

New Jersey State Strategic Plan

FEBRUARY 2012

ABOUT THE PROGRAM

A draft State Strategic Plan (SSP) was released on October 11, 2011, which is proposed to replace the existing New Jersey State Development and Redevelopment Plan. The new Plan will significantly impact land development in the State of New Jersey, as it represents a fundamental change in the way the State intends to implement its land use policies and regulations going forward. It is important to note that the impetus for distributing this Regulatory Alert is the timeframe for the new State Plan's adoption and implementation, which is aggressive. The State intends to adopt the Plan by mid to late 2012 and has already set public hearings for February and March 2012 (detailed information on this is included below).

Under the current State Plan, the State Planning Commission maintains a Policy Map that contains Planning Areas that are incorporated by reference into various statutes and regulations, such as the CAFRA regulations (Coastal Zone Management Rules). The intent of the proposed draft SSP is to phase out the Policy Map and Planning Areas by June 30, 2013 and replace them with a new framework where municipalities and counties would apply to have their land designated for growth, limited growth, or preservation. These new classifications would then be used by reference in various statutes and regulations like the Planning Areas are used today. The new classifications that are proposed to replace the Planning Areas are as follows:

1) Priority Growth Investment Area (PGIA): This is the area designated for the most intensive development. The following areas would potentially qualify for designation as PGIAs:

- Major Urban Centers, as previously identified within the 2001 SDRP;
- "Regional Innovation Clusters" and "Priority Industry Clusters" which will include identification and mapping of optimal locations for sectors such as Bio / Pharma & Life Sciences, Transportation, Logistics and Distribution, Finance, Advanced Manufacturing, Technology and Health Care and industries such as green business, leisure and hospitality (tourism), food production and processing;
- Former State Plan Policy Map Planning Area 1, Unexpired Designated Centers, Urban Complexes, & Delineated Nodes;
- Port areas;
- Areas in need of redevelopment and designated redevelopment areas;
- "Existing Communities" and/or "Growth" areas as designated by Regional or County Master Plans;
- Municipally designated receiving areas under Municipal Transfer of Development Rights Programs;
- NJDOT Certified Transit Villages & Land Eligible as "Urban Transit Hubs" under EDA Urban Transit Hub Tax Credit Program;

- Federally designated "Foreign Trade Zones;"
- Land owned by the NJ Sports & Exposition Authority;
- Higher education facilities;
- Urban Enterprise Zones;
- Closed military bases; and
- Areas designated by existing or future federal and/or State targeted public investment programs.

2) Alternate Growth Investment Area (AGIA): This is an area that fails to meet "Priority Growth Investment Area" or "Priority Preservation Investment Area" criteria but **has planned or existing infrastructure** that will lead to planned development and redevelopment opportunities. State investments related to efficient planned development and redevelopment of previously developed sites and optimization of existing settlement patterns should be encouraged. These areas may be identified by regional entities through an application approved by the State Planning Commission.

3) Limited Growth Investment Area (LGIA): This is an area that fails to meet "Priority Growth Investment Area" or "Priority Preservation Investment Area" criteria and **does not have planned or existing infrastructure** to support a high degree of additional new development. Large scale state investment that may lead to additional development should not be prioritized in these areas.

4) Priority Preservation Investment Areas (PPIA): This is an area where land preservation, agriculture development and retention, historic preservation, environmental protection and stewardship is preferred and where investment to support land preservation, agricultural development and retention, historic preservation, environmental protection and stewardship is encouraged. Large scale state investment that may lead to additional development should not be prioritized in these areas.



While certain land areas will clearly qualify as PGIA's (e.g., Camden, Fort Monmouth, Barnegat Town Center), some land areas that are suitable for intensive development may not qualify unless the municipality (or private developer) takes the initiative to apply to have the site designated as a PGIA. One example would be a Planning Area 2 or 3 property that is in close proximity to an area that would clearly qualify as a PGIA (See PGIA criteria above). In this case the State may not be aware of any proposed or future development envisioned on the site and may designate it as a Limited Growth Investment Area (LGIA), which would adversely impact options for development going forward. Adverse impacts caused by designation as an LGIA may include a disadvantage in grant and funding applications, less development permitted as per State regulations (e.g., lower permitted impervious coverage in the CAFRA area), disqualification from certain state incentive programs and other repercussions.

However, if the land owner/developer were to work with the municipality or County to apply for the designation of the property as a PGIA, any resulting designation would expand the options available for the development of the site and increase the site's value. The site would then have an advantage in qualifying for State funding, grants and incentive programs and likely be permitted to contain more intensive development under State regulations.

Due to the far reaching impacts of this policy change we recommend that our private clients consider attending one of the public hearings that have been scheduled for the SSP adoption process or request that BSG attend on their behalf. A list of the public hearings that the State Planning Commission (SPC) has scheduled is included below. **Each meeting begins at 6:00 pm** with a presentation about the SSP, after which the public hearing begins at 7:00 p.m.

Morris Twp | February 27, 2012

Haggerty Center, Frelinghuysen Arboretum, 353 East Hanover Avenue

West Long Branch | February 28, 2012

Bey Hall, Monmouth University, 400 Cedar Avenue

Bordentown | March 1, 2012

Rutgers University EcoComplex, 1200 Florence Columbus Road

The SPC's announcement notes that, should bad weather necessitate the cancellation of a hearing, two additional dates and locations have been reserved: **March 6, 2012 at 6:00 p.m.** in the Special Events Forum Room, Civic Square Building, Rutgers University, 33 Livingston Avenue, New Brunswick, and **March 21, 2012 at 10:00 a.m.** in State House Annex Committee Room 1, 125 West State Street, Trenton.

Additionally, written comments may be submitted for up to 30 days after

the final hearing, either by e-mail to osg_ed@sos.state.nj.us or by mail to the State Planning Commission, Office for Planning Advocacy, PO Box 820, Trenton, NJ 08625-0820.

BSG's Planning Department is actively following the SSP adoption process and regularly corresponds with the Office of Planning Advocacy personnel that are preparing the SSP. The Planning Department is available to advocate on behalf of the client by preparing and submitting public comments and/or attending public hearings to present the client's proposals for consideration by the State.

Additionally, as the process moves forward, BSG is available to provide the following services:

- **PGIA Designation Reports:** Preparation of PGIA Designation Reports to demonstrate that a site or zone qualifies as a Priority Growth Investment Area.
- **Coordination with the County Planning Department** for inclusion of the site(s) or zone(s) as within "Existing Communities" or "Growth" areas in the County Master Plan. This effort typically includes the preparation of a zoning and constraints analysis to demonstrate that the site satisfies the County's criteria.
- **Zoning Ordinance Preparation.** Zoning amendments may be needed to support a request for designation as a PGIA. A draft zoning ordinance can be prepared and submitted to the appropriate entity for consideration. Additionally, BSG can advocate for the client for the approval of the draft ordinance in order to achieve the most favorable zoning for the project envisioned.
- **Redevelopment Plans:** Redevelopment is a major focus of the SSP and redevelopment areas are one of the key ways to achieve the designation of a site as a PGIA. BSG has extensive experience in preparing and implementing redevelopment plans. BSG can advocate for the client to municipalities to achieve the most favorable land use regulations within the redevelopment plan. BSG can then leverage its expertise in private land development planning and engineering to prepare the plans for the development and assist the client in obtaining any required municipal, county or State approvals.
- **Feasibility Studies:** Feasibility studies are sometimes needed in order to identify the maximum development yield that may be obtained from a site and the local, county and State approvals that would be required. BSG has prepared feasibility studies for a wide range of commercial, industrial, residential, utility/energy, educational and other uses in all of the various urban, suburban and rural settings that exist in New Jersey. BSG can use its experience in these areas to produce a high value feasibility study that provides information that is critical to maximizing the development yield and profitability of the client's project.

For Additional Information, please contact:

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