The Status of TDR Implementation in New Jersey

Task Force Meeting #1
December 2, 2009
Transfer of Development Rights (TDR)

- How does it work?
- Why is it important?
- How is it being used in New Jersey?

- Established programs
- Case studies of municipal efforts

Obstacles to implementation
How Does TDR Work?

Courtesy: ANJEC
The Promise of TDR

- Preserve natural and cultural resources
The Promise of TDR

• Achieve landscape-scale preservation using a market-driven, privately-financed approach
The Promise of TDR

- Promote well-planned economic growth
Enabling Legislation for TDR in New Jersey

- Burlington County TDR Demonstration Act (1989)
- Pinelands Protection Act (1979)
New Jersey Pinelands Protection Act (1979)

**Purpose:** Protect important ecological region of 1.1 million acres

**TDR Program:** Pinelands Development Credit Program (& others)

**Sending Area:** Preservation and agricultural areas

**Receiving Area:** Designated Regional Growth Areas

**Achievements:** Over 50,000 acres of protected lands
Highlands Water Protection and Planning Act (2004)

**Purpose:**
Protect water and other natural resources in 88-municipality region.

**TDR Program:**
Highlands TDR Program

**Sending Area:**
Most undeveloped areas

**Receiving Area:**
Voluntary areas in appropriate locations

**Achievements:**
- Credit allocation
- TDR Bank ready to purchase rights
- Grants to 11 possible receiving districts

Purpose: To permit municipalities in Burlington County to serve as pilot projects for the state in using TDR

Participating municipalities: Lumberton Township, Chesterfield Township
Lumberton Township

Transfer of Development Rights (TDR) Task Force

Adopted: 1995
Purpose: Farmland preservation
Achievements:
- Preserved 840 acres
- Density increased in receiving area subdivisions
Lumberton Township

Transfer of Development Rights (TDR) Task Force

Transfer of Development Rights
Programs I & II - Current Status
Lumberton Township
Burlington County, New Jersey

- TDR Ineligible Parcels
- Sending Area Parcels Available
- Receiving Area Parcels Available
- Transition Area Parcels
- Preserved via Farmland Preservation Program
- Preserved via TDR Credit Transfer
- Approved for Development through TDR Credit Transfer

Produced by Burlington County Office of Resource Conservation
August 2006
Data Source: Lumberton parcels developed in House by Burlington County Data Processing
Chesterfield Township (1997)

Purpose: Farmland preservation & creation of village center

Sending Area: 10,000 acres

Achievements: - Sending area largely preserved
- 800 housing units approved
- New school under construction
Chesterfield Township, Burlington County

- Authorizes both intra-municipal and inter-municipal programs statewide
- Authorizes the State TDR Bank Board to provide Planning Assistance Grants
- Requires several planning activities

TDR Planning Process

Legislative Requirements

- Development Transfer Element
- Capital Improvement Program
- Utility Service Plan
- Real Estate Market Analysis

Plan Endorsement & County Approval

TDR Ordinance

Periodic Review
Plan Endorsement Requirements
from the State Planning Commission

Step 1  Pre-Petition
Step 2  Plan Endorsement Advisory Committee
Step 3  Municipal Self-Assessment
Step 4  State Opportunities & Constraints Assessment
Step 5  Community Visioning
Step 6  Consistency Review
Step 7  Action Plan Authorization and Completion
Step 8  Recommendation Report and Draft Planning & Implementation Agreement (PIA)
Step 9  State Planning Commission Endorsement
Potential State Agency Involvement

Division of Water Quality Management (DEP)
Division of Fish & Wildlife (DEP)
Division of Land Use Regulation (DEP)
Department of Transportation (DOT)
State Agriculture Development Committee (SADC)
NJ TDR Bank Board (grant recipients)
Council on Affordable Housing (COAH)
State Planning Commission (SPC)
Participation Under the Statewide Act (red and bright green)

Municipal Participation

Active Efforts
Berkeley Township
Frankford
Hillsborough Township
Hopewell Township
Jersey City
Mannington Township
Mansfield Township
North Hanover
Ocean Township

Adopted Ordinance: Woolwich

Municipal Participation

Inactive efforts

Alexandria Township
Cape May County regional plan
Fanwood Borough
Montgomery Township
Quinton, Elsinborough, Alloway regional plan
Robbinsville Township
Stafford Township

CASE STUDIES

Hopewell Township, Cumberland County
Berkeley Township, Ocean County
Woolwich Township, Gloucester County
Hopewell Township, Cumberland County

Purpose: Farmland preservation

Start Date: March 2005

Sending Area: 9,200 acres

Receiving Area: 1,450 acres
Hopewell Township, Cumberland County

Transfer of Development Rights (TDR) Task Force

Status

Complicated REMA process - took more than two years

COAH rule changes presented road block for density issues

Complex infrastructure issues

After 4.5 years, the key issues with state agencies are still unresolved; process is stalled
Berkeley Township, Ocean County

Transfer of Development Rights (TDR) Task Force

Purpose: Open space, town center

Start Date: March 2005 (pre-petition)

Sending Area: 600 acres

Receiving Area: 600 acres
Berkeley Township, Ocean County

Status
Planning process has taken 5 years, to date

Credit evaluation for mixed-use, multiple zones is complex

Receiving area has been redesigned numerous times due to REMA results

Final plan is anticipated in 2010
Woolwich Township, Gloucester County

Purpose: Farmland preservation and town center

Start Date: Late 2004

Sending Area: 4,000 acres

Receiving Area: Two receiving areas totaling 868 acres
Woolwich Township, Gloucester County

Transfer of Development Rights (TDR) Task Force
Woolwich Township, Gloucester County
Woolwich Township, Gloucester County

Status and Achievements

TDR Ordinance adopted in 2008

First completed TDR program of 2004 Act

Wastewater issues are unresolved

Planning process took 4 years
Obstacles in TDR Implementation

- Expensive, lengthy process
- Community concerns with higher density
- Cost and complexity of preparing for rapid growth
- The need for state agency support and coordination
- Potential COAH problems
- Difficulty getting state approvals for infrastructure
- Potentially high costs for developers
- Fiscal disincentive for regional transfers