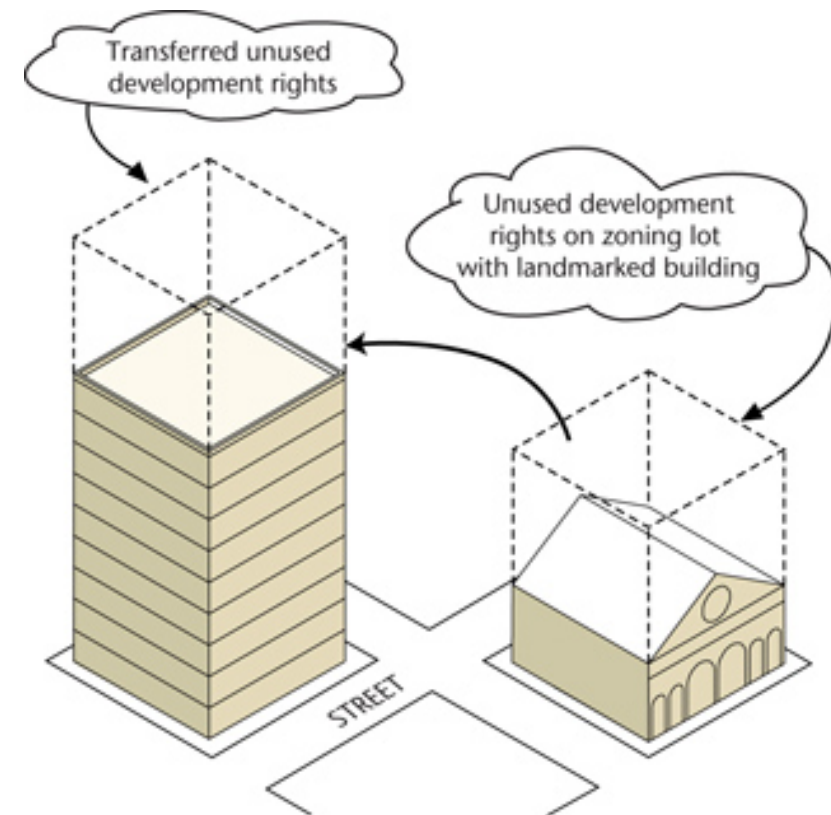
Metro Historic Zoning Commission Work Session

November 19, 2025

Transferrable Development Rights (TDRs)

What are TDRs?

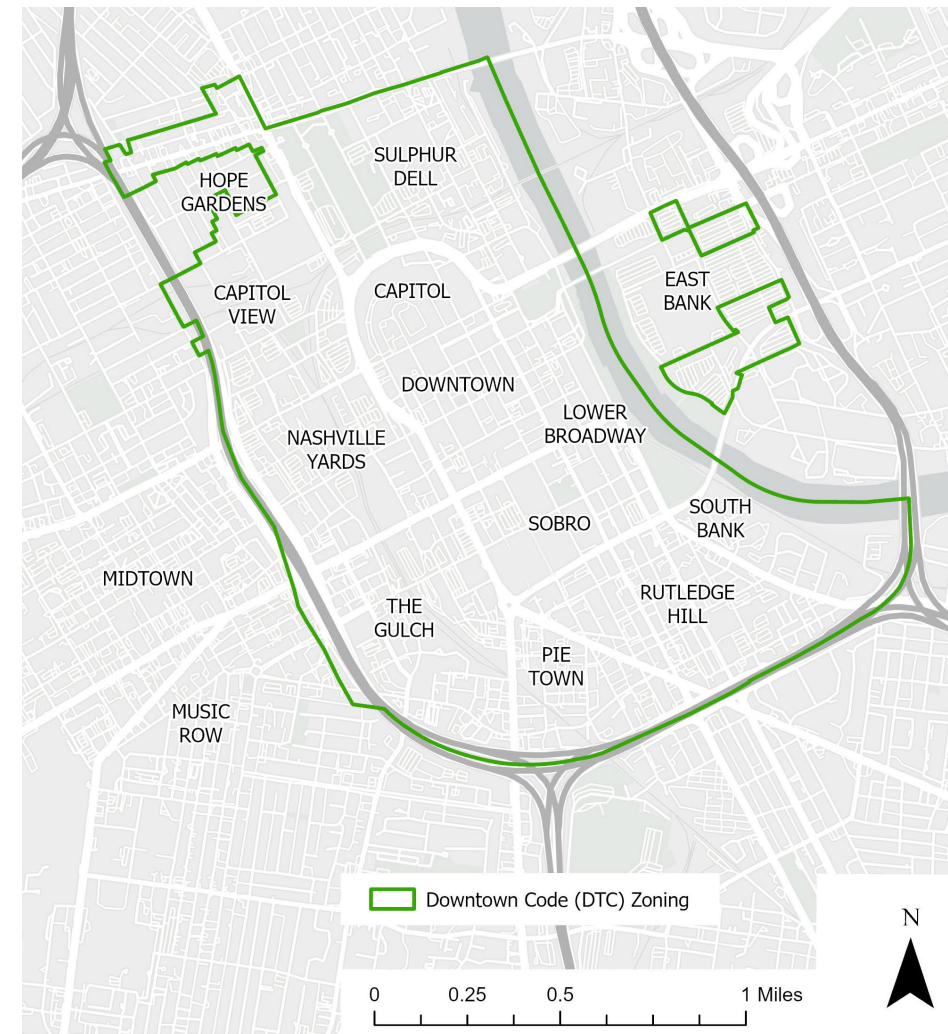
- A transaction between property owners where air rights are transferred in exchange for value
- Use growth and development to preserve historic character and authenticity



TDRs in Nashville

Downtown Code (DTC) Zoning:

- Using the DTC's Bonus Height Program (BHP), property owners can earn additional entitlements in exchange for a variety of specified public benefits
- The Preservation Bonus Option allows an eligible building's unused entitlements to be transferred to another property with DTC zoning
- Eligible buildings must be zoned DTC and must meet the DTC's definitions of "Historic Asset" or "Cultural Asset"



Transfers to Date (Sending Sites)



421 Church St (WOC)



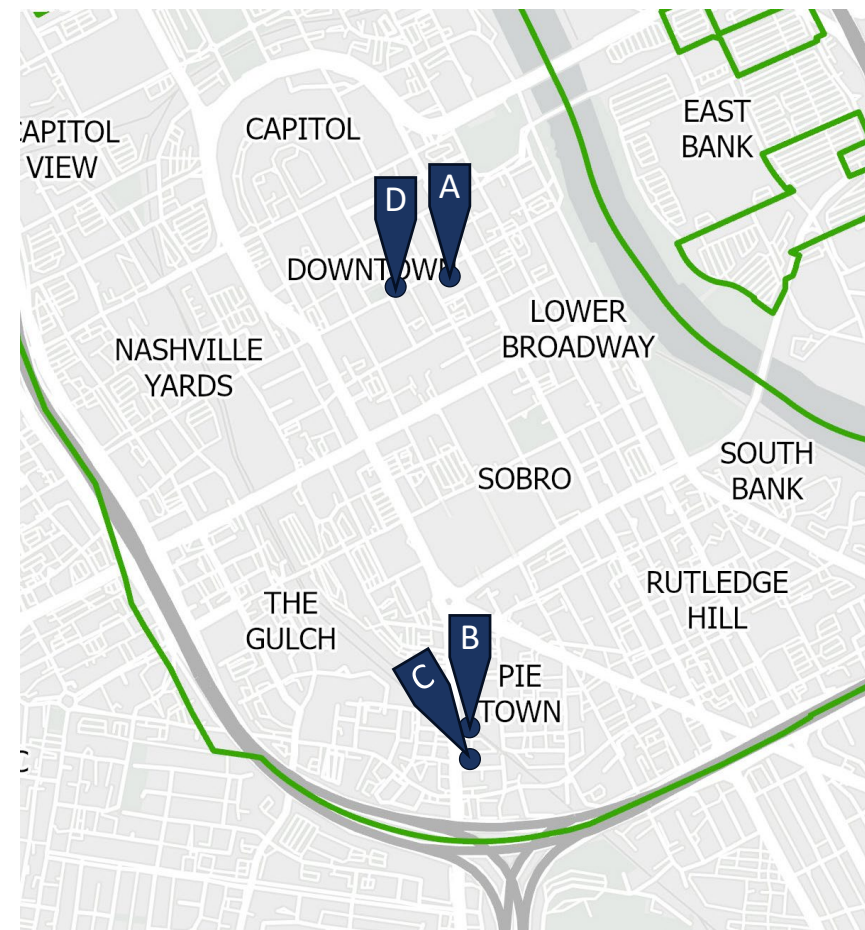
606 8th Ave S (WOC)



700 8th Ave S (NRE)



530 Church St (NR)



Transfers to Date (Receiving Sites)



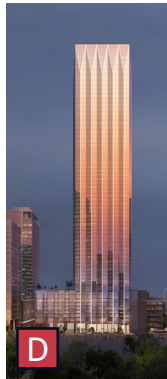
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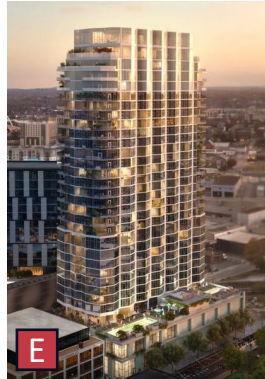
Prime



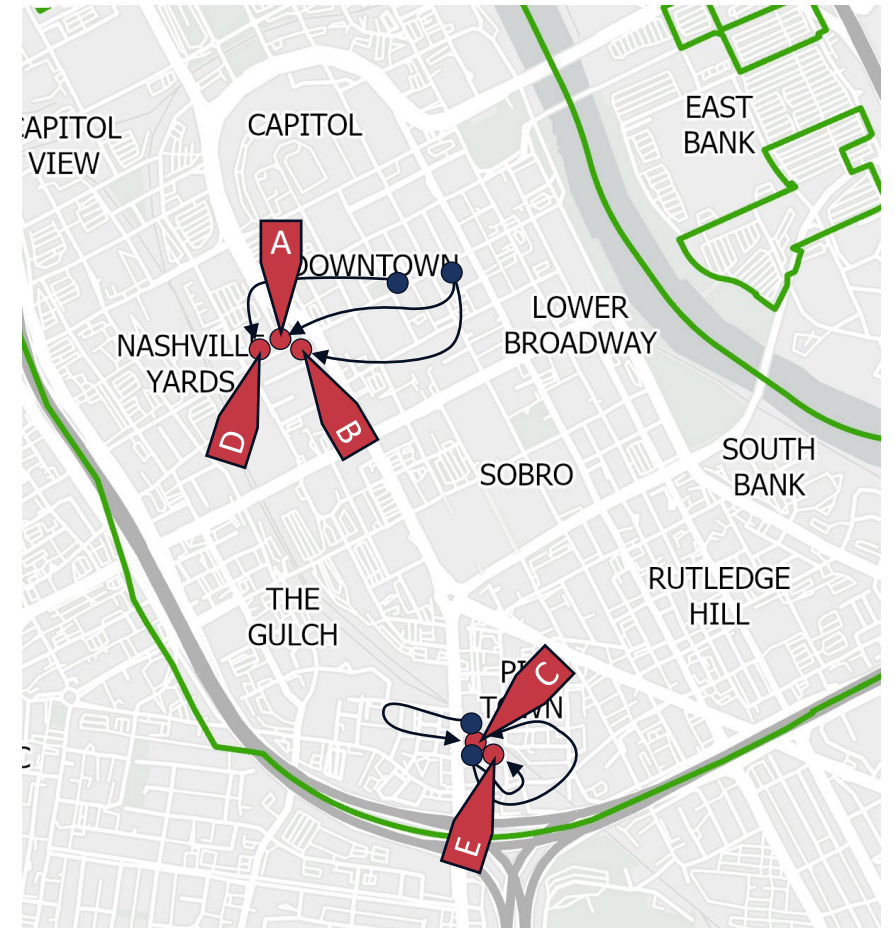
Prima



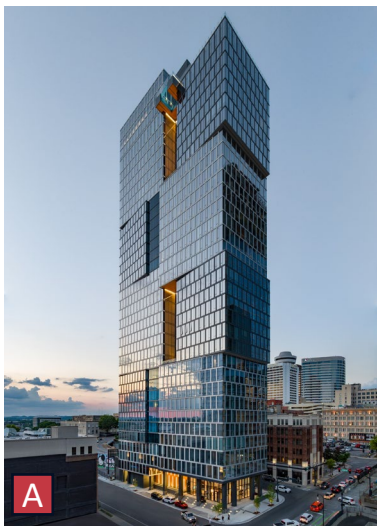
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Pendry



Transfers to Date (Receiving Sites)



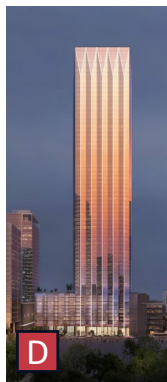
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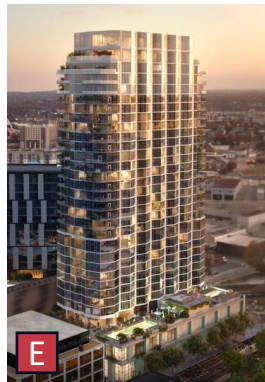
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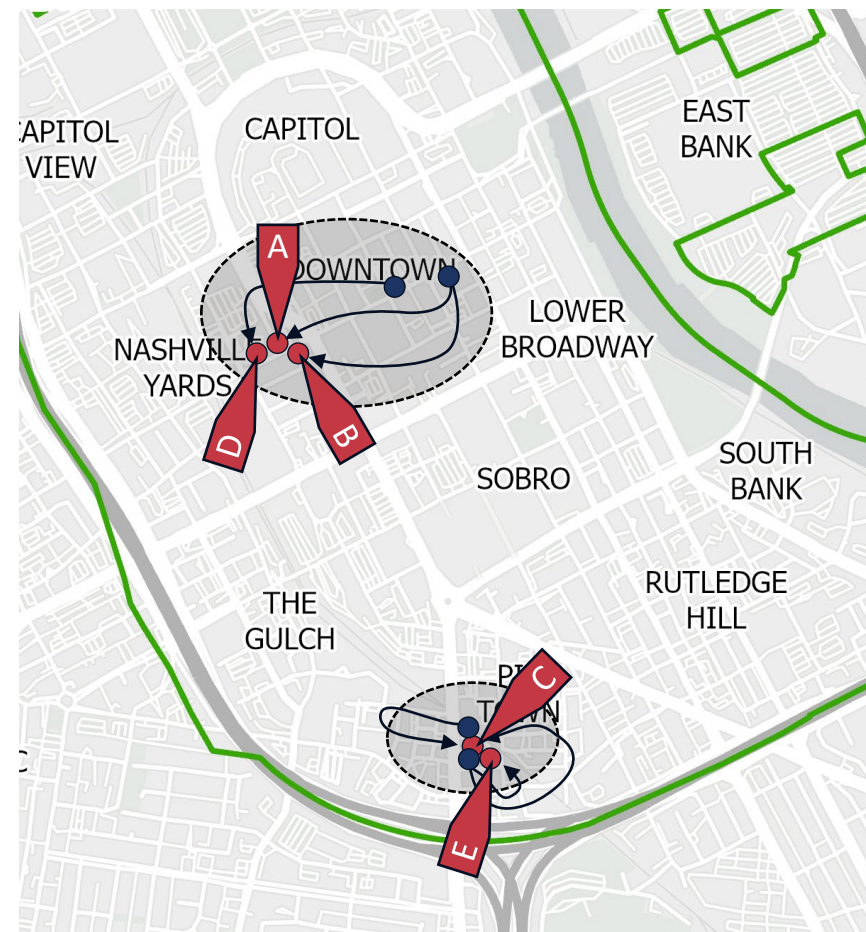


D
Paramount



E
Pendry

while not required, TDRs have only been used by common ownership





2025 Update to the BHP

Metro Council adopted a comprehensive update to the BHP in June 2025

This update strengthened the Preservation Bonus Option by:

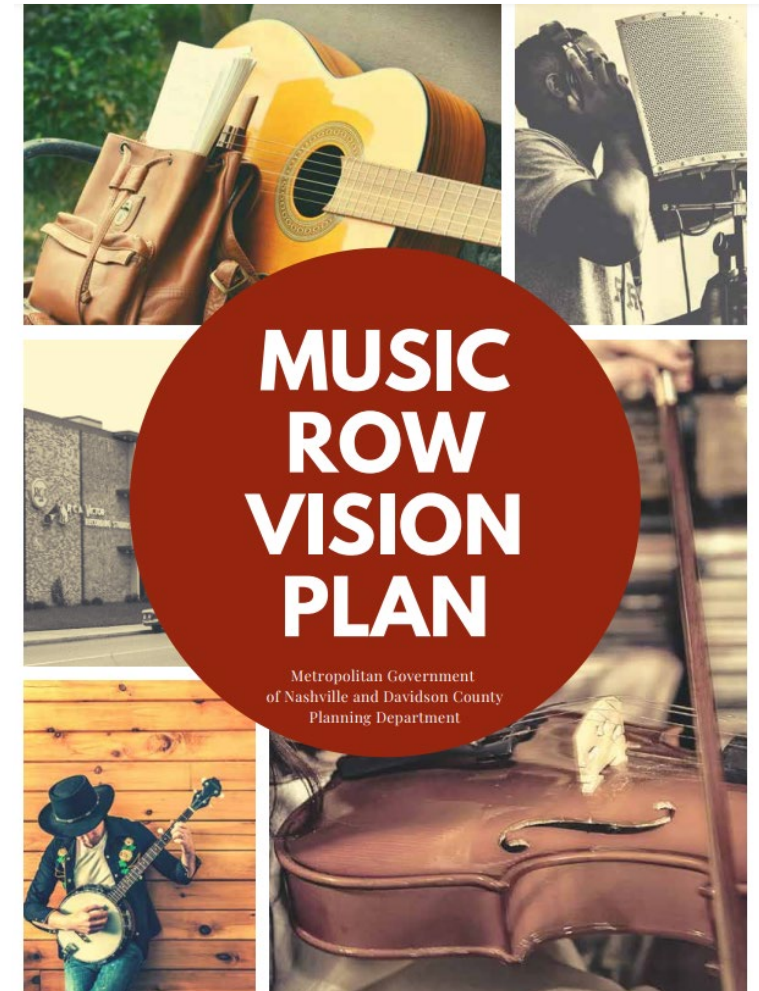
- Expanding eligibility and raising the incentive value of preservation
- Tying bonus calculations to both building size and site entitlements to improve fairness across sites
- Requiring preservation bonuses to be used when Historic Assets are present
- Creating off-site transfer mechanisms when preservation bonuses cannot be applied appropriately on-site

Music Row Vision Plan

Adopted by MPC on June 27, 2019

Recommendations:

- Form-based code
- Preserve campus-like atmosphere
- Discourage intrusion of large-scale multifamily
- Promote "third-places" and music-related uses
- Thoughtful transitions in scale from Midtown and to Edgehill
- Transferrable Development Rights Program





Music Row TDR Feasibility Study

Prepared by Economic & Planning Systems, Inc. in 2018

Recommendations:

- TDRs should be available by-right
- Sending sites should be limited
- Metro should allocate funds for seeding the bank
- Metro should limit SP zoning in TDR receiving areas
- Future use of the sending site should be limited



Case Studies from RCLCO

Planning has partnered with RCLCO Real Estate Consulting to test and refine potential TDR structures as part of a broader economic study

Programs researched:

- Nashville Bonus Height Program
- City of Seattle Landmark TDR
- King County, WA TDR Bank
- Montgomery County, MD TDR
- Palm Beach County TDR Bank

Topics researched:

- City vs. third-party management of bank
- Prioritization of multiple incentive options
- Pricing and valuation of TDRs
- Outreach and education

Next Steps

MHC staff is finalizing a survey of the study area.

Ultimately, RCLCO and staff will prepare recommendations – informed by technical feasibility, economic testing, and engagement with stakeholders, including MHZC and MPC.





Discussion

- What thoughts or questions do you have about existing uses of TDRs in Nashville?
- What should staff consider/contemplate as we dive into next steps?
- How would you, as a commission, like to engage as we move forward?