



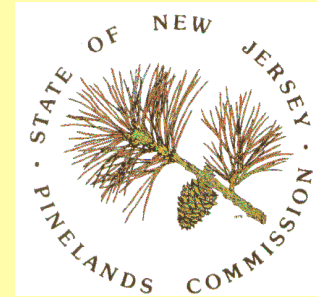
TDR in New Jersey

Congress for New Urbanism XV
Philadelphia, PA
May 18, 2007

Susan E. Craft, Executive Director
New Jersey State TDR Bank
New Jersey Farmland Preservation Program

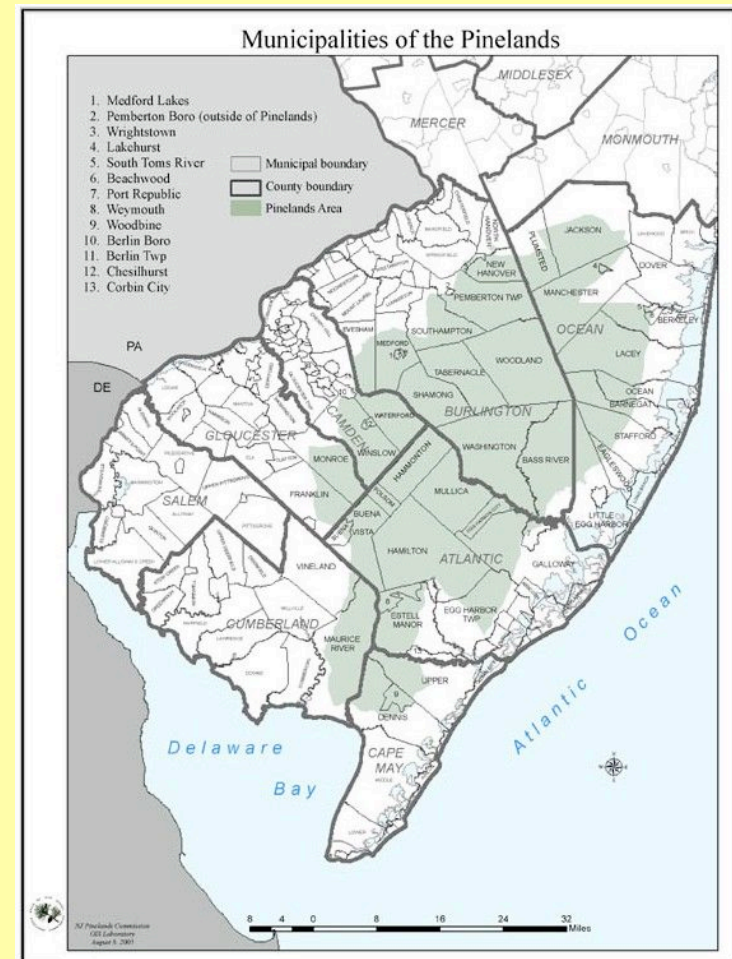


New Jersey Pinelands Development Credit Program

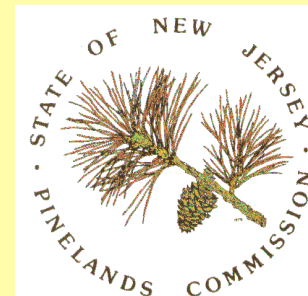


1979 Pinelands Protection Act

- Regional Growth Areas identified
- Preservation Areas identified & down-zoned
- TDR (PDC) program established 1981
 - Base zoning 1-4.5 du/ac
 - PDCs add 0.5-1.5 additional du/ac.
- Supreme court challenge defeated
- 5,800 development rights severed
- 600 projects; 4,500 units built/scheduled
- 50,000 acres preserved thru PDC program



PDC Credit Values Over Time (median, annual values)



Year Value per right

1985 \$2,250

1990 \$3,500

1995 \$3,200

2000 \$6,800

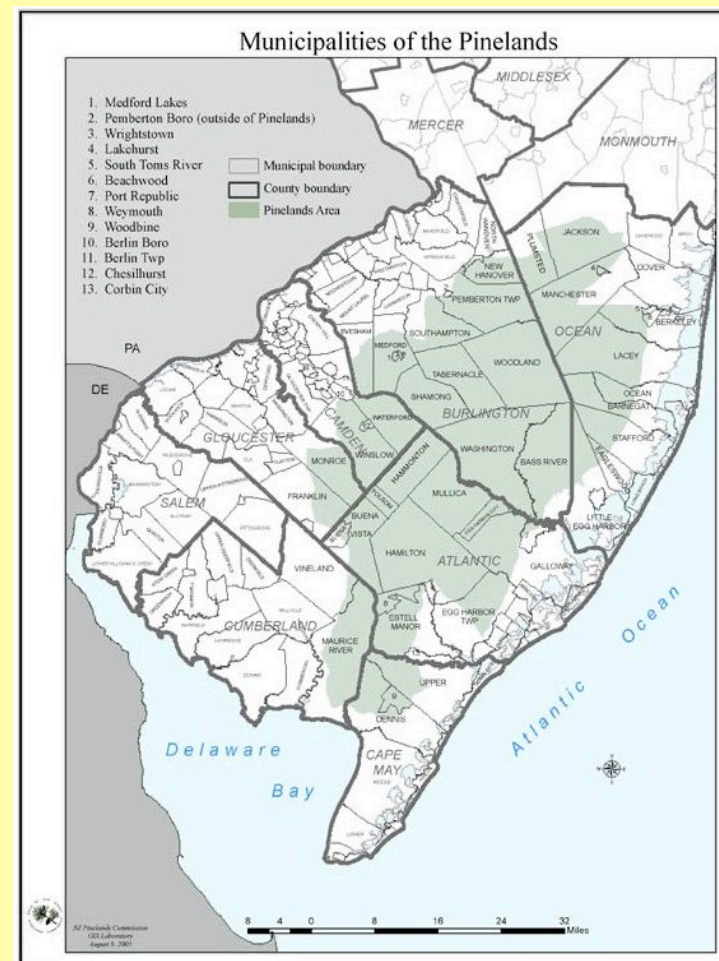
2002 \$7,750

2003 \$10,320

2004 \$23,000

2005 \$30,400

2006 \$28,500





1989 Burlington County TDR Demonstration Act

- Allows only municipalities in Burlington County to enact TDR zoning ordinances
- Burl. Co. provides planning assistance
- Two successful municipal TDR programs implemented
 - Lumberton Township, 1996
 - Chesterfield Township, 1998
- County establishes TDR bank











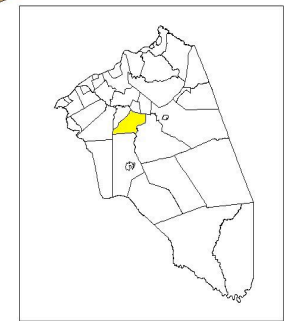
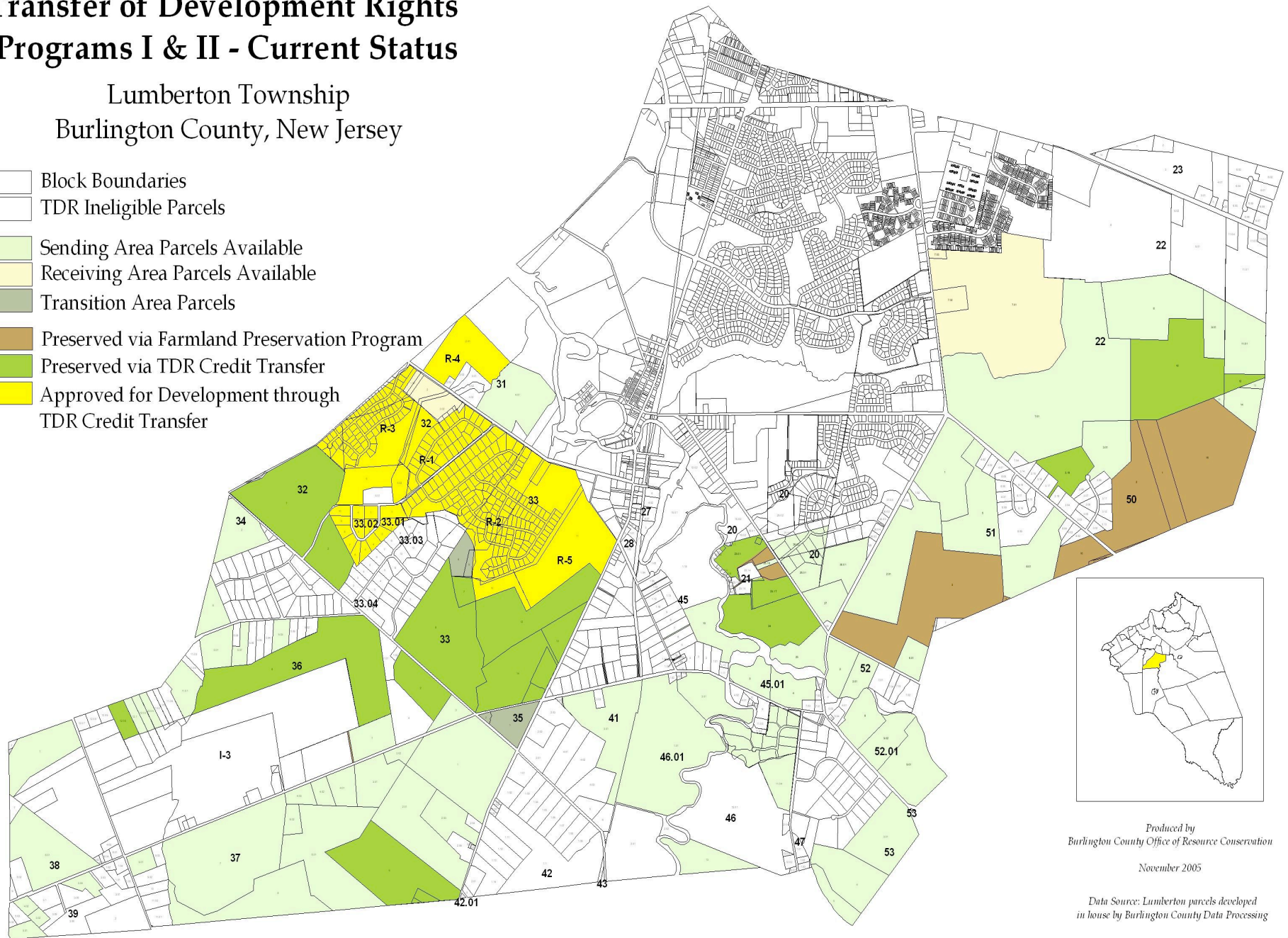
Lumberton Township

- Voluntary TDR Program
- Sending Area
 - 3,100 acres with 830 TDR credits
 - Land must be farmland assessed; \geq 6 acres
- Receiving Area
 - 508 acres, with 190 TDR credits
 - Total buildout = \sim 560 dwelling units
 - SA credit absorption goal: 70%
 - Will result in preservation of \sim 2,000 acres

Transfer of Development Rights Programs I & II - Current Status

Lumberton Township
Burlington County, New Jersey

-  Block Boundaries
-  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
November 2005

Data Source: Lumberton parcels developed
in house by Burlington County Data Processing

1000 0 1000 2000 Feet





















Lumberton Township

➤ Status:

- Receiving Area successfully built out; ‘familiar’ housing product
- TDR Credits sold for \$14,000 - \$30,000 each
- Developers wanted to do more!
- 840 acres permanently preserved by *private* sector
- Public land preservation \$\$ saved: ~ \$8 M
- Speed of development put pressure on infrastructure (schools)
- Fiscal impacts of rapid growth slowed expansion of TDR “II” program



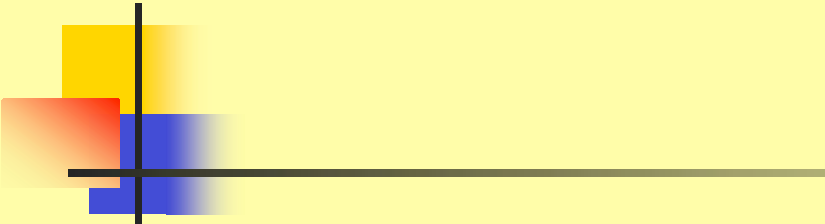
1993 State TDR Bank Act

- Created Statewide TDR Bank; appropriated \$20 million
- *“The development transfer bank may sell, exchange, or otherwise convey the development potential of property that it has purchased or otherwise acquired....., but only in a manner that does not substantially impair the private sale or transfer of development potential.”*
- Development Potential Purchase
- Loan Guarantees
- Planning Assistance Grants
- TDR Registry Requirement



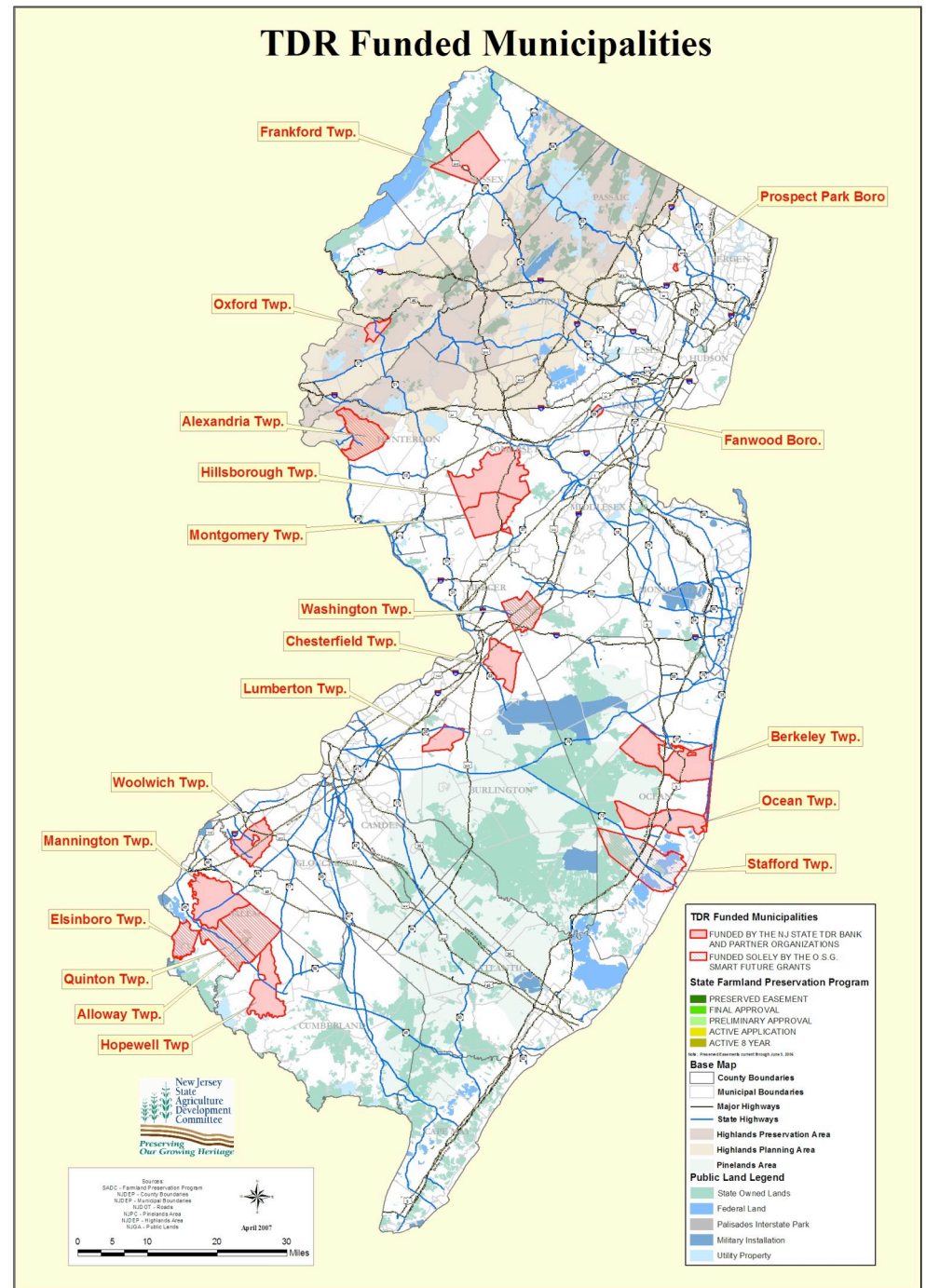
2004 State TDR Act

- Comprehensive Statewide TDR Enabling Legislation
 - Intra-municipal and Inter-municipal
- Established TDR Planning Process
- Established TDR Planning Requirements
 - Development Transfer Plan Element
 - Utility Service Plan Element
 - Capital Improvement Program
 - Real Estate Market Analysis
- Raised Planning Assistance Grants to \$40,000/municipality



Municipalities Granted TDR Bank Planning Assistance Grants and/or Office of Smart Growth Smart Future Grants

13 Planning Grants Approved
7 Agricultural Programs
5 Environmental Programs
1 Historic Program





TDR in the New Jersey Highlands

- 2004 Highlands Protection and Planning Act
- Scale of the Program
 - 850,000 acres
 - 88 Highlands Municipalities
 - 7 Counties
- Broad diversity in Land Use pattern and values
- TDR identified as primary equity compensation tool
- Identification of receiving zones is voluntary



TDR in the New Jersey Highlands

TDR Program

- Council performs regional real estate market analysis
- Credit value based on pre-Highlands Act zoning and DEP regulations
- To receive benefits, credits can be transferred to any community in the seven Counties that make up the Highlands—not just those within the region boundary

Receiving Zone Benefits

- Up to \$250,000 in planning grants
- Reimburse development regulation amendment costs
- Technical assistance
- **Authority to impose impact fees up to \$15,000/unit**
- Legal representation
- Priority for State capital or infrastructure programs



TDR Implementation Hurdles

- State Agency Collaboration
 - Better coordination needed
 - More proactive involvement needed
- Cost and complexity of planning required under TDR enabling Act
- Fiscal Impacts of Accelerated Growth



For More Information

nj.gov/agriculture/sadc/tdr.htm