



# State of New Jersey

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MEMORANDUM TO: State Planning Commission

FROM: Donna Rendeiro

RE: State Plan Update Process Recommendation

DATE: July 28, 2023

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## Introduction

As you know, we are about to embark on an update to the State Plan. The purpose of this memo is to give you a primer regarding the recommended process that we will be discussing at the July SPC meeting. This is a significant undertaking that I am hoping will be completed by the fourth quarter of 2024.

The State Planning Act (NJS 52:18A-196, et.al) requires an update to the Plan every three years, but the current version of the Plan is from 2001. Under the auspices of the State Planning Commission, the Statute designates the Plan to represent a balance of development and conservation objectives best suited to meet the needs of the State.

While many of the goals in the current State Plan are timeless, today's environment, including rapid changes to land use and climate, presents some very difficult and sometimes conflicting challenges. As a small and intensely developed state, New Jersey has a long history of proactively addressing the land use issues of its time. As our understanding and prioritization of issues like climate resilience, greenhouse gas mitigation, and environmental justice have increased, so has the need to integrate them with economic growth imperatives. The State Plan is uniquely positioned to help address these emerging and time-sensitive challenges as New Jersey continues to plan for its future in a comprehensive and balanced manner because of its core principle as a coordinating document for all State agencies and interests.

Today, New Jersey is at a crossroads with considerable opportunities to positively impact the future livability and economic vibrancy of our State that will be benefitted by grounding decisions with an up-to-date blueprint for achieving more equitable and lasting statewide success. As we experience once-in-a-lifetime funding opportunities, including federal COVID relief and the Infrastructure Investment and Jobs Act, there is a unique opportunity to invest in one-time improvements in our infrastructure needs, but those needs are great and varied and the State Plan is positioned well to assist in the prioritization of a spending plan. The Plan requires an integrated approach

toward planning and implementation of actions that address priorities in a “whole of government” manner, rather than silos in which we sometimes find ourselves. These decisions can very well impact how New Jersey builds its economic sustainability while addressing climate change considerations. Decisions made today will impact the future of New Jersey for years to come. It is imperative that these decisions are made empirically, quantitatively, and equitably.

The process of updating the State Plan is complicated and expansive. It requires collaboration among State agencies, regions, counties, municipalities, and the public. It is, by far, the most inclusive planning document at the State level. The State Planning Act requires coordinated planning in the areas of land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination. There is widespread support for an updated State Plan.

When the State Planning Act was adopted and the first State Plan was developed, New Jersey was recognized as the premier state as it relates to comprehensive land use planning at the statewide level. Though our state has 21 counties and 563 municipalities with local land use authority, the State Plan brings all levels of government together to address issues that transcend municipal and county boundaries. An update of the Plan that promotes beneficial economic growth and addresses current issues, such as climate change, social equity, environmental justice, continued open space and farmland protection, and infrastructure needs will assist in restoring New Jersey to a place of prominence as the national leader in sound land use planning.

At the end of this process, there will be four end products:

- An updated **State Development and Redevelopment Plan** that will delineate where the State will:
  - Promote development and redevelopment in a manner consistent with sound planning and where infrastructure can be provided at a reasonable cost;
  - Promote the protection of natural resources and qualities of the State, including agricultural development areas, wetlands, and other areas of sensitive and vulnerable areas;
  - Identify areas for growth, limited growth, agriculture, open space conservation, and other appropriate designations;
  - Consider State, regional, county, and municipal capital and economic development plans that will include, to the extent practicable, concerning conserving natural resources and infrastructure; and
  - Coordinate planning activities and establish statewide planning objectives.
- An **Infrastructure Needs Assessment** that will provide information on present and prospective conditions, needs, and costs with regard to State, county, and municipal capital facilities, including water, sewerage, transportation, solid waste, drainage, flood protection, shore protection, and related capital facilities.
- An **Impact Assessment** that will examine the economic, environmental, infrastructure, community life, and intergovernmental coordination impacts of the Plan.
- An updated **State Plan Policy Map** that identifies areas of growth, conservation, and protection.

### Proposed Structure

This memo recommends restarting the Plan Development Committee of the State Planning Commission to assist in policy development. I am proposing that this Committee be made up of some or all of the public members, county/municipal members, and **Gubernatorial Appointees** of the Commission. The time commitment for those members will include approximately one meeting a month, attendance at some public hearings, and reviews of the drafts of the plan and mapping proposals.

The Planning Interagency Workgroup will play an integral role by representing our state agency partners. In this role, Workgroup members will provide staff reviews and facilitate senior management reviews throughout the process. Periodic Workgroup meetings will be scheduled throughout the process.

OPA staff will manage the process and provide policy input and coordination. OPA is in the process of procuring consultant services for the majority of the work. **The Infrastructure Needs Assessment will be completed by Rutgers University through a Memorandum of Understanding and that work is underway. Writing and editing services, as well as coordination of the outreach process, will be performed by a team from the NJ Chapter of the American Planning Association through a Request for Bid process. The team put together by NJAPA has extensive knowledge and experience with the State Plan and is at the top of the planning community in New Jersey. The research function to provide population projections and demographic analysis to support the Plan policies was awarded to NJ Future through a Request for Bids process. Software services are in the process of being awarded as well. It is anticipated that Rowen University will be tapped to assist in the mapping process.**

### Communications Plan

Early stakeholder input in the process will be crucial. This is in addition to the mandatory 21 public hearings (one in each county) during the Preliminary Plan stage, the 6 public hearings at the Draft Final Plan stage, and input throughout the process from our State agency partners.

This process began with the listening session provided to us by the NJ Planning and Redevelopment Forum where invited stakeholders provided input into the Plan structure and several Commissioners were able to listen and respond. Audience members were also able to listen and/or provide written comments. The session was well received and feedback was very positive. There were approximately 85 people in attendance. Additional conference sessions will be pursued in the coming months.

Further opportunities for input will be provided to representatives from a wide variety of organizations across sectors and levels of government. **As we develop our stakeholder process and participants, we will ensure the particular importance of the urban community, and in particular, the urban mayors is represented.**

The county planners will be integral to the success of this process. We are working in partnership with the County Planners Association by participating in their Statewide Planning Subcommittee. This process has begun by discussing ways in which cross-acceptance can be made less onerous and asking for input from the county planners on both logistical and policy questions. **Additionally, an email was sent to each county with requests for information and an offer to convene individual county informational sessions. The Office has received responses from 19 of the 21 counties. Of the 18 responses, 17 counties requested informational sessions, twelve of which have been scheduled and two have been held.** If we can open lines of communication and set the ground rules earlier in the process, then the cross-acceptance process can be made more efficient.

A unique email address will be provided for members of the public to provide input as well and that email address will be published in various outlets throughout the process. Communications will be sent out via newsletters and other media as appropriate.

### Process Overview

The process to begin the update to the State Development and Redevelopment Plan requires four concurrent paths. To be successful, there needs to be a constant feedback loop among all four paths as each path further informs the development of the others. The facilitators of each of these paths need to be in constant communication and need

to ensure a significant amount of coordination. **Toward that end, a consultant kick-off meeting will be held on July 28<sup>th</sup> to ensure that each consultant knew where their piece of the puzzle fit and to acquaint them with the process.**

**Plan Document** – Per NJSA 52:18A-199(a), the Commission “...shall provide a coordinated integrated and comprehensive plan for growth, development, renewal, and conservation of the State and its regions and which shall identify areas for growth, agriculture, open space conservation, and other appropriate designations”. The statewide planning process established by the Act requires three significant planning stages:

- The Preliminary Plan serves as the basis for Cross-Acceptance, a collaborative, participatory process by which state agencies and local governments join in statewide planning to achieve full public participation in the process and a consensus among all levels of government. We hope to complete the Preliminary Plan by the fourth quarter of this year.
- Cross-acceptance is, by definition, a negotiating process, designed to encourage consistency between municipal, county, regional, and state plans to create a meaningful, up-to-date, and viable State Plan and State Plan Policy Map that is representative of their input and that of the public. This process is meant to ensure that all New Jersey residents and levels of government have the opportunity to participate and shape the goals, strategies, and policies of the State Plan that make sense for all of New Jersey. The State Planning Commission recently approved changes to the Rules that will, among other things, make the cross-acceptance process less cumbersome by utilizing technology that was not available during the prior process. Those changes are currently in the 60-day public comment period during the formal rule-making process. We aim to conduct the cross-acceptance process throughout the first half of 2024.

It is anticipated that software will be needed for the cross-acceptance process to be able to efficiently and effectively manage the public input process. This is an important step to enable counties, municipalities, and other stakeholders to provide input into the Plan and minimize staff needs. This purchase will be procured through the RFQ, RFP, or other standard purchasing processes, whichever is deemed appropriate.

- The Draft Final Plan incorporates the negotiated agreements from the cross-acceptance process. Once the State Planning Commission approves the Draft Final Plan, that document, together with the State Plan Policy Map, becomes the new State Development and Redevelopment Plan, ideally by the third quarter of 2024.

The first step in this process should be a review of the definitions in the plan. The definitions drive policies and mapping protocols and addressing definitions first sets the ground rules for discussions regarding those policies and protocols. Staff began that review to ensure they more accurately reflect today’s land use practices. In recognition of climate change concerns, for example, a new “restricted center” definition may be appropriate in vulnerable areas to allow for the redevelopment of areas with existing infrastructure. In this way, we can work with the communities to help them become more resilient while enabling economic growth opportunities.

**Infrastructure Needs Assessment** – Per NJSA 52:18A-199(b), the Commission “shall prepare and adopt as part of the Plan a long-term infrastructure Needs Assessment, which shall provide information on present and prospective conditions, needs and costs with regard to State, county and municipal capital facilities, including water, sewerage, transportation, solid waste, drainage, flood protection, shore protection, and related capital facilities”.

We have entered into a Memorandum of Understanding with Rutgers University for Phase I of the Infrastructure Needs Assessment, which includes the Environment, Transportation, and Energy. Phase I, as you know, is underway; the second phase of the INA is anticipated to begin in the fall of 2023. Phase 2 will cover such topics as affordable housing, farmland retention, recreation/open space, public and higher education, public libraries, the arts, corrections, and human services. The two phases will be consolidated for the final Needs Assessment.

**Impact Assessment** – Per NJAC 5:85-4.7, “...the Commission shall have prepared an assessment of the impacts of the draft Final State Development and Redevelopment Plan relative to the impacts that would likely occur without that draft Final State Development and Redevelopment Plan”. The results of the assessment shall identify desirable changes to be incorporated into the Final State Development and Redevelopment Plan.”

This Impact Assessment needs to be completed and distributed 45 days prior to the first of 6 public hearings on the Draft Final Plan (estimated to be August, 2024). With funding provided in the FY2024 budget, we anticipate procuring the capacity to complete the Impact Assessment in early 2024.

**Mapping Protocol** – While the State Planning Act does not address the State Plan Policy Map (SPPM or the Map), the rules do. A valuable part of the State Plan, the Map is a geographic application of the goals, strategies, and policies of the Plan and is important in interpreting smart growth areas and areas that need protection. However, the implementation and development of the Map have historically had challenges. With input from a diverse set of stakeholders, recommendations on how best to utilize and implement the Official Map of the State Plan must be developed. Among the questions that will be answered include:

- Should definitions of planning areas, centers, cores, and nodes be changed?
- How should differences among different areas of the State be incorporated into these definitions?
- Should counties play an expanded role in determining the mapping boundaries?
- How do we reconcile the difference between conceptual ideology and the need to create boundaries as part of mapping protocols (where do you “draw the line”)?
- How do you avoid “mapping by permits” if regulating agencies that utilize the State Plan to determine where to permit (for example, CAFRA)?

Invariably, there will be other questions that develop and the above questions will lead to how the Map is developed and utilized going forward in the new Plan. These discussions will run concurrently with the Preliminary Plan development.

### The Timeline

The proposed timeline is an aggressive one, but it is doable. There are numerous requirements for public notice that vary regarding the notice timeframes, based on scheduled public meetings. For that reason, some later dates are not specific but are estimated by month or quarter. As the process moves along, more specificity will be provided when public hearings are scheduled and other variables become more definitive.

Estimates of major milestones are as follows (some can occur concurrently):

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| • Development and distribution of the Preliminary Plan and policy map   | 5 months |
| • Public hearings at each county, and regional entity                   | 3 months |
| • Receipt of county report of findings, recommendations, and objections | 6 months |
| • Six public hearings   | 2 months |
| • Revisions and adoption of the final plan                              | 2 months |

The Infrastructure Needs can be done concurrently with the production of the Preliminary Plan and prior to public hearings and the Impact Assessment can be done concurrently with the production of the Interim Plan.

### Considerations for Implementation of the Plan

A Plan is only as good as its implementation. Critical to the success of the Plan is working with our State agency partners. The Statute envisions that individual departmental plans be aligned with the State Plan so that a “whole of government” approach is taken. Further discussion around incentives should be included in our update of the

State Plan in recognition that good land use planning has many factors, and the State Plan can be a valuable tool in driving by informing programs and incentives.

There are many opportunities to modernize New Jersey's land use discussion to ensure that New Jersey remains a great place to live, work, and play. This update gives elected officials at all levels of government the ability to do that.