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FOR IMMEDIATE RELEASE

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Highlands Council Awards TDR Feasibility Grant to the Town of Clinton

CHESTER, N.J. – The Highlands Water Protection and Planning Council awarded the Town of Clinton, Hunterdon County, with a Transfer of Development Rights (TDR) Feasibility Grant for \$23,500. It is the third municipality in New Jersey to receive this grant from the Highlands Council.

“The TDR program is a valuable land use and planning tool that allows for sensitive land to be preserved while directing development to areas where it would be the most appropriate,” said Eileen Swan, Executive Director of the Highlands Council. “To encourage municipalities to participate in this program and conform to the Highlands Regional Master Plan, the Highlands Act provides funding mechanisms, such as this grant program. We are happy that the Town of Clinton applied for this grant, and we look forward to working with the Town in the future in the TDR program.”

TDR is a land use tool that permits the transfer of development potential from areas identified for preservation, called sending zones, to areas that are more appropriate to accommodate increased growth, called receiving zones. Landowners in the sending zones receive compensation for the transferable development potential of their property that has been restricted in support of preservation. Payment for this lost development potential comes from purchasers who buy credits representing the lost development potential of parcels in the sending zone. The credits then entitle the purchaser to build in a receiving zone at a density greater than that permitted in existing zoning.

The Town of Clinton will use this grant for planning design analysis and an economic analysis for the potential of TDR in the municipality. The area of study for receiving sties would include areas where there are underutilized lands and buildings, as well as vacant or undeveloped lands, in the town’s commercial zone. Other tracts of land in the Town of Clinton will be analyzed as sending zones as these lands have environmental constraints such as steep slopes, carbonate rock, and floodplains.

Recognizing that planning for a receiving zone involves costs, the Highlands Council established a \$1 million Voluntary Receiving Zone Feasibility Grant Program in the spring of 2007. This grant program is designed to assist municipalities in assessing the potential for locating a receiving zone within their communities. Eligible municipalities, which need not be within the Highlands Region but must be in one of the seven Highlands counties, will receive both financial support and technical assistance from the Council. To date, two municipalities have been awarded grants under the program while several others are currently preparing applications. Lopatcong Township in Warren County was awarded a \$25,000 TDR Feasibility Grant, and the City of Clifton in Passaic County received a \$40,000.

As specified by the Highlands Act, receiving zones under the Highlands TDR Program are voluntary. To encourage municipalities to designate voluntary receiving zones, the Highlands Act provides a number of benefits to municipalities in the Planning Area that conform to the Regional Master Plan and establish a receiving zone which provides for a minimum density of five (5) dwelling units per acre for the residential portion of the receiving zone. Planning Area municipalities that meet these criteria may:

- charge up to \$15,000 per unit impact fee for all new development within the voluntary receiving zone;
- receive up to \$250,000 in an enhanced planning grant to offset the planning and other related costs of designating and accommodating voluntary receiving zones;
- receive a grant to reimburse the reasonable costs of amending municipal development regulations to accommodate voluntary receiving zones;
- receive legal representation by the State in actions challenging municipal decisions regarding TDR, provided that certain pre-requisites are met; and
- receive priority status in for any State capital or infrastructure programs.

For municipalities outside of the Region but within the seven Highlands counties, they are entitled to the same benefits above except for legal representation and priority status. Importantly, municipalities outside the Region must receive plan endorsement from the State Planning Commission to participate in the Highlands TDR Program.

Any municipality in the seven counties of the Highlands Region (Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex or Warren) interested in applying for a TDR Feasibility Grant should contact Lindsey Interlante, Manager of Grants Administration, at (908) 879-6737.

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