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April 2, 2012

Dear Members of the NJ State Planning Commission,

Thank you for this opportunity to comment on the draft State Strategic Plan.

State Strategic Plan Offers Potential for Both Economic Growth and a Healthy Environment

As an organization formed to promote and watchdog state planning, New Jersey Future has closely followed the development of the State Strategic Plan. We commend the Christie administration for recognizing the premise of the 1986 New Jersey State Planning Act – that New Jersey can have both economic growth *and* a healthy environment by adopting a statewide plan with a sound vision. The draft State Strategic Plan and the supporting Executive Order 78 go a step further by setting in motion a process for state agencies to align their resources behind the plan's goals — a critically important step toward ensuring that the plan will have a meaningful impact on how and where New Jersey grows.

While this approach has enormous potential, the State Strategic Plan requires several revisions to fully meet the requirements of State Planning Act, and additional adjustments to ensure tangible improvements to our economy, communities and environment. The Christie administration should jumpstart the plan's implementation by demonstrating its commitment with a handful of complementary actions.

An Effective Economic Development Strategy Creates Great Places

The State Strategic Plan implicitly acknowledges that realizing New Jersey's economic potential requires more than reducing the cost of doing business. Equally essential is an investment strategy to build on New Jersey's assets, by creating and improving great places that will attract and retain companies and people. Offering quality of life to the fastest-growing market segments – Millennials, empty-nesters and other single-person households — will enable New Jersey to pull ahead in the national and international competition for jobs. The plan correctly prioritizes preservation of the Garden State's treasured open spaces and farmland as a key part of the package.

The plan's holistic "Garden State Values" articulate boldly and clearly the locations and type of development needed – densities that allow for transportation choice, lower infrastructure costs, and highly productive environments and a priority on redevelopment first, balanced with farmland and natural resource protection and more diverse housing and economic opportunities. We applaud the plan's immediate focus on getting the state's house in order by directing agencies to align their resources behind these values.

Revisions Needed for Compliance with the State Planning Act

While the vision of the draft State Strategic Plan is very much in keeping with the objectives of the State Planning Act, from which it derives its statutory authority, the plan fails to fully meet the act's requirements. It can do so by incorporating the following provisions:

- **The final plan must clearly describe how places for growth and preservation will be identified.** The draft plan keeps the 2001 State Development and Redevelopment Plan in place until "Investment Area criteria" are adopted by rule. The final plan must clearly define each Investment Area. It must commit to providing opportunities for public discussion of the criteria, once proposed. The plan should clarify the state's role in identifying the locations of each Investment Area, and then empower counties to propose fine-tuned maps that reflect local knowledge and public input. Ultimately, people will need a way to find out which Investment Area a particular property fall into, as well as to understand how the Investment Areas play out in their community or across a region.

- **The plan must promote redevelopment and compact growth, instead of sprawl.** The State Planning Act highlights urban centers and places the highest priority on redevelopment. These priorities should be reflected in the draft plan’s criteria for Priority Growth Investment Areas, as well its action-oriented objectives. The plan should explicitly encourage “center-based development” through the criteria, especially in rural areas where, if done right, it can provide an alternative to sprawl. Growth areas must reflect the forthcoming DEP plans for sewers, which are being updated in counties across the state.
- **The goals must call for not only land *preservation* but also natural resource *protection*.** The final plan must incorporate the State Planning Act’s requirement to “protect the natural resources and qualities of the state...” and put it on more equal footing with economic development.
- **Local governments must be brought into partnership with the state.** Better guidance on community design (which is required by the act) and clear advice on how to integrate the Garden State Values into master plans and zoning ordinances will help municipalities contribute to sound land use planning and sustainable economic development.
- **The final plan must recognize the need to provide for housing for low- and moderate-income persons.** Adequate opportunities for housing will respond to the act’s goals for affordable housing and equal social and economic opportunity, and, at the same time, enhance the workforce for employers.

Practical Adjustments Will Advance Implementation

The true test of the State Strategic Plan will not necessarily be visible in the document itself, but rather in how the plan results in tangible changes on the ground – more jobs, stronger communities, a healthier environment and broader access to opportunity. Experience with the State Development and Redevelopment Plan in New Jersey, and with other planning efforts nationwide, suggest the following improvements:

- **Use the Regional Innovation Clusters (RICs) to drive regional planning for economic and physical development.** RICs are currently proposed as mapping criteria for the designation of Priority Growth Investment Areas, but make more sense as a planning overlay. RICs should be focused on relatively small, well-defined areas with growth opportunities that can be measurably advanced through collaborative planning and targeted state assistance.
- **Prioritize New Jersey’s strongest real estate markets - areas near transit.** According to real estate experts, building permit activity has been particularly robust in towns served by rail, and those within commuting distance of New York City have home values that dramatically out-perform rural New Jersey. Two obstacles impede the kind of transit-oriented development (TOD) that the market calls for: opposition to higher-density zoning in affluent communities, and lack of sufficient development incentives in weak markets, especially urban centers. TOD areas should be more clearly prioritized in the final plan in order to ensure appropriate state incentives.
- **Emphasize how state agencies will animate this “Investment Strategy.”** State agencies control many of the resources that can lead to plan implementation – capital spending, incentive programs, land use regulations, etc. (Examples include EDA’s Urban Transit Hub Tax Credits, BPU’s clean energy incentives and the Business Action Center’s corporate recruitment efforts.) The plan should better describe the process agencies will use to draft their “agency strategic plans” and call for public review and comment. An aggressive schedule is critical, to build momentum before the next election season.
- **Set a positive and inclusive tone.** The draft plan includes some negative language, inflammatory statements and examples that will quickly become dated. Appropriate language will enable the final plan to stand up over time and be used by many different groups as a rallying point:

Simple, Supportive Actions Needed to Demonstrate Commitment

There are a handful of immediate, complementary actions the Christie administration should take to signal full commitment to the State Strategic Plan. They include:

- **Appoint talented, committed members to the State Planning Commission** for the five vacant seats for public members and local government representatives. Address the expired appointments for the remaining five public/local government seats. The SPC will have its hands full with important tasks, such as finalizing the Investment Area criteria and managing their application, reviewing state agency strategic plans, fostering regional planning in pilot Regional Innovation Clusters, and making the scorecard concept a reality.
- **Resume funding for the DOT Transit Village program in the adopted FY'13 budget.** We were delighted to see that the proposed Transportation Capital Program released last week recommends \$1 million for the Transit Village program. Its adoption in the final budget will signal meaningful support for smart growth.
- **Continue to update Sewer Service Areas promptly in counties across the state.** The DEP has prioritized working with counties to submit updated Sewer Service Areas and see them through to adoption. The updated areas show places that are generally appropriate for compact growth; they are screened for environmental features and either have sewers or are eligible for their installation. These areas will be instrumental in determining the location of growth and preservation areas.

New Jersey Future applauds the Christie administration for proposing a strategic vision for the state's economic and physical development and marrying it with thoughtful, far-reaching actions steps. We hope the State Planning Commission will use these comments to ensure that the final plan meets the mandates of the State Planning Act and reflects the realities of implementation. Visible leadership by the governor and lieutenant governor, and supporting actions, will provide credibility and build momentum.

We thank you for consideration of these comments and look forward to working with you to turn the vision of the State Strategic Plan into a reality.

Sincerely,



Peter Kasabach
Executive Director