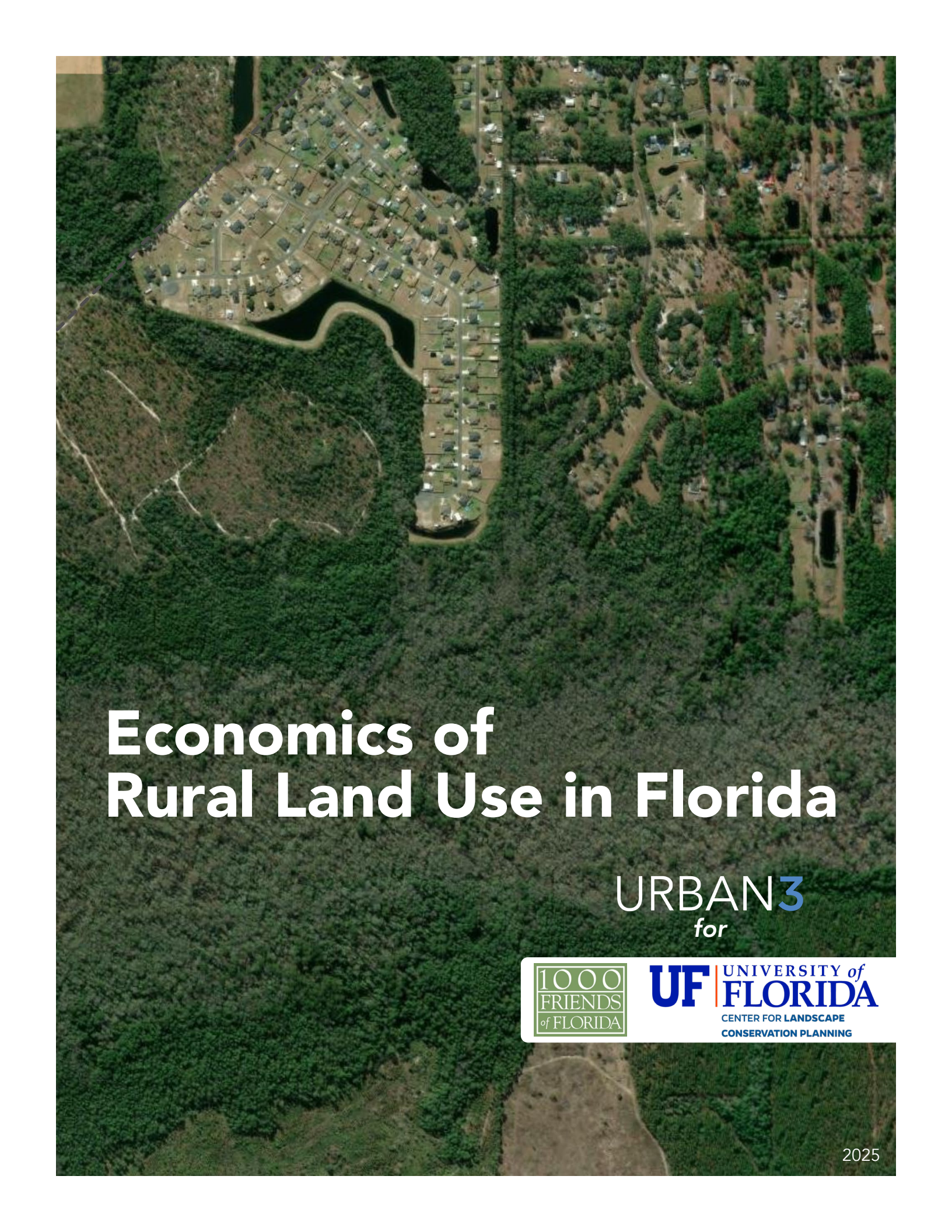




Economics of Rural Land Use in Florida

URBAN³
for



Glossary

Assessed Value

The valuation of a real estate asset that determines the amount of property tax applicable to it.

Conservation Easement

A voluntary, legally binding agreement between a landowner and a land trust or government entity that restricts certain uses of the land to protect its conservation values -- limiting future development to preserve the land's natural, scenic, or open space qualities.

Ecosystem Services

The direct and indirect benefits that an ecosystem provides to humans.

Infill Development

The process of developing vacant or under-utilized parcels within existing urban areas that are already largely developed.

Land Uses

Regulating the use of land to achieve urban and regional planning goals; land uses include commercial, residential, industrial, agricultural, open space, recreational, etc.

Mixed-Use Development

A development that combines two or more land uses on one site. A classic mixed-use development type is a building with ground-floor retail spaces and apartments above.

Parcel

Area of land that is owned (i.e. lot, plot).

Return on Investment (ROI)

The measure of how much is earned over the course of an investment relative to the initial investment; profit minus cost.

Sea Level Rise

An increase in the total volume of ocean water, which is a result of melting glaciers and polar ice sheets, as well as the natural expansion of water as it warms.¹

Single Family Attached Housing

Single family housing type where the parcel and the dwelling structure touch the property line and exterior wall of another dwelling.

Single Family Detached Housing

Single family housing type where the parcel and the dwelling structure(s) are owned by one owner, and not physically touching another parcel or structure.

Single Family Housing

A residential development intended to house only one family at a time.

Storm Surge

The abnormal rise in seawater level during a storm, measured as the height of the water above the normal predicted astronomical tide.²

Stormwater Runoff

The water from rainfall that flows over land surfaces like streets, rooftops, and lawns instead of being absorbed into the ground

¹ nrdc.org
² oceanservice.noaa.gov

Table of Contents

Glossary ii

About the Authors. iv

Introduction 6

Rural Land Use Economics 7

The Benefits of Compact Development 9

The Value of Ecosystem Services 11

 Stormwater 12

Case Study: Eastern Shore, Maryland 14

Land Conservation Tools. 15

Costs and Benefits of Land Use Choices. 18

 1. Agriculture Scenario 19

 2. Natural Area with Conservation Easement Scenario 20

 3. Low Density Residential Development Scenario 20

So, What Now? 21

Works Cited 23

About the Authors

URBAN3

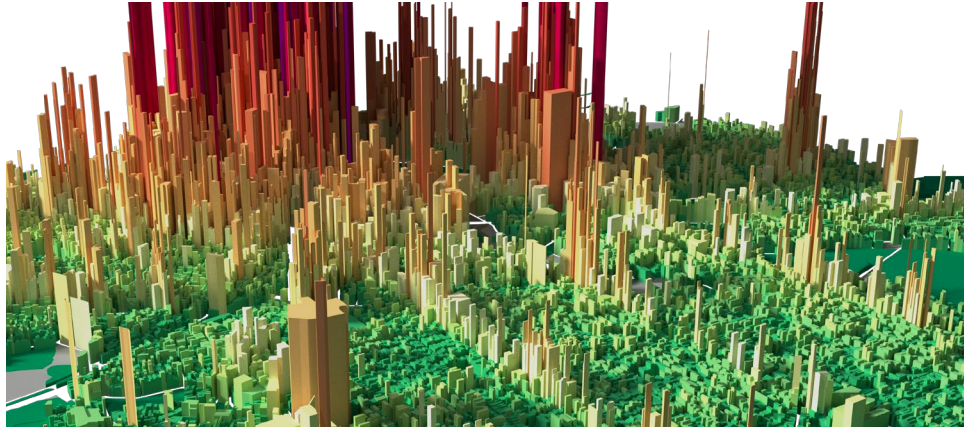


Image credit: Urban3

We are a consulting firm specializing in land value economics, property tax analysis, and community design. Our approach bridges the gap between economic analysis, public policy, and urban design. Our work will empower your community with the ability to promote development patterns that both secure its fiscal condition and create a strong sense of place.

We provide communities with an in-depth understanding of their financial health and built environment by measuring data and visualizing the results.



Photo credit: 1000 Friends of Florida

For more than half a century, Florida has depended on growth and sprawling development to fuel its economy. Sadly, we continue to experience the tragic consequences of this approach, which has been likened by some to a “Ponzi scheme.” Since 1986, 1000 Friends has been leading the way to a more sustainable future for Florida. We educate, advocate, and negotiate to protect our quality of life. Citizen involvement is at the heart of all we do. We conduct webinars and workshops, prepare special reports, and maintain a robust website to share information on Florida’s planning process. Through projects like Sea Level and Agriculture 2040/2070, we share visions of what our state could look like if more sustainable patterns of development are followed. We also advocate on behalf of citizens in the halls of the Legislature and in city and county chambers, and work to promote sound public policy on growth and development issues.



Photo credit: University of Florida

The Center for Landscape Conservation Planning was established in 2010 to provide an official forum within the University of Florida's College of Design, Construction and Planning for conducting applied research on the relationship between conservation, green infrastructure, and land use. The Center is affiliated with the Department of Landscape Architecture, forming a bridge between the disciplines of design, planning and wildlife conservation, and providing applied learning opportunities for students. Results of the Center's research are used to influence public policy through education and direct involvement in the application of relevant science, technology, sound planning principles, and state-of-the-art methods of conservation analysis, planning and management.

Introduction

Urban3 has been in the practice of visualizing land-use economics for over a decade. We have analyzed hundreds of municipalities in 42 states, as well as communities in Canada, Australia, and New Zealand. Our portfolio includes 19 of Florida’s 67 counties. Although no two communities are identical, even in the same state, there are patterns and lessons that emerge to help policy makers better understand the forces that shape community development.

Urban3, in partnership with 1000 Friends of Florida, the University of Florida Center for Landscape Conservation Planning, and Live Wildly, produced a 2024 report titled The Economics of Development in Florida. This report highlights important examples and key takeaways from Urban3’s significant body of work in Florida and other communities around the country. Major findings include:

- **Low-density development patterns are a financial burden on local governments and taxpayers.** This is largely because the cost of maintaining infrastructure systems (like roads and utilities) that serve low-density developments is higher than the revenues (particularly property taxes) to cover the costs. Local governments often do not have to pay for the initial construction of these infrastructure systems in new developments, but then will be faced with ongoing operation and maintenance costs that outstrip the revenue they generate (Figure 1). Taxpayer dollars are then utilized to subsidize the costs to maintain this new infrastructure.
- **More dense, walkable, mixed-use development patterns tend to produce far more tax revenue than is needed to cover the costs of serving those areas** (Figure 2). These areas, such as downtowns, end up helping to subsidize the areas that are less productive.



Figure 1.
Source: Eugene, OR (2019); Google Maps

Revenue & Cost of Theoretical Development

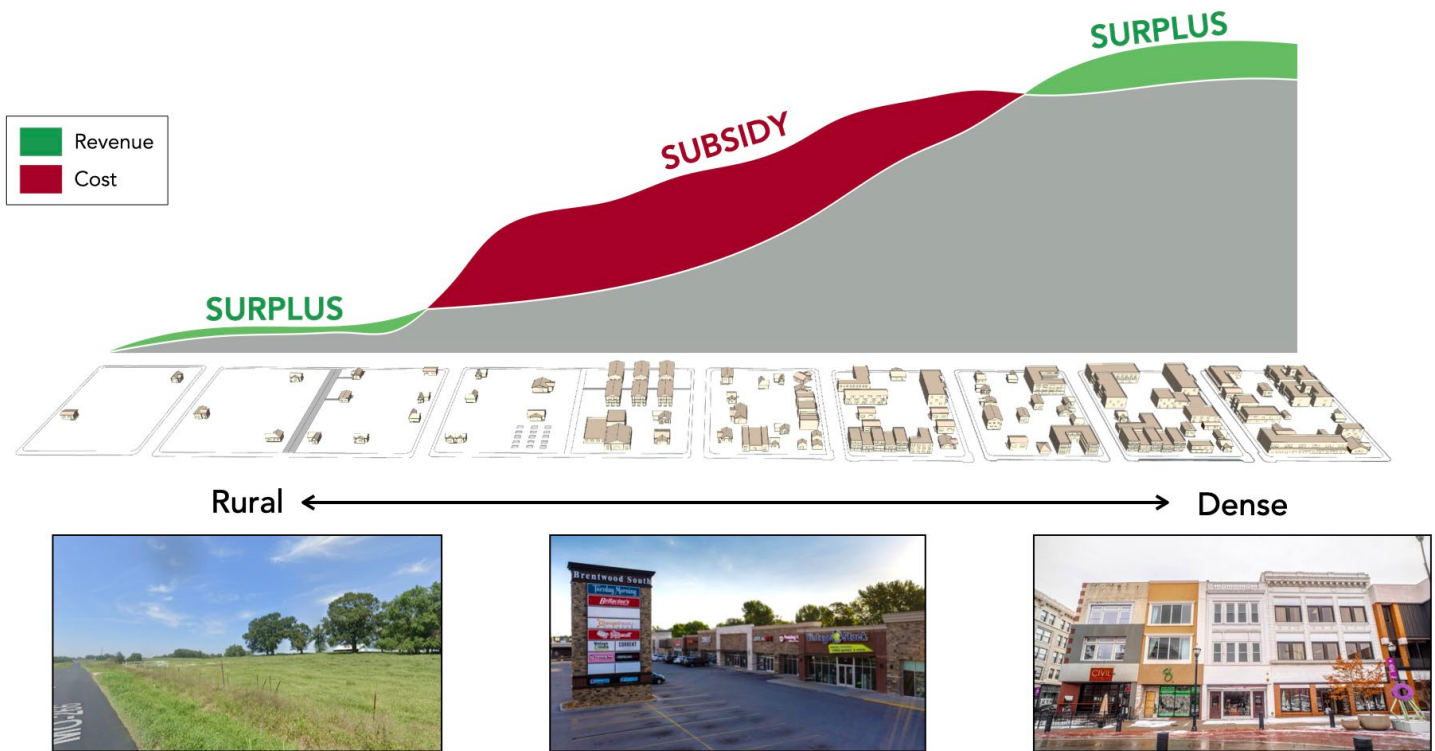


Figure 2.
Source: Urban3, Google Maps

For more information on both *The Economics of Development in Florida* and *The Economics of Rural Land Use in Florida*, visit 1000fof.org/priorities/fiscal.

Rural Land Use Economics

The focus of this report is on understanding the economic realities of different land use types that either are common in rural areas in Florida or represent development scenarios commonly facing rural areas due to pressures associated with population increase, climate migration, financial incentives, and other factors. As Florida's local governments face choices regarding what development to approve through changes to comprehensive plans, zoning, and land development regulations, it is important to understand how different development patterns perform and impact the long term financial health of the local government.

More densely populated than states like New York and Ohio, Florida is also the most densely populated state in the southern United States. Despite this, vast expanses of land remain natural or are considered "working lands" in agricultural use. For instance, roughly a third of Florida's 36.6 million acres of land are in agriculture today, with about 41% used for grazing, 37% for silviculture, and the remaining 22% for other agriculture, including crops and nurseries.

The importance of agriculture to the state's economic health is significant. According to the University of Florida Institute of Food and Agricultural Science (IFAS), the direct economic contributions of the agriculture, natural resource, and food industries in 2019 included \$106 billion in sales and 1,279,638 jobs (University of Florida Institute of Food and Agricultural Science et al., 2024). Maintaining agriculture provides food security, which is of growing importance. Additionally, many of these agricultural lands provide other financial benefits, like eco-

Florida's Projected Inland Population Migration

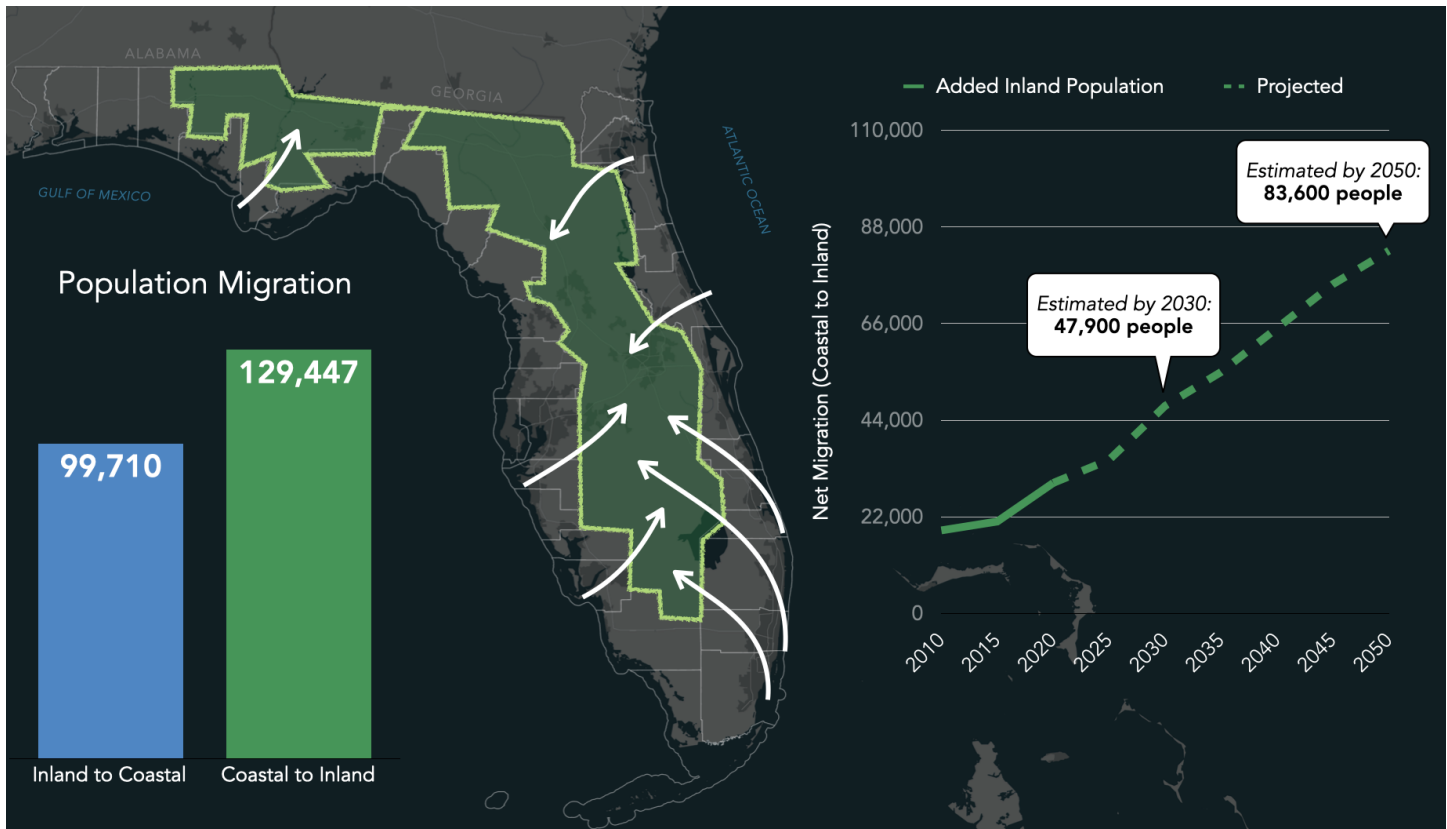


Figure 3.
Source: American Community Survey (2016-2020)

system services, which will be discussed later.

But moderate population projections reveal that by 2070, Florida's population could grow by 10 million new residents. If Florida continues with current sprawling development patterns, close to a quarter of the state's land could be developed, a 63% increase when compared with 2019. This represents a loss of approximately 3.5 million acres of land to development, including approximately 2.2 million acres of agricultural land. (Agriculture 2040/2070, 2024). With sea level rise and the potential in-migration of coastal populations, pressure on Florida's inland agricultural and natural lands will only intensify (Figure 3). By 2070, it is projected that Florida will lose about 1.7 million acres of land to sea level rise inundation, forcing the relocation of about 900,000 residents (Sea Level 2070, 2023). According to the U.S. Census' County-to-County Migration Flows (US Census Bureau, 2023), from 2015 to 2019, more than 100,000 Miamians left the county. The majority, approximately 24,000, found new homes in Broward County. Most other migrants stayed in Florida, though some relocated to Texas and even New York City. Existing trends suggest that by 2050 approximately 85,000 Floridians will move to inland counties. For rural landowners facing challenges in continued agricultural production, selling land is a common response. Once sold, it is common for property to be developed in a low-density, largely residential, pattern.

"By 2070, it is projected that Florida will lose about 1.7 million acres of land to sea level rise inundation, forcing the relocation of about 900,000 residents."

This report addresses a series of questions on how agricultural lands, conservation easements, and differing

development patterns impact a local government’s long term financial health and the relationship between development and rural land uses through a series of questions. How do lower-density development patterns compare to more dense development patterns in terms of their financial burden on local government budgets? What are the environmental benefits of agriculture and conserved natural lands, and how can we quantify these services so they can be incorporated into economic conversations? Do conservation easements put a strain on local governments by reducing their property tax revenue stream even though they are likely to reduce future service needs? How do low-density development patterns compare to agricultural areas or lands with conservation easements in terms of their net financial position? What does conversion of rural land uses to low-density development patterns mean for the long-term financial health of local governments?

The Benefits of Compact Development

Urban3 has studied land use economics for over a decade. Although no two communities are identical, Urban3’s work consistently reveals that:

1. communities of all sizes and locations are struggling to afford essential infrastructure, and
2. compact development patterns produce far more tax revenue than is needed to cover the cost of its infrastructure.

It is often the most dense, walkable areas of a community, such as downtown areas, that help subsidize areas that are not as tax productive. By capitalizing on the potency of urban areas, or even building new ones following the principles of good urban design, communities can increase their fiscal sustainability.

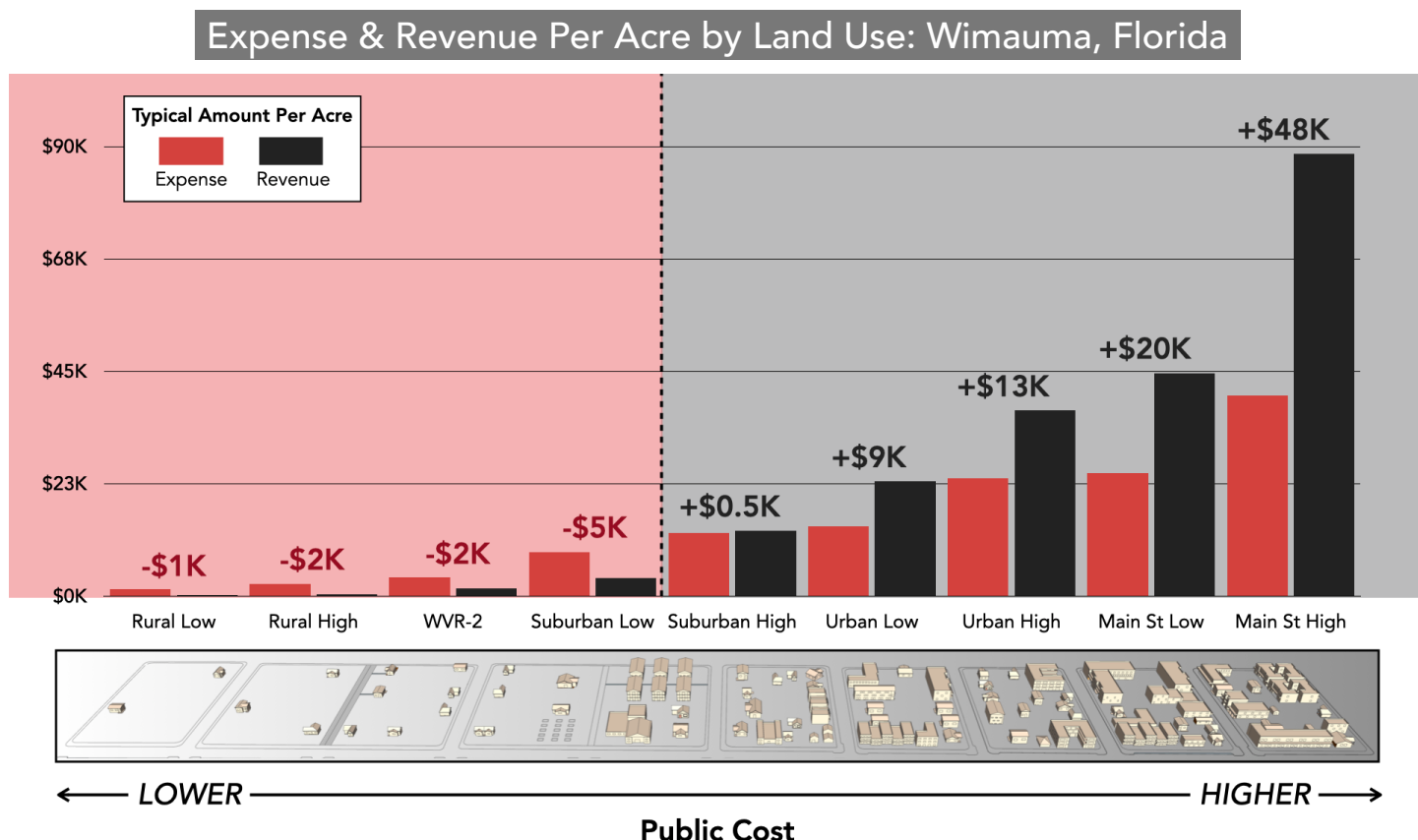


Figure 4.
Source: Hillsborough County FL Assessor, Urban3 Estimates

Urban3’s studies have shown that lower-density single-family development results in a net loss when subtracting their infrastructure costs from revenue contributions (Figure 4). This isn’t necessarily problematic, but it becomes so when this pattern is developed at large scales. Rural patterns can be productive, but only when they are truly rural and demand low levels of service and less infrastructure.

Figure 5 compares the net return of three different development densities. Each neighborhood contains 32 homes, but these neighborhoods vary in the size of their development footprints. The Low Density neighborhood contains 32 homes on 39 acres, which translates to a density of 0.75 dwelling units per acre. Meanwhile, the Medium Density neighborhood hosts the same number of homes on 15 acres (2 dwelling units per acre). Finally, the High Density neighborhood on 8 acres (4.4 dwelling units per acre). These ranges of densities were used to demonstrate how the same number of homes in less land area is more tax productive, accrues less infrastructure costs, and frees undeveloped land that is better suited to be utilized as natural or agricultural land.

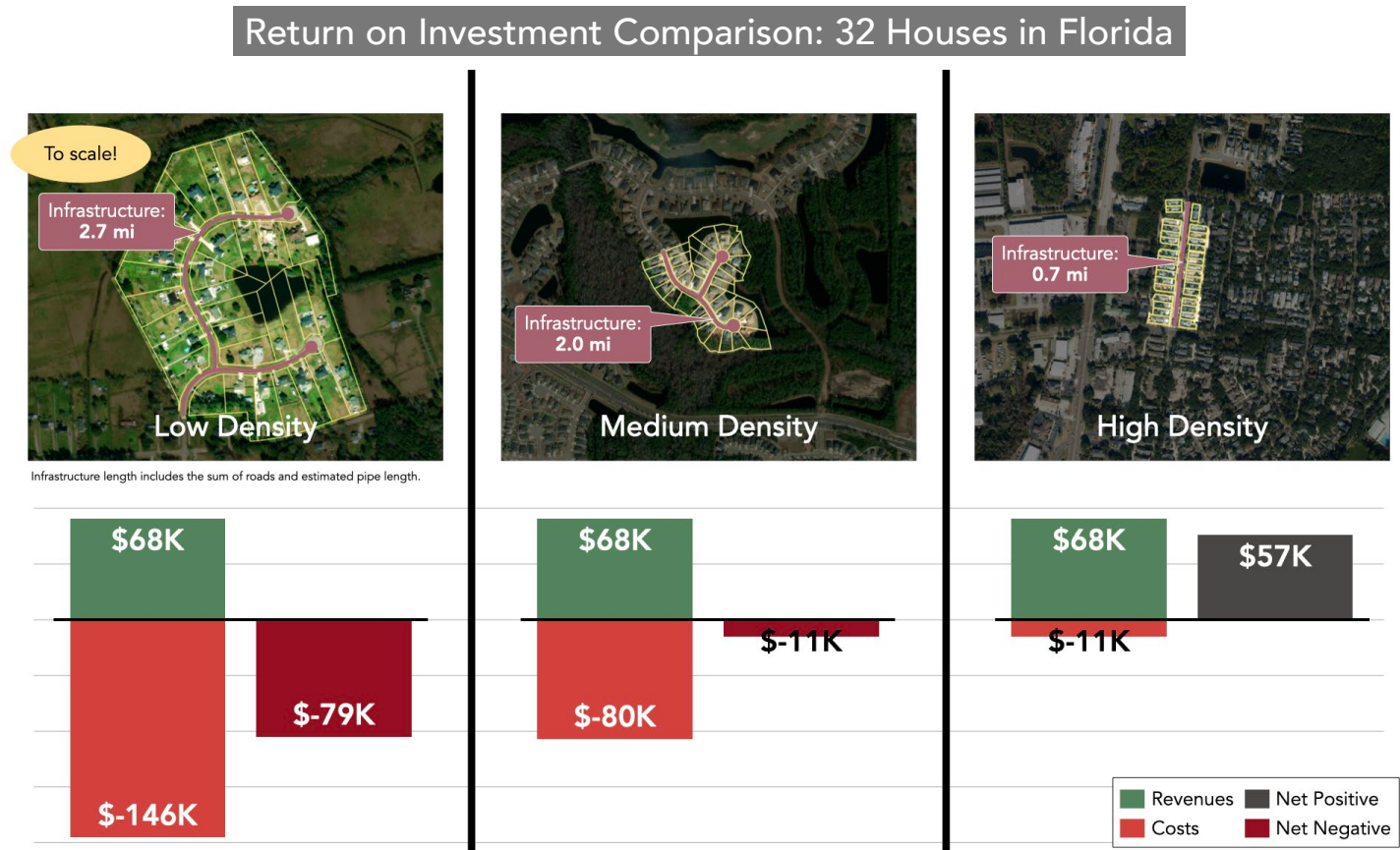


Figure 5.
Source: Google Earth, Urban3 Estimates

To further illustrate the financial burden of infrastructure, this example assumes that each neighborhood generates the same amount of property tax revenue to show how land consumption impacts infrastructure demands. The Low Density neighborhood occupies the most land and requires the greatest amount of infrastructure—such as roads, utilities, and public services—resulting in the highest costs. Conversely, the High Density neighborhood requires the least amount of infrastructure and therefore brings a net positive return for the community. This comparison illustrates how dense development patterns can be more fiscally sustainable by reducing infrastructure costs while maintaining the same tax revenue generation.

A byproduct of more concentrated development is that it also conserves more land. Investing in urban spaces

alleviates development pressures on the outskirts of a community, preserving land for uses that better serve the public—and have the increased potential to provide ecosystem services.

The Value of Ecosystem Services

Ecosystem Services:
**"What
Nature
provides us
for free"**

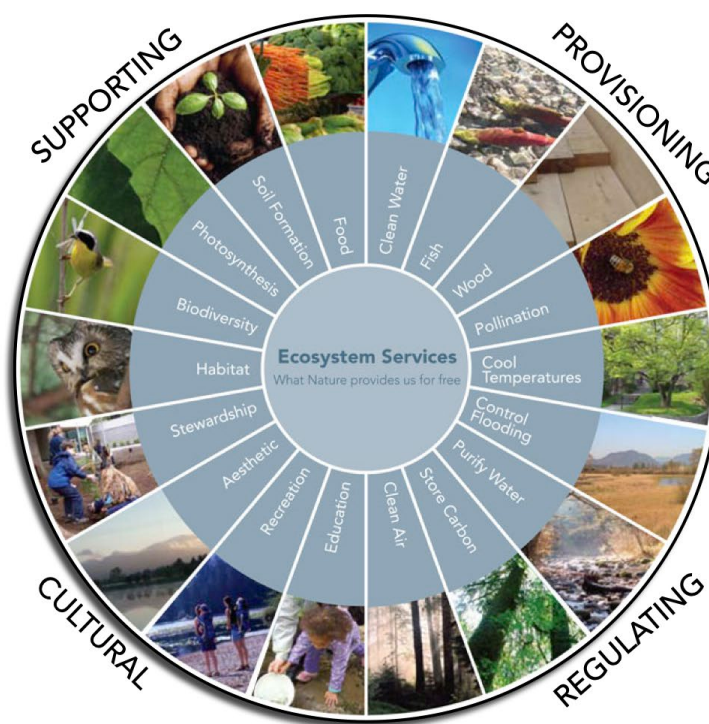


Figure 6.
Source: ecology.fnal.gov

In order to understand the environmental benefits of conserved lands, we must first look at the impact they have on the economic system. Ecosystem services (Figure 6) refer to the direct and indirect benefits that an ecosystem provides to humans (US Forest Service Research and Development).

Examples of ecosystem services include protecting water supply and quality; providing flood control; supporting climate resilience; sequestering carbon; harboring wildlife; promoting outdoor recreation; and contributing aesthetic value.

Ecosystem services are inherently difficult to quantify as they often go unseen, yet disruptions to these systems can have profound effects on human livelihoods and local economies. Conserved natural lands, along with agroecosystems such as rangelands and timberlands, play a critical role in sustaining these essential services (US Forest Service Research and Development).

The economic impacts that ecosystem services provide may also be known as nonmarket values. These are values that do not involve market transactions or prices, yet have a genuine impact on local economies (Clawson, 2021). Although challenging to quantify, estimating the economic value of ecosystem services can help us communicate their economic importance, and reinforce the ways in which our food and economic systems depend on them.

The Florida Fish and Wildlife Conservation Commission's Payment for Ecosystem Services (PES) pilot panther program offers one example of a program that financially compensates landowners for the ecosystem services their lands provide (Draper et al., 2023). Its objective is to "provide a financial incentive to private landowners who provide and maintain high-priority panther habitat and landscape connectivity for panthers." The goal is to provide landowners with a source of income for conserving their land, and thereby disincentivize selling the land to be developed.

Florida contains 5.4 million acres of pastures and rangelands, which generate approximately \$4.6 billion annually in nonmarket ecosystem services, according to the 2023 report, *Paying for Ecosystem Services in Florida*, by Archbold and the Florida Wildlife Corridor Foundation (Draper et al., 2023). Urban3 utilizes Archbold's estimates to value the economic contribution that ecosystem services generate on agricultural and conserved natural lands (Figure 7).

It is important to note that there are ecosystem services not considered in this equation, so this estimate is conservative. In the following pages of this report, we will examine the potential costs and revenues that agricultural and conserved natural lands, as well as different development scenarios, can provide for municipalities.

Stormwater

The benefits of ecosystem services can also be measured by examining their impact on "green" or "grey" stormwater infrastructure. Grey infrastructure refers to

the traditional stormwater systems in the built environment, such as gutters, drains, and retention basins; while green infrastructure seeks to mimic the existing natural environment and promotes the permeability of rainwater where it falls (US EPA, 2025). Stormwater systems are directly impacted by the presence (or absence) of impervious surfaces such as roads, rooftops, and driveways, as well as natural infrastructure that detains, stores, or treats runoff such as forest and wetland systems.

A Missouri study found that, on average, a single tree absorbs approximately 2,270 gallons of rainfall per year (McPherson et al., 2006). Using this metric, Urban3 compared stormwater runoff and absorption between a low-density developed neighborhood and a forested parcel of similar size (Figure 8). While the developed parcel might have a handful of trees and grass that provide some stormwater absorption, this does not outweigh the amount of runoff that the neighborhood's impervious surfaces produce. Meanwhile, the forested parcel (which contains no impervious surface), does not produce any stormwater runoff. Rather, it has the potential to absorb 41,000 gallons of rainfall before it enters the stormwater system. This analysis highlights the critical role of green spaces in mitigating infrastructure costs, reducing flood risks, and enhancing environmental resilience.

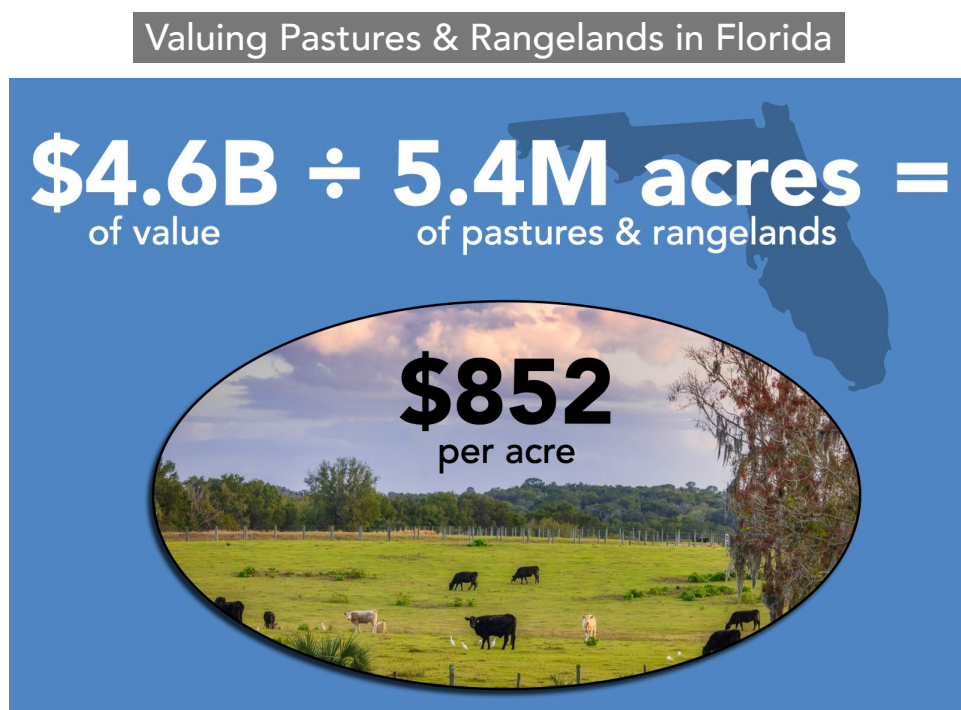


Figure 7.
Source: *Paying for Florida's Ecosystem Services* (2023)

Comparison: Impact of Trees

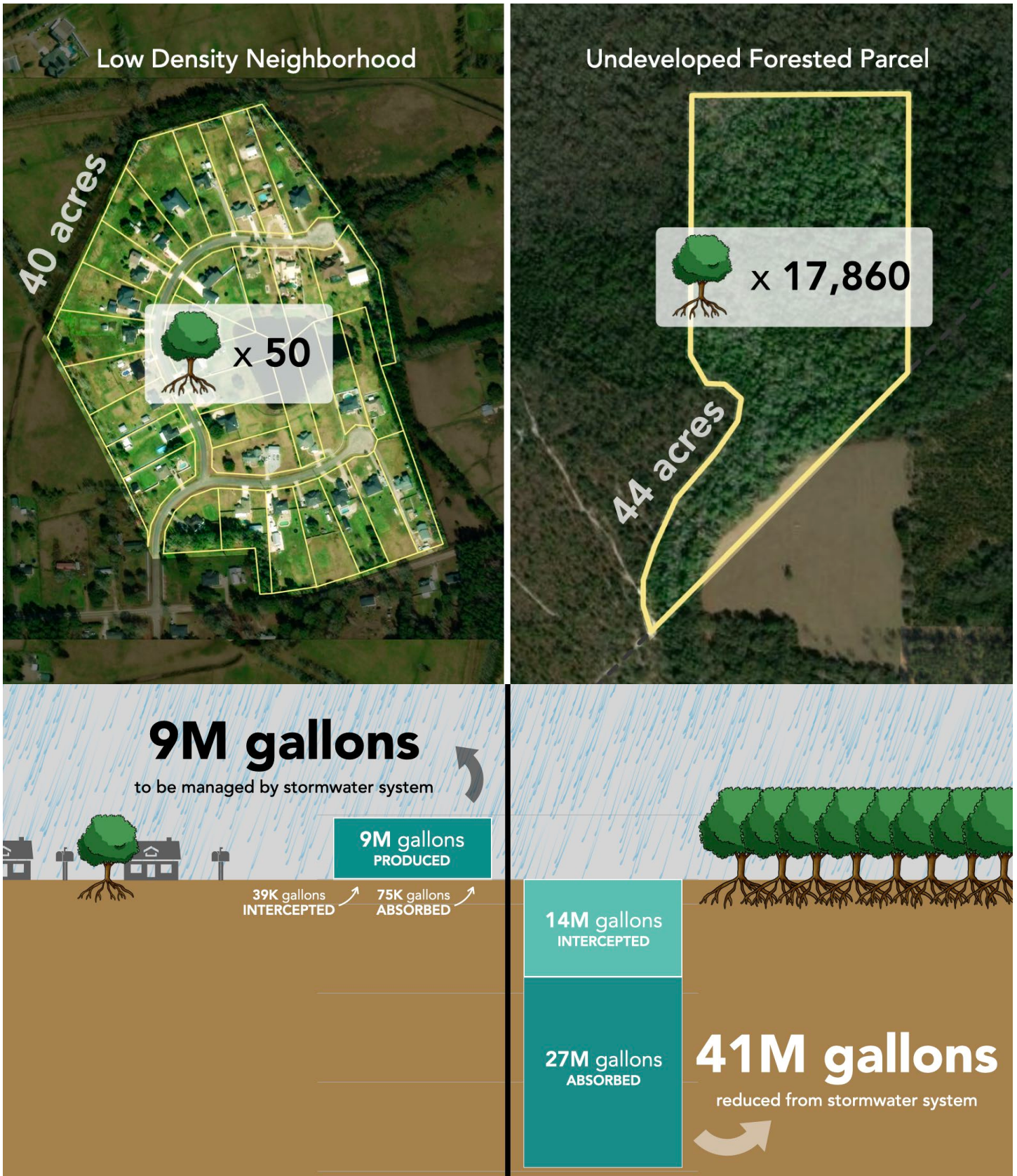


Figure 8. Note: Number of trees are estimated based on parcel size and characteristics.
Source: agnr.osu.edu, Urban3 Estimates

Case Study: Eastern Shore, Maryland

Maryland's Eastern Shore is facing a similar challenge to what is being experienced in some areas of Florida. Nestled between the Chesapeake Bay and the Atlantic Ocean, the Eastern Shore is predominantly rural with small scattered communities. Coastal areas are being impacted by sea level rise and flooding, which has led to intense pressures to develop its interior. The region must now navigate a shrinking developable land area, a growing population, and significant hydrological changes, all while striving to preserve local ecosystems that provide substantial benefits to the community (Figure 9).

Developed Land (2100 Trend): Eastern Shore, Maryland

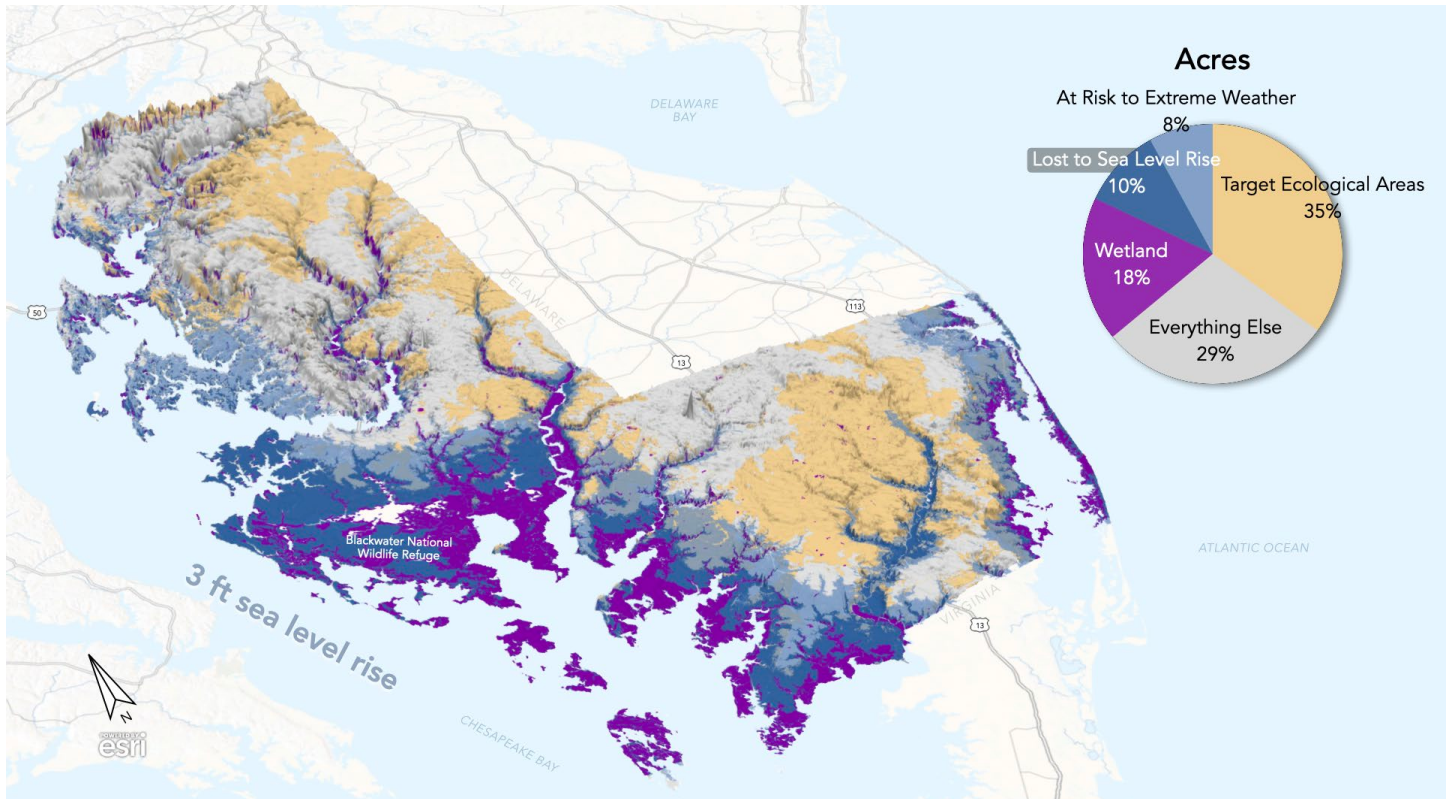


Figure 9. Note: Elevation has been exaggerated to show topographical differences.
Source: Maryland Department of Planning (2024), Targeted Ecological Areas, LULC 2010, NOAA Sea Level Rise, SLOSH Category 4 Storm Surge

"Should the local communities choose to meet their residential needs by developing attached single family housing, 100,000 acres could be preserved for agriculture or natural lands, ensuring long-term environmental and economic benefits."

style generates the same amount of taxable revenue as detached single-family homes, while requiring significantly less land.

Urban3 was tasked to examine how different housing types might impact land availability after a significant population increase. On the Eastern Shore, the two most common residential styles are single-family detached and single-family attached housing. Figure 10 illustrates that the single-family attached housing

Should the local communities choose to meet their residential needs by developing attached single family housing, 100,000 acres could be preserved for agriculture or natural lands, ensuring long-term environmental and economic benefits.

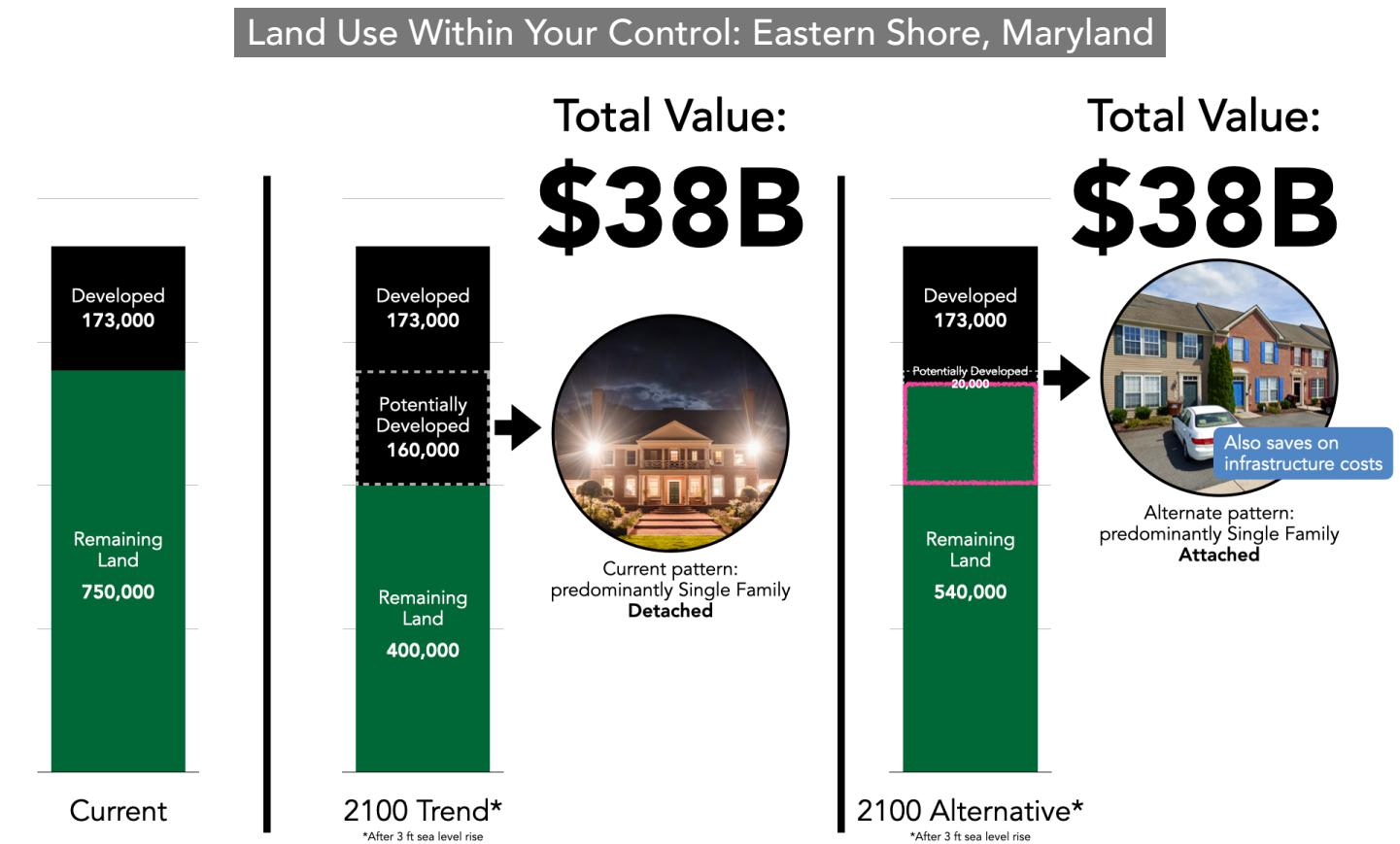


Figure 10.
Source: Maryland Department of Planning (2024), Targeted Ecological Areas, LULC 2010, NOAA Sea Level Rise, SLOSH Category 4 Storm Surge

With development pressures and a changing climate, Florida’s counties and municipalities must make similar decisions that will shape their future for generations. Decision-makers must weigh the costs and benefits of various development choices - each that will have a profound impact on local communities. In the following section, Urban3 will first examine the costs and benefits of different land conservation tools, and then the fiscal impact of the land-use choices that many landowners currently face.

Land Conservation Tools

Land conservation plays a significant role in protecting Florida’s natural and agricultural lands and the ecosystem services they support. Priority natural lands, as defined in this study, include currently protected lands and those highly prioritized for protection from loss because of their ecological importance, including supporting Florida’s biodiversity, water supply and quality, or other essential ecosystem services. These include the top three priorities of the Florida Ecological Greenways Network (FEGN) along with current Florida Forever projects, but do not represent all conservation priorities in Florida. Approximately 10.7 million acres – or 45% – of Florida’s priority natural lands are protected through federal, state, local, or private programs.

At the community level, planning, zoning, and land development regulations identify the appropriate location,

design, and density of development on land. Supporting compact urban development and avoiding the allowance of inappropriate development on sensitive agricultural and natural lands are valuable tools to protect the conservation values of important lands. But safeguarding natural and agricultural land through acquisition or easement provides more long-term protection than planning, which is subject to change.

“Supporting compact urban development and avoiding the allowance of inappropriate development on sensitive agricultural and natural lands are valuable tools to protect the conservation values of important lands.”

Two significant types of land conservation programs focus on full

or partial acquisition, and may be undertaken by federal, state, local, or not-for-profit agencies:

- **Acquisition programs** focus on the “fee simple” or outright purchase of land for public use or benefit. Federal, state, and other programs exist to purchase natural lands, most often to protect their conservation and/or recreational values.
- **Easement programs** allow a parcel of land to remain under private ownership but impose some restrictions on property use to protect its conservation or agricultural value. Typically, a private property owner enters a legally binding agreement to limit or eliminate development on their property in return for tax benefits, payment, or some other transaction. Conservation easements, which may be purchased from or donated by their owners, are used to protect natural, forested, and agricultural working lands. Unlike outright acquisition, with easements, the land remains “working land” on the tax rolls and under private ownership. Federal, state, or local government, Water Management Districts, other governmental agencies, or not-for-profit organizations “hold” the easement and ensure its provisions are met over time. Most easements are “in perpetuity” and have a challenging amendment process. Unfortunately, some local governments and water management districts are more likely to allow amendments to their easements, thereby weakening them. Some easements do not receive proper annual review, and some may be lifted entirely.

Myriad federal programs exist to assist with conservation, including through the Natural Resources Conservation Service. Its Regional Conservation Partnership Program (NRCS-RCPP), compensates landowners for up to 75% of their land management costs (RCPP, 2025). The Agricultural Land Easements Program (NRCS-ALE) helps landowners and others limit non-agricultural uses of croplands and grasslands on working farms and ranches through conservation easements (ALE, 2025). The Wetland Reserve Easements (NRCS-WRE) can be used to protect, restore, and enhance wetlands that have been previously degraded because of agricultural use (WRE, 2025).

Florida has two major state land conservation programs: Florida Forever generally focuses on the outright acquisition of natural lands, while the Rural and Family Lands Protection Program is explicitly geared toward easements on agricultural lands and permits continued agricultural uses. Some additional programs provide incentives for landowners to place easements on their lands. For example, the PES program mentioned previously pays landowners for their land’s ecosystem services.

Conservation easements are a legal agreement that limit uses of the land in order to protect its conservation values. Private property owners may enter these legally binding commitments to limit or prohibit development on their property in return for a purchase of development rights, tax benefits, or other incentives. Easements under Florida Forever, the Rural and Family Lands Protection Program, federal programs, and many private land trusts typically last in perpetuity. From a property tax perspective, land placed under a conservation easement

remains on tax rolls, albeit at a reduced rate, depending on the program and its current land use. For instance, under Florida law, land under easement that is used for commercial purposes, such as agriculture, is exempt up to 50% of its assessed value. However, any improvement value is retained and usually taxed at full value (Martin County Appraiser). With both natural and agricultural easements, conserved land remains privately owned. It is still managed by the landowner, and, if in agriculture, may remain in production so long as it abides by best management practices (Florida Statutes & Constitution, 2025).

The costs of limiting future development should be weighed against the benefits of preserving rural or otherwise undeveloped lands. Although there is a potential loss of future property tax revenue for local governments, natural or agricultural land typically needs far less government-funded infrastructure and public services: strawberries do not call the police or fire services, cows do not go to school, and a dirt road is significantly less expensive per linear foot than a paved one. Land under easement, as opposed to development, also can continue to support ecosystem services, adding to a wide range of nonmarket benefits for local communities. And in the case of agricultural land, there can be significant state, regional, and local economic benefits associated with continued agricultural production.

Although agricultural lands and natural areas under easement may be less financially productive from a local property tax perspective, there are programs in place to help offset reductions in revenue. For instance, the

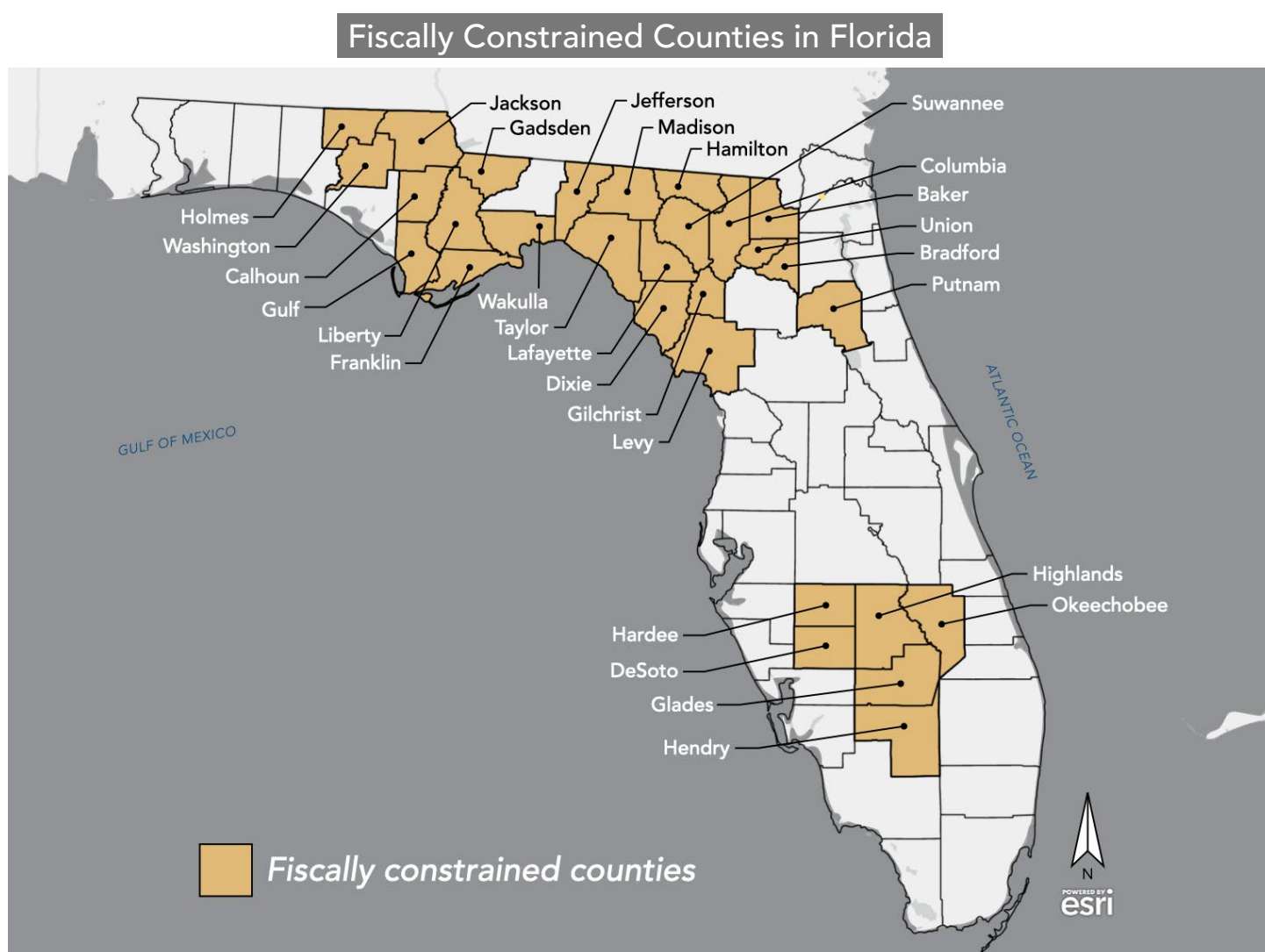


Figure 11.
Source: floridarevenue.com

Florida Legislature began providing funds to help offset reduced tax revenue experienced by fiscally constrained counties in 2010. These statutes (218.12, F.S., and 218.125, F.S.), include provisions to help these counties (primarily located in Florida's Big Bend and interior), and are intended to equalize the lost tax revenue associated with certain easements. Fiscally constrained counties either fall entirely within a Florida rural area of opportunity or generate no more than \$5 million in annual tax revenue from a 1 mill levy, as shown on Figure 11. Offsets are calculated by multiplying 95% of the reduced taxable value and the millage rate in 2010 or the millage rate in the current year (whichever is less). If a county fails to apply for the distribution, its share will be returned to the fund from which the appropriation was made.

Costs and Benefits of Land Use Choices

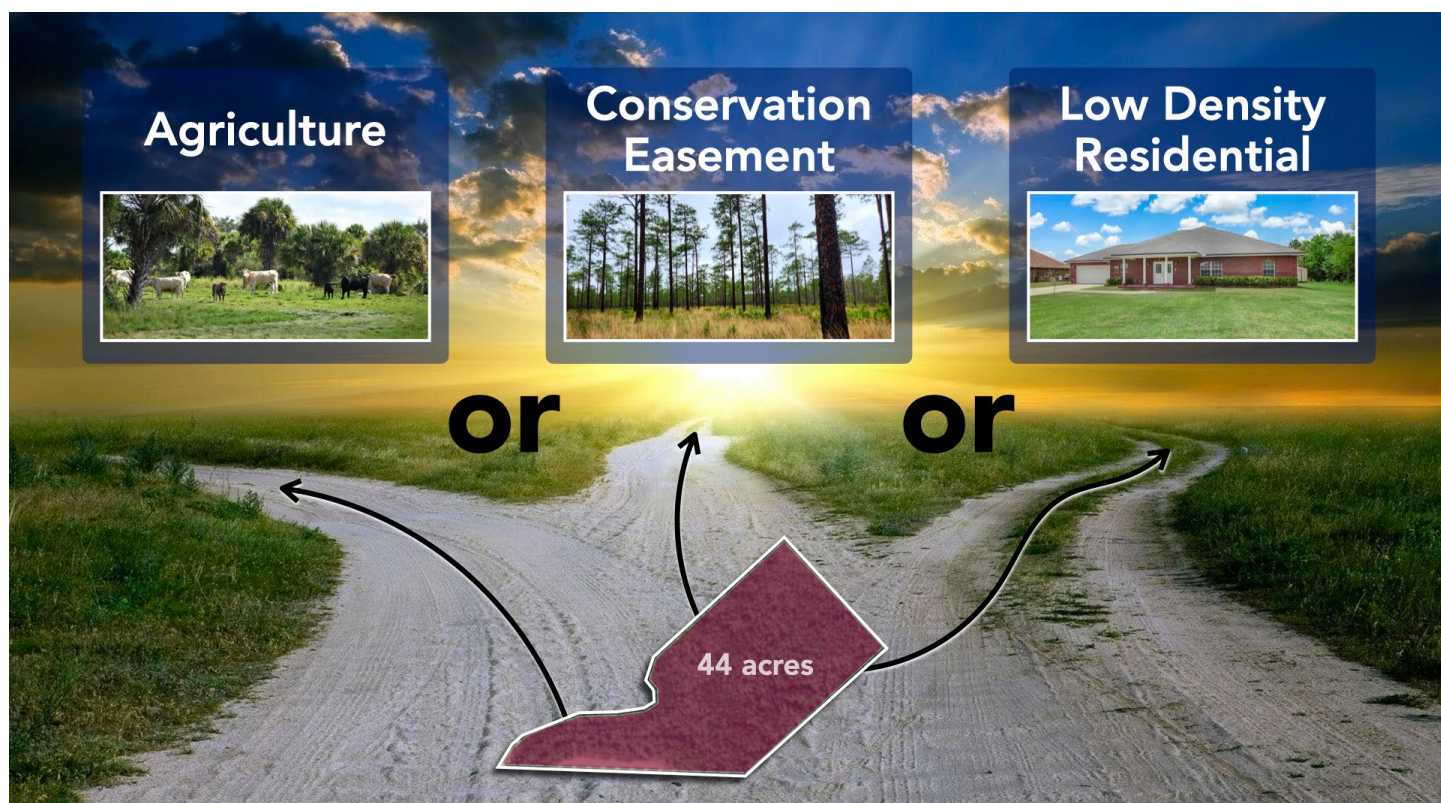


Figure 12.
Source: Florida Natural Areas Inventory (FNA), Google Earth

In this next section of the analysis, Urban3 compared the fiscal impact of potential land-use choices that land-owners may be currently facing (Figure 12). Urban3 examined a 44-acre undeveloped parcel in Nassau County, Florida, weighing the costs and benefits of three potential scenarios: 1) an agricultural use is established on the property, 2) the land remains in a natural, undeveloped state with a conservation easement placed on the property, and 3) the local government permits low density residential development (fewer than 2 units per acre) on the parcel, resulting in significant change to the character of the land (Figure 13). Urban3 estimated property tax generation and public infrastructure costs for each scenario. Urban3 used the above discussed Paying for Ecosystem Services in Florida, by Archbold and the Florida Wildlife Corridor Foundation (Draper et al., 2023) to calculate the value of ecosystem services at \$852 per acre.

Value Comparison (3 Scenarios): Nassau County, Florida

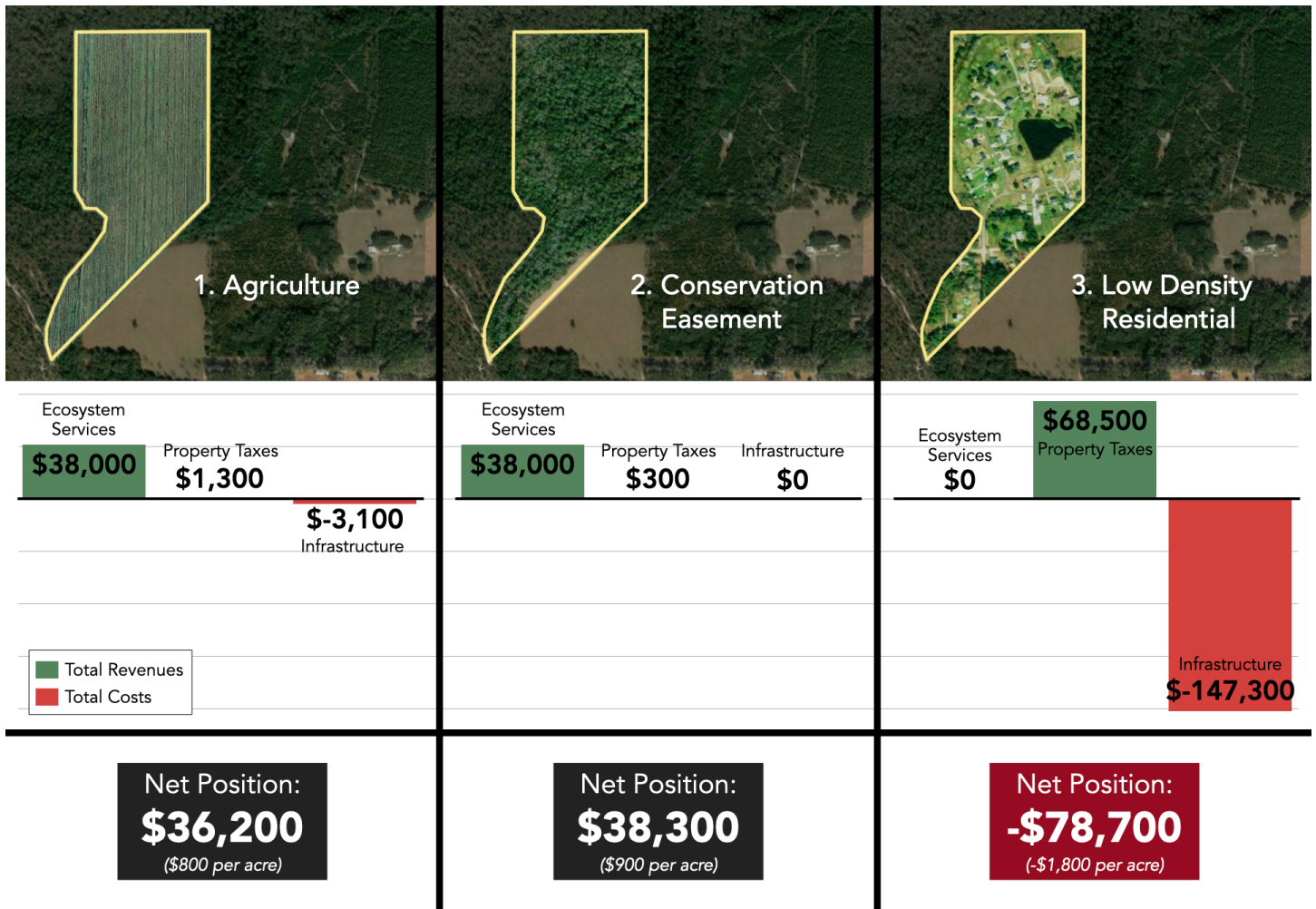
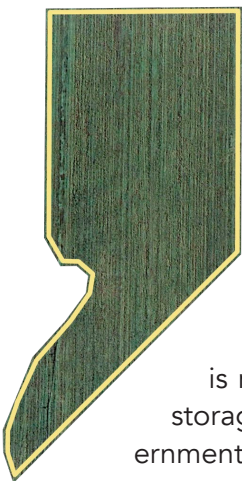


Figure 13.
Source: Google Earth, Urban3 Estimates

1. Agriculture Scenario



The parcel is put into range or timberlands use. The fiscal impacts of this land use consist of: property tax revenues of \$1,300, an infrastructure cost of \$3,100, and ecosystem services valued at \$38,000 for the parcel; resulting in a net return of \$36,200. This translates to \$30, -\$70, and \$800 per acre respectively, or a net return of \$812 per acre. Agricultural land, particularly range- and timberlands, generally provide ecosystem services similar to those provided by natural lands, such as supporting wildlife habitat and biodiversity, water storage and treatment, and outdoor recreation (Draper et al., 2023). Additionally, agriculture is a cornerstone of Florida's economy, so keeping these lands in production supports local, regional, and state economies. Further, agricultural land is more likely to have additional improvements such as barns, silos, and equipment storage, which may slightly raise property tax revenues, but may also increase local government infrastructure costs.

2. Natural Area with Conservation Easement Scenario



The parcel is left in its natural state and is placed under a conservation easement, in this case involving land use provisions prohibiting development. The fiscal impacts of a conservation easement includes: property tax revenues of \$300 (or about \$7 per acre), no added infrastructure costs, and ecosystem services valued at \$38,000 for the parcel (or \$852 per acre), with a positive net return of \$38,300 (\$900 per acre). Although land under an easement typically generates less property tax revenue, when the land's ecosystem services are maintained this offers a wide range of nonmarket benefits for local communities. Because these types of conservation easements place limits on use and development, these lands typically demand significantly less infrastructure and services than developed land. So while a conservation easement may reduce property tax revenue, it is providing invaluable ecosystem services and is not procuring costs that taxpayers are liable for. Further, as discussed earlier, the State of Florida has a program for fiscally constrained counties to help offset reduced tax revenue due to easements.

3. Low Density Residential Development Scenario



Florida's landowners face intense pressures to develop their land. The final scenario examines the impacts of the local government permitting the parcel to be converted into low-density residential development. To some, it would appear that this is the most fiscally productive option for local governments, generating a much higher yield in property tax revenue. However, the costs of such intensive land uses are hidden in the infrastructure and services required to support development. Figure 13 shows that while property tax generates \$68,500 in revenue (\$1,500 per acre), the added infrastructure dramatically increases the financial burden by \$147,300 (\$-3,441 per acre). This creates a negative net return of -\$78,700 (-\$1,800 per acre). If 40 acres were converted to a low-density residential land use, we must assume that new roads are needed to be constructed within the neighborhood, which impacts public costs inside the development; while existing paved roads are being used more frequently, impacting public costs outside of the development. In addition, the new neighborhood may also require sewer and water pipes to be constructed, and new police stations and schools, which could pose a significant cost on municipal coffers.

However, with Florida's population growth, some new development is necessary, particularly in interior counties. Determining how to accommodate new residents and visitors poses a constant challenge for Florida communities. Location and density of new developments are key. Appropriate infill development on vacant or underutilized lots in existing city and town centers provides a major opportunity. Infill development, particularly if approached incrementally, may not require new infrastructure, or may only necessitate limited upgrades. Infill development therefore accrues fewer additional costs to taxpayers while also producing potent property taxes. Infill development also reduces pressure to develop rural and natural lands, thereby maintaining ecosystem services and traditional economies that these lands provide.

"Infill development [...] accrues fewer additional costs to taxpayers while also producing potent property taxes."

Infill Development Example: Nassau County, Florida



Figure 14.
Source: Google Street View

So, What Now?

- **Support compact development which is more economically productive and efficient.**

Compact urban development generates more tax revenue for local governments while requiring less infrastructure investment. By supporting high-density, walkable communities, local governments can enhance their financial sustainability by reducing the ongoing infrastructure costs associated with sprawling, low-density development. Additionally, encouraging infill development leverages existing infrastructure and typically requires lesser up-front infrastructure investment, making it a more cost-effective and efficient approach to accommodating growth.

- **Consider the direct and indirect environmental consequences of development.**

Suburban development has direct environmental effects along with broader impacts to natural systems, local economies, and ecosystem services, particularly in terms of water resources, carbon sequestration, and biodiversity. Development patterns also matter: development that prioritizes cars will lead to a community with higher vehicle emissions and lower air quality while human-oriented development promotes walkable development patterns, cleaner air, and fiscally sustainable communities. Moreover, vehicular-oriented development increases impervious surfaces, exacerbating stormwater runoff and flood risks, whereas promoting green infrastructure and integrating trees into urban planning can mitigate these effects while also providing physical and mental benefits for the residents who utilize these spaces. Thoughtful public policy supports more compact development and land-use strategies to help maintain ecosystem services essential for long-term environmental health and community resilience.

- **Remember that good urban planning is good rural planning.**

Land is a finite resource, and balancing conservation with necessary development is crucial for sustaining both economic and environmental benefits. Conserved natural and agricultural lands provide essential ecosystem services while minimizing infrastructure costs. Strategic planning—such as prioritizing infill development over expanding into rural areas—ensures that land is used efficiently, protecting valuable natural resources essential for future generations.



Figure 17.
Source: Adrien on unsplash.com

Works Cited

- Agricultural Land Easements (ALE). (2025, May 14). Natural Resources Conservation Service.
<https://www.nrcs.usda.gov/programs-initiatives/ale-agricultural-land-easements>
- Clawson, M. (2021). Estimating nonmarket environmental values.
https://www.blm.gov/sites/blm.gov/files/uploads/IM2010-061_att1.pdf
- Draper, E., Daskin, J., Boughton, E., Grossman, T., Jenkins, M., Whalen, B., & Barnett, E. (2023). Paying for Florida's ecosystem services. Retrieved July 25, 2025, from
<https://floridawildlifecorridor.org/wp-content/uploads/2023/09/Paying-for-Floridas-Ecosystem-Services-Report.pdf>
- Florida Agriculture: 2040/2070. (2024). In
<https://1000fof.org/wp-content/uploads/2024/01/FOF-1306-Ag-2040-2070-Report-v4-WEB.pdf>
- Florida Statutes & Constitution. (2025).
http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0196/Sections/0196.26.html
- Florida's Rising Seas: Mapping our future. (2023). In
<https://1000fof.org/sealevel2040/wp-content/uploads/2023/06/Sea-Level-2070-Report-FINAL.pdf>
- Martin County Appraiser. (n.d.). Guidelines for conservation easement assessment or exemption.
<https://www.pa.martin.fl.us/business-agriculture/conservation-exemption-classification>
- McPherson, E. G., Simpson, J. R., Peper, P. J., Gardner, S. L., Vargas, K. E., Maco, S. E., Xiao, Q., United States Department of Agriculture Forest Service Pacific Southwest Research Station, Center for Urban Forest Research, University of California, Geography Graduate Group, & Davey Resource Group. (2006). Midwest Community Tree Guide. In General Technical Report PSW-GTR-199 (Report GTR-199). United States Department of Agriculture Forest Service Pacific Southwest Research Station.
https://www.fs.usda.gov/psw/publications/documents/psw_gtr199/psw_gtr199.pdf
- Regional Conservation Partnership Program (RCPP). (2025, July 10). Natural Resources Conservation Service.
<https://www.nrcs.usda.gov/programs-initiatives/rcpp-regional-conservation-partnership-program>
- University of Florida Institute of Food and Agricultural Science, University of Florida Center for Landscape Conservation Planning, & 1000 Friends of Florida. (2024). Agriculture and the lands that support it in Florida.
<https://1000fof.org/wp-content/uploads/2024/01/FOF-1306-Ag-2040-2070-Report-v4-WEB.pdf>
- US Census Bureau. (2023, April 19). County-to-County Migration Flows: 2016-2020 ACS. Census.gov.
<https://www.census.gov/data/tables/2020/demo/geographic-mobility/county-to-county-migration-2016-2020.html>
- US Forest Service Research and Development (n.d.) Ecosystem services.
<https://research.fs.usda.gov/managingland/ecosystem>
- US EPA. (2025, February 13). About green infrastructure.
<https://www.epa.gov/green-infrastructure/about-green-infrastructure>
- Wetland Reserve Easements (WRE). (2025, July 1). Natural Resources Conservation Service.
<https://www.nrcs.usda.gov/programs-initiatives/wre-wetland-reserve-easements>

All maps are created with ESRI software, and all data used in this analysis and report (unless otherwise noted) was provided by the Urban3 clients.

urbanthree.com

URBAN³

for

