

STATEWIDE POLICY TASK FORCE ON TRANSFER OF DEVELOPMENT RIGHTS

Committee #7 – Prospects for Regional TDR Programs in New Jersey

Meeting – May 4, 2010, 1:30 – 3:30 pm
Offices of Housing and Community Development
145 West Hanover Street, Trenton

PROPOSED AGENDA

1. Obstacles to regional transfers

- a. Perspective from Highlands/inter-municipal programs – so far, incentives are not adequate to entice towns to create regional receiving districts;
- b. Perspective from Pinelands where receiving districts are mandatory – not enough demand from developers to purchase credits

2. “Radical Approach”: Increase demand for TDR credits

- a. Background:
 - i. Pinelands proposal: require credit purchase for residential development
 - ii. Highlands recommendation: require development in areas using Highlands water to purchase Highlands Development Credits.
 - iii. Other examples from around the country: MA, CA, etc.
- b. Proposal: Statewide credit purchase program
 - i. Require credit purchase in exchange for any increases in density or impervious cover granted through variances
 - ii. Require credit purchase as mitigation for any sprawl development
 - iii. Exceptions/Use of funds
- c. Discussion and next steps
 - i. *Key questions: Is this politically feasible? How would it affect land markets, development?*

3. Interim “Incremental Approach”: Entice towns to accept regional transfers

- a. Distinguish between strong markets and weak markets
- b. One-time incentives: planning grants, impact fees, etc.
- c. Ongoing financial assistance
 - i. State to hold town harmless for net new education costs
 - ii. Regional tax-based sharing
 - iii. Allow negotiated payment from sending area town to receiving area town to cover net education costs
- d. Authority to increase local taxes and dedicate revenues to local use
- e. Discussion and next steps
 - i. *Key questions: Would incentives be effective? Does the benefit (land through retired credits) justify the cost?*