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Implementation Report

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The Draft Preliminary
State
Development
AND
Redevelopment
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I.

A. Introduction

The New Jersey Legislature has charged the State Planning Commission with the task of developing a "coordinated, integrated and a comprehensive plan for the growth, development, renewal, and conservation of the State and its regions." The strategies contained in this section are designed to implement the broad policies and standards developed for each of the eight tiers of the State Development and Redevelopment Plan. The principal criteria for implementation are the achievement of the following objectives:

1. To reduce sprawl;
2. To protect environmentally sensitive areas;
3. To stimulate development in urban areas, and
4. To channel growth into nodes within designated transportation corridors.

The implementation strategies for this plan have been designed to achieve the broad goals and objectives set forth in the Plan, but with a keen awareness that within each tier there necessarily exists a multitude of individual situations, unique conditions and variables which may require different strategies to be fashioned which reflect local conditions in specific areas or with respect to individual properties within each tier. Therefore, in most instances the strategies are stated in broad terms to allow for flexibility and innovation by the appropriate implementing authority. However, in other instances, specific strategies are detailed and incorporated to ensure a particular result which is critical to the success of the Plan.

Significant variations exist within each tier. It is recognized that the features of a particular tier are not monolithic. The criteria by which tier delineation has been accomplished reflects a degree of overall uniformity with respect to those criteria deemed to be of overriding significance for planning and plan implementation purposes. However, the Plan does not presume that these implementation strategies will be applicable in

each and every instance. Therefore, the implementation strategies have been developed to allow for application of the strategies for one tier to be applied in other tiers when justified by the particular local conditions.

In addition, the implementation strategies provide procedures for formal shifts of land from one tier to another at times generally coinciding with the statutorily required revision of the Plan every three years. Neither the Plan nor its implementation strategies are intended to be a straight jacket. They are intended to act as a guide to responsible development and redevelopment of the State.

The State, its agencies, counties and municipalities all have a role in implementation of the strategies. Some are designed for implementation by particular units of government, while others are designed to be implemented by several or all governmental units within the State. In order to ensure that the strategies of the Plan are implemented by the units of government charged with responsibility for implementation of particular strategies, it is suggested that the State Planning Commission reinforce the implementation strategies by adopting more detailed and refined versions of some or all of the implementation strategies as regulations under the authority of N.J.S.A. 52:18A-203. The strategies would then have the authority of law and would be applicable state-wide.

All State agencies should review their existing policies and programs to ensure that they are integrated, coordinated and consistent with and designed to help achieve the policies, standards and strategies of the Plan. The State (collectively) plays a vital role in revenue-raising, expenditures, facilities expansion, programs and policies which affect implementation of the Plan. It is essential that the State achieve a high degree of interdepartmental and interagency coordination as an example to municipalities and counties and as the foundation for plan implementation. Once that has been achieved, the State, through the cross-acceptance process, can encourage coordination with municipalities and counties with the ultimate goal of consistency between state agency plans, local plans and the State Plan.

II. IMPLEMENTATION STRATEGIES

A. Strategy by Tier

1. General Strategies for Tiers I and II (Major Urban Center and Older Suburbs)

a. Introduction

Similarities exist among the Major Urban Center and Older Suburb Tiers. Therefore, general strategies have been developed which are applicable to both. The primary focus of the implementation strategies for both involve the use of combined state and local subsidies aimed at achieving significant revitalization.

Certain sub-areas within Tiers I and II are experiencing renewed private sector interest and significant private investment. These areas (hot spots) should not receive public subsidies. They should be subject to implementation strategies which reflect actual existing conditions and are aimed at achieving objectives designed for tiers where significant development is occurring without public subsidies (i.e., the planned urbanizing area). The local governing body with jurisdiction over such areas should request approval from the State Planning Commission to apply implementation strategies which are designed for tiers which accurately reflect the existing conditions in the area. Alternate strategies shall be applied to an area only when approved by the State Planning Commission.

Application of alternate implementation strategies shall not constitute a change in tier designation, but only authority to impose approved strategies other than those applicable to its officially designated tier. Actual change in tier designation, as a general rule, should occur every three years when the Planning Commission revises and readopts the Plan

pursuant to N.J.S.A. 52:18A-199(a). Consideration of such shifts could be initiated by the Commission on its own notion, or at the request of the Office of State Planning, a county, a municipality or an affected landowner.

A major objective of the Development and Redevelopment Plan is to curb urban sprawl and limit new development to those areas presently served by adequate public facilities. Tiers I and II are presently served by adequate public facilities, although in some instances they may be in need of major repair and/or upgrade. The successful implementation of strategies in the non-urban tiers will encourage redevelopment, infill and revitalization in areas I and II. The success of the strategies implemented outside these urban tiers will be critical to the accomplishment of the objectives within these areas.

b. General Strategies

- (1) Resource Inventory - The State, in conjunction with each local municipality and county should survey existing resources and establish and maintain an inventory of redevelopment opportunities.

Locations should be targeted which are adjacent to existing hot spots in order to build and capitalize upon private investment which is presently occurring and to leverage private resources to the greatest possible extent. Locations which present viable opportunities for joint public/private development, vacant areas appropriate for infill development, as well as areas adjacent to natural and cultural amenities such as waterfronts, rivers, commons, historic buildings, libraries, museums and centers for cultural arts, should also be targeted.

(2) Redevelopment

Public/private partnerships for development and redevelopment of underutilized areas, blighted areas, or areas where assemblage of adequate-sized parcels of land cannot be achieved by the public sector alone should be aggressively pursued. Neighborhood land pooling arrangements for development or sale should be encouraged.

Design, open space, parking, architectural, landscape and community planning standards should be utilized to assure that infill development is compatible with surrounding uses.

Adaptive reuse of older, but still structurally sound, commercial and industrial buildings should be encouraged.

The cost of land owned by the public sector should be priced at levels which will encourage its sale to the private sector for redevelopment activities.

Every effort should be made to convert all surplus public land into useable tax-producing development.

Flexible zoning techniques such as conditional zoning, planned unit development, cluster zoning and bonus zoning, designed to maximize preservation of cultural, historic and recreational lands and open space, should be utilized.

Programs should be established to facilitate the provision of conventional loans for redevelopment activities.

(3) Public Subsidy - Particularly within Major Urban Center and Older Suburb Tiers, it should be presumed that outside of hot spots, public subsidy

will be required to leverage private investment and spur revitalization. Public subsidy should be principally limited to those areas targeted in the inventory.

The cost of construction, reconstruction, repair, expansion and maintenance of public facilities and infrastructure which is necessary to spur private sector development, should be borne by the public sector.

At targeted locations, public monies should be adequately appropriated and spent to demolish those structures which have no future viability and deter private investment. CDBG entitlement cities should budget sufficient portions of their grant toward demolition to be used in conjunction with special state appropriations for such purposes.

Public buildings should be located at targeted sites whenever appropriate as a means of spurring development and restoring or bolstering activity at the location.

Public resources should be allocated to public amenities which create other people activity, such as vest pocket parks, pedestrian plazas, fountains and street furniture.

- (4) Public Incentives - Full use should be made of urban enterprise zones and other programs similarly designed to provide fiscal and regulatory incentives for private sector development within these tiers. This should include, but not be limited to, tax increment financing, tax abatement, UDAG's, the Local Development Financing Fund and Private Activity Bonds. These fiscal incentive tools should be

targeted for locations where joint public/private development opportunities can be captured.

The New Jersey Economic Development Authority's direct loan and loan guaranty programs should remain targeted to retail developments within these tiers to assure that redevelopment which occurs has a balance which will restore and/or maintain a sense of community within the area.

Proposed real property assessment increases should be carefully analyzed and limited to the lowest possible level.

- (5) Housing - Certain New Jersey urban areas are presently experiencing substantial private sector commercial/office investment. Each should capitalize upon this commercial resurgence to redevelop a mixture of uses through inclusionary zoning techniques.

Concentrated efforts should be made to promote the restoration of threatened, but still viable, neighborhoods through the CDBG programs, Neighborhood Preservation Program, Casino Reinvestment Development Authority programs and the proposed Neighborhood Development Corporations.

Government assisted programs for housing rehabilitation, rental assistance, mortgage and interest subsidies, insurance, homeowner equity programs and creative and innovative community housing and rental programs should be provided.

Funding for State housing rehabilitation programs should be increased.

Laws which prohibit mortgage lending practices which discriminate against and redline older neighborhoods should be more strictly enforced.

- (6) Historic Structures and Districts - Special efforts should be made to preserve historic structures and districts. Local landmark commissions should be created to preserve the integrity of each community's historic heritage. A traditional system of transfer of development rights should be established in each municipality or county where development rights over and above those necessary to preserve the site up to the allowable maximum can be severed from the site and transferred to recipient sites designated by the municipality or the nodes within the Planned Urbanizing Tiers. These development rights could be either purchased or be transferred by the original owner to allow development above the normal maximum.

- (7) Transportation - Public funds should be targeted to mass transit construction, expansion, repair and maintenance to minimize dependence upon the automobile of employees and persons who dwell within tiers I and II upon the automobile.

Quality public transportation services should be provided at a reasonable cost to the user.

Incentives should be provided for utilization of transportation management systems to reduce traffic congestion, encourage multi-modal transportation, promote flexible working hours, car and van pooling, priorities for multi-occupant car parking, reduction of on-site parking, access to public transit and transportation management associations.

(8) Institutional

Development review procedures should be coordinated to eliminate unnecessary regulatory practices which increase the cost of development.

Administrative processes should be carefully reviewed to assure that unnecessary time delays are eliminated.

Adequate monies should be made available to assure quality education for all children in public schools.

2. Major Urban Center (Tier I) Implementation Strategies

a. Introduction

Major urban centers are those municipalities with population densities of 1000 or more persons per square mile which have consistently lost population since 1950 or have been designated as urban aid municipalities.

The primary focus of the implementation strategies for this tier involves the use of combined -state and local subsidies aimed at achieving significant revitalization.

New Jersey has an impressive array of existing tools which have been authorized by the legislature for urban redevelopment and revitalization. What is important is to assure that they are properly targeted and adequately funded.

b. Strategies

- (1) Budget Supplement Programs - Existing programs which are designed to enable municipalities to maintain and upgrade municipal services and offset local property taxes, including, but not limited to, the Urban Aid Program, Distressed Cities

Program, the Safe and Clean Neighborhood Program and the Supplemental Safe Neighborhood Program, should receive adequate appropriations and municipalities with real needs should be assured funding as early as possible. This will assist in allowing such municipalities to divert a substantial portion of their staff resources, which are now spent to a large degree on assuring an adequate operating budget, to long range planning which will allow them to capture redevelopment opportunities. This will increase their tax base and relieve budget pressures over the long run.

Sources of local revenue should be increased to allow municipalities to develop innovative revitalization techniques which treat unique local problems.

- (2) Public Subsidy - The state and local government should share, on a 50-50 basis, the cost of public facility and infrastructure repair, and/or expansion which is necessary to trigger private investment, and to make targeted sites developable.
- (3) Total Redevelopment - The New Jersey Economic Development Authority's Urban Industrial Park Program and the New Urban Development Corporation (because they are vested with authority to redevelop total areas from acquisition through disposition) should focus their activities upon those locations which have been targeted for redevelopment, but which are less likely, for various reasons, to attract private sector redevelopment interest without substantial public sector redevelopment activity.

The Urban Development Corporation should, at all appropriate opportunities, exercise its apparent

authority to include residential construction for all income levels as a component of its redevelopment efforts. It is critical to the complete revitalization of the Major Urban Center policies area that residential opportunities exist and be made desirable for all income segments of the population.

In order for residential to be a viable component, each redevelopment effort must equally provide the service and convenience activities upon which its residents are dependent for their day to day lifestyle. Every effort should be made to provide for mixed-use in redevelopment efforts.

Cities and counties, through tax increment financing and their redevelopment agencies, should also concentrate their activities on mixed use redevelopment efforts.

- (4) Housing - All non-residential development over a specified number of square feet, established by regulation of the State Planning Commission, should be required to pay a fee which is reasonably related to the need for housing generated by the development. The fee paid should be placed in a fund and earmarked for construction and/or rehabilitation of residential units for various income segments of the population, not merely low-moderate income persons.

Flexible housing code programs should be implemented in deteriorating neighborhoods which are still viable and targeted for preservation.

Programs should be established which protect tenants of existing housing in targeted neighborhoods through such techniques as rent abatement, receivership, and rent ceilings.

3. Older Suburbs (Tier II) Implementation Strategies

a. Introduction

Older suburbs contain those municipalities with population densities of 1000 or more persons per square mile that have lost population since 1960 or 1970. The principal objectives for this tier are retention of the existing population and employment base, revitalization of viable existing neighborhoods, promotion of infill development and redevelopment of specified areas.

b. Strategies

(1) Local Operating Budgets

The municipalities in the Older Suburban Tier are not urban aid municipalities and therefore do not receive state aid to supplement their operating budget.

Nevertheless, maintaining adequate local services for residents with dwindling sources of revenue is a serious problem. Municipalities must make every effort to reduce the cost of providing such services, rather than reducing their level or eliminating certain necessary services altogether.

Municipalities should investigate the fiscal effect of providing such services either through contract or other privatization mechanisms, rather than directly. If the evidence indicates that cost savings can be generated by privatization of certain municipal services, municipalities should aggressively pursue that alternative.

Substantial cost savings can also be generated through the cooperative provision of municipal services by contiguous municipalities and counties. The Interlocal Services

Act provides authority for local governments in New Jersey to contract with one another for joint provision of services. Where cost savings can be effectuated, this mechanism should be employed.

(2) Preservation of Viable Neighborhoods⁷

Primary emphasis should be on conservation rather than redevelopment in residential neighborhoods in the Older Suburbs Tier. Existing state and local programs which focus upon preservation and rehabilitation should be adequately utilized. CDBG funds and resources available through the State's Neighborhood Preservation program should be targeted to public facility and infrastructure improvements and housing rehabilitation.

Demolition funds should be targeted to those residential and commercial structures in threatened, but still viable, neighborhoods which are abandoned, create visual eyesores, serve as gathering points for weeds, trash and vagrant persons, and impede the neighborhood's revitalization.

Neighborhood preservation monies should also be targeted to general neighborhood clean-up efforts. Illegal trash dumps, uncut vacant lots and yards surrounding vacant structures should be cleaned up and kept cut.

Neighborhood organizations dedicated to the revitalization of existing neighborhoods and which have a major stake in the neighborhood should be encouraged both through meaningful access to City Hall, as well as through funding for their day-to-day operational expenses through such programs as the Neighborhood

Development Corporation and the proposed Housing Rehabilitation Corporation.

State and/or locally funded insurance programs which protect against diminution in the value of residential structures, provided the homeowner remains in this residence for a minimum number of years (5 years), should be tested in demonstration neighborhoods. These programs should be aimed at minimizing the flight of residents from the Older Suburbs Tier to newer suburbs and the Planned Urbanizing Tier.

Conversion of a larger single family dwelling units to group housing for older person should be allowed.

(3) Retail/Commercial Areas

Strong and vibrant retail and commercial areas are essential to the continued vitality of the Older Suburbs Tier. A sizeable portion of neighborhood preservation, as well as general government funds, should be targeted to preserving and revitalizing the central business districts of Older Suburbs as well as neighborhood commercial areas.

Public monies should be expended to assure an adequate and viable, but unobtrusive, police presence and to provide the public amenities necessary to attract shoppers, such as improved streetscapes, vest pocket parks and street furniture.

Facade improvement programs should be instituted.

Monies should be focused upon accentuating the attributes of neighborhood shopping and convenience service opportunities, not upon attempting to compete with

regional shopping malls. Features which produce greater accessibility and convenience should be the focus.

(4) Infill Development

Local government should inventory its jurisdiction to identify all those areas which are appropriate and acceptable for infill development.

Once identified, those areas should be made ready to accept infill opportunities as they arise. This should include necessary demolition, infrastructure reconstruction, expansion and/or repair and all other activities necessary to make such sites immediately available for development.

In those situations where there exists potential site developers, infrastructure improvements should be borne in accordance with the strategies in number 6 of this section. When no immediate development opportunity exists the cost of preparing infill sites for redevelopment should be borne exclusively by the public sector.

(5) Redevelopment

There exists in the Older Suburbs Tier locations which are in need of complete redevelopment. Initial and rigorous efforts should be made to capture opportunities for joint public/private development as the redevelopment mechanism. Fiscal incentives such as financing, other below-market financing techniques, and land acquisition should be utilized to secure joint development opportunities.

In the absence of such opportunities, local redevelopment agencies should step in and redevelop those areas which are

critical to the revitalization of the tier. Where authorized, the New Jersey Urban Development Corporation should undertake the redevelopment activities.

(6) Public Facilities and Infrastructure

The cost of infrastructure necessary to the redevelopment or revitalization of Older Suburb Tiers should be borne 1/3 by the State, 1/3 by local government and 1/3 by the developer.

4. Growing Suburbs (Tier III) Implementation Strategies.

a. Introduction

Growing Suburbs include those municipalities with population densities of 1000 or more persons per square mile that are presently urbanized and demonstrated growth as of 1980.

The primary objectives in this tier are conservation, promotion of infill development, and prevention of urban sprawl.

b. Strategies

- (1) Conservation - The Growing Suburbs Tier is generally not in need of extensive rehabilitation efforts. Rather, municipal and county programs should be targeted at conserving what is a structurally sound housing stock and healthy commercial/retail environment.

Local governments in the Tier should establish building and housing codes which assure quality construction and ongoing maintenance but provide flexibility to develop through innovative, but sound techniques.

Housing codes should be strictly enforced. Mechanisms should be developed to assure that actions to

enforce housing codes are an in rem action rather than in personam thereby allowing the placement of a lien against the property which is in violation of the code and not merely imposition of fines against the property owner.

Local governments should allocate an adequate portion of their budget to general efforts to keep neighborhoods clean, free from trash and weed accumulation on public lands and around abandoned structures.

Neighborhood groups should be encouraged to form neighborhood corporations, which have meaningful input into issues which effect the vitality of their neighborhood and, where necessary, their day to day operational expenses should be publicly subsidized; for example, salaries for a full-time director and start up funds for neighborhood newsletters could be made available.

Full use should be made of federal and state neighborhood preservation monies to fund such activities as well as low interest loans or grants to facilitate rehabilitation where the situation dictates. Housing rehabilitation subsidies should be carefully targeted to the truly needy and to those areas which are beginning to show early signs of deterioration.

(2) Infill Development

Each municipality should inventory its jurisdiction for those sites which are appropriate for infill development. Those actions necessary to prepare such sites for immediate development should be undertaken, including demolition and public facility and infrastructure improvements.

If the site is appropriate for joint public/private development, those opportunities should be aggressively pursued, thereby providing a mechanism to share with the private sector.

Performance and design standards should be developed to assure that all infill development is compatible with surrounding development.

(3) Adequate Public Facilities

Each local government should adopt an adequate public facilities ordinance which assures that development occurs only in those areas where adequate public facilities and infrastructure are in place. The ordinance should be based upon sound capital improvement planning and established levels of service which protect against untimely physical and functional obsolescence of the public improvement. Public facility and infrastructure expansions should occur only adjacent to existing development and in a timed and sequenced fashion to avoid leap-frog development and urban sprawl.

All units of government must adopt public facility and infrastructure financing mechanisms which assure that all the cost of on-site facilities required by the development are borne by the developer and that a portion of off-site facilities generated by the development, including roads (the state highway system as well as county and municipal roads and streets), sewer, water, drainage, parks, libraries, schools, fire and police substations is borne by the developer. The mechanisms should include police power exactions, impact fees special assessments and connection fees. The cost of the off-site facilities reasonably

generated by "the development should be borne 50% by the developer, 25% by the state, and 25% by the local government.

(4) Transportation

Traffic congestion at suburban commercial and retail centers is becoming an increasingly significant problem and in many instances has reached crisis proportions. As a part of the adequate public facilities process, thorough traffic studies should be done at all locations which have generated or are likely to generate significant automobile traffic, given development projections. Sufficient funds should be allocated to bear the municipality's share of the cost of expansion and construction of traffic facilities at levels necessary to avoid these congestion problems.

Counties and municipalities should adopt a system of bonuses and incentives which encourage traffic management systems and associations, flexible working hours, van and car pooling, priority multi-occupancy car parking, priority traffic lanes and provision of access to public transit as additional means to reduce traffic congestion.

5. Freestanding Town (Tier IV) Implementation Strategies

a. Introduction

Freestanding Towns are urbanized areas with populations no greater than 60,000 which lie a minimum of two miles from other existing urban areas. They may embrace a municipality or only a portion of a municipality. They include a range of community types that vary from isolated industrial towns and cities, to old farm centers and historic villages in the rural portions of the State.

b. Implementation Strategies

- (1) Each Free Standing Town may contain within its boundaries all or any number of the characteristics associated with each of the other individual tiers; therefore, the design of fixed implementation strategies which will be applicable throughout the area is impossible. Accordingly, similar to the hot spots discussed in Section 1, each local government shall have the opportunity to determine either through the cross-acceptance process or upon application to, and the approval of the State Planning Commission, which of the implementation strategies (those of tiers I-III, or V-VII) shall apply to specified geographic segments of their jurisdiction. The determination will be made in either the cross-acceptance or application and approval process based upon the existing characteristics of the area. For example, an area which is designated within the Freestanding Towns Tier, but which exhibits the characteristics of an Older Suburbs Tier may be allowed to apply the implementation strategies of the Older Suburbs Tier to that area. Different implementation strategies may apply to different areas within the Free- Standing Towns Tier. This authority to apply different implementation strategies does not alter the area's designation as a Freestanding Town.
- (2) Around each Freestanding Town there exists an area which is subject to growth pressures because of movement of persons outward from the core of the town as is typical of all urbanized areas. The implementation strategies applicable to the Planned Urbanizing Tier shall apply to this area surrounding the town. The dimensions of this area shall be subject to existing conditions and

will therefore vary in width. In addition, a Freestanding Town may be partially abutted by lands in the Agricultural or Conservation Tiers. In those instances, the implementation strategies of the relevant Tier shall apply and not those of the Planned Urbanizing Tier.

6. Planned Urbanizing Tier Implementation Strategies

a. Introduction

The Planned Urbanizing Tier is that area of the state which is presently receiving the strongest growth pressures and is designated by the Plan to receive the bulk of the growth occurring during the next capital program period. It includes two separately identifiable areas. The first is those areas of the state presently sewerred or planned for sewers (sewer plans actually approved by the DEH) and populated by less than 1,000 persons per square mile. This tier is mapped by the Plan. The second is certain nodes within existing or planned transportation corridors which will be designated in accordance with the procedures established in these strategies.

Some of the implementation strategies identified in this section are devised to accomplish objectives which relate exclusively to development within those portions of Planned Urbanizing Tier designated as nodes. For example, one objective is to discourage continuous high density strip type corridor development and encourage high density, mixed-use development at nodes. Those strategies which are expressly directed at corridor node development are so identified. Otherwise, the strategies apply to achievement of the general policies and objectives of the Planned Urbanizing Tier.

In those areas within transportation corridors which have not been officially designated as nodes, the implementation strategy which is applicable to the underlying tier shall apply. For example, if a transportation corridor runs through the Agricultural Tier, the implementation strategies for the Planned Urbanizing Tier shall apply at those areas officially designated as nodes and the implementation strategies for the Agricultural Tier shall apply to all other areas of the corridor. The only exception is that the density requirement for development within the corridor at non-node locations shall be a minimum of 5 units to the acre for residential development and an equivalent Floor Area Ratio (FAR) for non-residential development as established in these implementation strategies.

b. Strategies

(1) Node Development -

The alternative development scenario selected by the State Planning Commission is the Corridor/Node Development alternative. The key to the success of the Plan as a meaningful guide to the state's development and redevelopment under this development scenario is the formulation of implementation strategies to effectuate the corridor/node concept. The concept is expressed primarily through the strategies developed for the Planned Urbanizing Tier.

Critical to the implementation of the concept is a regional review mechanism to provide for coordinated corridor planning. The regional review body may be a statewide commission, a multi-county (or corridor) commission. The primary functions of the regional review body would be to: (1) geographically designate nodes where higher density development will be encouraged; (2)

develop uniform minimum standards and criteria for design and development to be implemented locally through municipal and county and local plans and local zoning, subdivision and land use regulations, to assure that each node develops into an attractive, sensitively- designed and cohesive sense of place, and that any development which occurs outside nodes, but within the corridor, is compatible with node development; and (3) the review and approval of county and municipal plans for those areas within the designated corridor.

As an alternative to legislative adoption of a statewide or multi-county commission, or until such legislation is adopted, counties and/or municipalities shall be required to jointly develop a corridor plan which includes nodal designations. The ordinances adopting the plan should be submitted to the Director of State Planning and the Commissioner of Transportation for review and approval.

For this particular tier, it is anticipated that the cross-acceptance process will result in the identification of certain nodes along existing or planned transportation corridors that are appropriate for designation as a part of the Planned Urbanizing tier in accordance with the procedures established above.

No state aid for highways or sewer systems should be made available to localities until the regional review body has been established or a similar regional approach has been achieved through inter-local cooperation.

(2) Promotion of Public/Private Development -

The state, in conjunction with each county and municipality within the state, shall inventory, rate and then prioritize their present land holdings and other parcels of land adjacent to existing or proposed transportation facilities which are appropriate for joint public/private development. Surplus public lands should be converted into usable tax-producing development. The state, counties and municipalities should emphasize and encourage joint public/private development as an effective value capture technique, particularly at highway interchanges and public transit stations within the designated corridor, but recognize that important opportunities exist at other locations, including, but not limited to, other public lands, and sites owned by non-profit hospitals and universities.

The state, counties and municipalities should continually investigate opportunities to engage in joint development with the private sector at locations which have been identified as appropriate sites. sites should be acquired which provide, and can best generate, the benefits which flow to the public sector from joint public/private development, such as substantial opportunities for revenue generation and assurance of high density, compatible development within the corridor which assists in preserving the physical and functional integrity obsolescence of the facility.

State and local funds should be targeted at those locations where appropriate joint public/private development opportunities exist and to facilitate the joint development

process. Funds should be utilized to provide incentives to the private sector to participate in the process. Such incentives should include, but not be limited to, acquisitions of land for contribution or long-term lease to the development entity, the ready availability of below market rate financing and the public construction of necessary public amenities.

(3) Densities

The principal objective of the corridor/node development scenario is to encourage higher density development within transportation corridors, with the highest densities occurring at designated nodes. High density development is necessary in order to establish the large user base which makes mass transit feasible. The reduction of citizen dependence on the automobiles as a source of transportation is a major objective of the plan.

A system of "minima/maxima* should be employed within the corridor to assure an average corridor density which is minimally sufficient to support mass transit while encouraging greater densities through a series of bonuses and incentives. The minimum density allowed at nodes within the corridor should be 10 units/acre for residential development or a FAR of _____ for non-residential development.

The minimum corridor densities may be exceeded only at designated nodes. Each corridor plan should be designed to encourage higher densities at such locations. A developer must acquire sufficient development rights to allow it to

build at a minimum of 20 units/acre for residential or a FAR of for non-residential in order to develop at densities greater than the established minimum. Development rights may be purchased from the bank established to purchase development rights for preservation of agricultural lands throughout the state (See Section VIII) or from the owner of a historic structure within the same jurisdiction which has established a TOR program for preservation of historic structures. Once an individual has purchased sufficient rights to allow him to build at 20/units/acre or the non-residential equivalent he may acquire further rights to exceed the established minimum through other bonuses and incentives, including purchase of additional development rights. The maximum density authorized at nodes shall be 40 units to the acre.

Localities shall establish a series of design and performance standards which, if met, would allow developers at nodes to incrementally exceed the density obtained through purchase of development rights (the threshold). Such authority shall be granted based upon the degree to which the criteria are met and/or the number of criteria with which they have complied. No developer, however, should be allowed to exceed the threshold by virtue of local bonuses or incentives until the regional review body has reviewed and approved the bonus authorized by the local government with jurisdiction over the area and until compliance with the established criteria. Criteria or standards for which bonuses should be granted include, but shall not be limited to: (1) use of exceptional design standards; (2) pedestrian access to mixed use office, hotel, retail, commercial and recreational/cultural

facilities to promote a sense of place and human scale; (3) use of special mechanisms to reduce traffic congestion in the corridor, such as transportation management systems and associations, encouragement of multi-modal transportation, flexible working hours, car and van pooling, priority multi-occupancy car parking, reduced on-site parking, priority traffic lanes, provision of access to public transit; and (4) provision of certain other beneficial off-site facilities not otherwise required.

Maintaining reasonably high densities in areas within the Planned Urbanizing area, but outside the corridor, is also a significant objective of the plan. Average densities shall be established which are less than the minimum established for nodes but sufficient to support the growth projected to occur within this tier over the life of the plan at densities which eliminate urban sprawl, while simultaneously relieving development pressure in other Tiers.

(4) Design and Performance Standards and Flexible Zoning Techniques -

High quality development which is aesthetically pleasing, architecturally innovative, and environmentally compatible is important at designated nodes to help establish a sense of place and to assist in attracting further quality development and high-tech and expansion industry at appropriate densities. Each node should be a well balanced, cohesive community unto itself, providing the full array of community amenities, opportunities and services. The nodes are designed to attract a high percentage of the state's population and employment growth.

Although high quality development is of special significance in the corridors, it is an important objective for all of the Planned Urbanizing tier. Special design and performance standards should be developed by municipalities for the corridor and non-corridor areas. Flexible zoning techniques, such as conditional zoning, performance standards, incentive zoning, planned unit development and cluster zoning should be utilized by municipalities to promote beneficial development at correct densities in this tier.

(5) Public Facilities and Infrastructure

The significance of well planned, timed, sequenced and adequate public facilities and infrastructure, financed in a manner which is realistically borne by those which generate its need, cannot be understated. It is the bedrock of a successful growth management plan. It takes on increased significance in those portions of the State which are designated to accommodate a sizeable percentage of the projected new growth during the life of the plan.

N.J.S.A. §52:18A-199 specifically requires the commission to: "prepare and adopt as part of the plan a long-term infrastructure needs assessment*. Appropriate levels of service must be established, monitored and maintained for all public facilities and services.

All units of government should adopt long-term capital improvements programs for a minimum of 15 years which identify public facility and infrastructure needs during the life of the plan. Special consideration must be given to the necessity for infrastructure adequate to meet the needs generated by the high density

development within the corridors and particularly at designated nodes which the corridor/node development scenario is designed to promote. The required capital improvement program should also prioritize those identified facilities, time and sequence the schedule for their construction and identify sources of revenue available for construction of such facilities. The public facilities and infrastructure inventoried should include, but need not be limited to water, sanitary sewer, transportation, storm water drainage, flood protection, shore protection, parks, schools, libraries, fire and police substations and day care facilities.

All counties and municipalities should be required to adopt adequate public facilities requirements and development should be precluded in their absence. In determining whether adequate public facilities exist to allow development to proceed, existing as well as programmed facilities (for which funding is legally committed in the capital improvements program) should be identified for each facility, including the established level of service. This calculation establishes a permissible development threshold for each type of facility. Preliminary plats and site plans for non-residential development should then be gauged against this threshold, taking into consideration previously approved development, to determine whether adequate public facilities exist. If they do not, development should be denied unless adequate facilities exceeding the threshold will be provided by the developer at the developer's expense.

Planning moratoria or interim development controls should be authorized for areas not served by

adequate public facilities to allow for their planning and construction to meet the needs of the Planned Urbanizing Tier within a reasonable time.

All units of government should adopt public facility and infrastructure financing mechanisms which require new development to pay the capital costs of facility construction and expansion for needs generated by the development activity, including roads (the state highway system as well as county and local roads and streets) sewer, water, drainage, parks, libraries, schools, fire and police substations and day care facilities. The mechanisms should include police power exactions, impact fees special assessments, connection fees and excise taxes, and reflect a reasonable relationship to development-generated need, taking into consideration a discount for existing deficiencies and statewide and regional trips or usage. The calculation of the fee, tax or assessment must recognize that special benefit can extend across large geographic areas and encompass improvements to large-scale, integrated public facilities and infrastructure.

The proposed Transportation Development District legislation which authorizes the exaction of development fees that are deposited into a Transportation Development District trust fund and used to finance transportation projects, is a good example of such a mechanism. Such district trust funds should entail the creation of regional or multi-county districts.

(6) Market Strategies

State and local funds should be targeted to public facilities and infrastructure improvement costs which cannot legally be borne by developers through police power exactions, impact fees special assessments or connection fees or excise taxes. These costs include the cost of repair and expansion generated by existing deficiencies and that portion of the cost attributable to regional or statewide, rather than local, use of the facilities. Expenditures for such costs should be prioritized to assure that they are made in such a fashion as to encourage growth within appropriate corridor nodes which is contiguous to existing and proposed development.

The public sector should actively pursue all available federal funds and target such monies along with state and local monies to fund the construction and maintenance of mass transit and related transportation facilities such as structured parking facilities adjacent to transit lines, and to encourage multi-modal transportation opportunities. Provided, however, the public sector should aggressively pursue all opportunities for joint public/private development at transit stations and multi-modal connections as a means of sharing with the private sector a portion of the cost of such facilities and to ameliorate the required public funds.

(7) Public Acquisition -

The cost of acquiring land necessary for public facilities continues to increase at an alarming rate. The public sector must utilize every available technique to reduce this

public cost to its lowest possible level. Counties and municipalities should adopt official maps which designate the location of, and maximum land necessary for, all public facilities and infrastructure identified in its capital improvement program. Similarly, the state should adopt highway preservation maps which identify and preserve the maximum width of all rights-of-way necessary for proposed highway construction during the life of the plan.

All units of government should acquire lands necessary for public facilities at the earliest possible opportunity, thereby avoiding the increases in land value caused by impending public improvements, and make full use of techniques which provide an alternative to condemnation, such as property exchanges and lot pooling.

(8) Housing Linkage Fees

All non-residential development over a specified number of square feet as determined or approved by the State Planning Commission, should be required to pay a linkage fee which is reasonably related to the need for low-income housing generated by the development. The fee paid would be placed in a fund and earmarked for construction and/or rehabilitation of residential units.

7. Future Urbanizing (Tier VI) Implementation Strategies

a. Introduction

The Future Urbanizing tier is one of the three tiers comprising the Limited Growth area of the State. The Future Urbanizing tier includes those lands not presently sewered or scheduled for sewer extension, but without either identified agricultural value, special environmental

constraints, or resource value. This tier can be considered an "urban reserve" because, while the land is not now needed to accommodate projected population and employment growth, it will likely become part of the Growth area at some future time.

If current development trends were to continue, the Future Urbanizing tier would be largely engulfed by sprawl development; virtually the only lands within this tier which would not be developed if trends continued would be lands under the jurisdiction of the Pine-lands Commission and isolated tracts in Sussex, Salem and Cumberland counties. Thus, in order to control sprawl, to make more concentrated and efficient use of available State and local financial resources and to reserve certain land for future growth demands, certain growth management strategies will need to be implemented by the State, counties and municipalities.

b. Implementation Strategies

(1) Extension of Public Facilities

The most effective means of restraining growth is to control the extension of major public facilities necessary to serve new development, particularly sewer, water and roads. Therefore, state funding of public facilities in Limited Growth areas, including the Future Urbanizing Tier, should be limited to those projects which are necessary to ensure public health, safety and welfare, but which will not promote growth. One way to realize this strategy would be for the Commission to adopt a regulation pursuant to its authority under N.J.S.A. 52:18A-200 and 52:18A-199(g) requiring Commission approval of all capital projects within areas designated as Limited Growth areas. State agencies having approval authority over public facilities,

regardless of State funding, should not approve the extension of public facilities in Limited Growth areas, except where necessary to protect the public health and safety. The State Capital Improvement Plan, containing proposals for capital projects "shall be consistent with the goals and provisions of the State Development and Redevelopment Plan adopted by the State Planning Commission.* N.J.S.A. 52:98-3.

The State should also discourage counties and municipalities from funding or approving the extension of public facilities in Limited Growth areas, particularly the formation of special districts or utilization of special assessments, except where necessary to protect the public health and safety, and except for facilities which are not in and of themselves likely to generate growth (open space and parks). Counties and municipalities having capital improvements programs in effect should review and revise such programs to ensure achievement of this strategy.

(2) Zoning and Subdivision Regulations

In order to assure that the growth that does occur in the Future Urbanizing tier is, in fact, limited growth, counties and municipalities should restrict the density of permitted development through zoning and subdivision regulations to rural levels while at the same time assuring that development that is allowed will be both efficient (from an infrastructure standpoint) and compatible with potential future development at higher densities when public facilities and services are extended. A variety of flexible zoning techniques, such as conditional zoning, planned unit development (PUD), cluster zoning and bonus (incentive) zoning, can be utilized

to promote beneficial development which while providing a "reasonable" use of the property today, allows, anticipates and encourages redevelopment -at higher densities when urban facilities and services are

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Development of five or ten-acre lots will not preserve the rural character of the area, will require substantial (and premature) expenditures for public facilities and services, and will not be susceptible to redevelopment at higher densities in the future.

Preferably, the standard minimum lot size for residential development should be established at 20 acres. One unit to 20 acre density is consistent with that suggested for the Agricultural tier and would deter low density sprawl development which consumes huge amounts of land and requires costly and inefficient provision of facilities and services. That is, there is a market for five or ten acre lots which would encourage development, while the market is limited and the cost is higher for 20-acre lot development.

In order to assure that property owners are treated equitably and fairly, local land use regulations should permit, as an alternative to one unit per 20-acre development, development at a one unit per five acre density if the property owner agrees to cluster the permissible development in 1/2 acre or smaller lots (except where greater lot sizes are required by septic regulations), or to develop by PUD. Subdivision regulations would then prevent further development of the remaining undeveloped portion of the parcel until the tier becomes part of the Growth Area. For example, a landowner with 40 acres could develop in

one of two ways. He could develop two residences, each on a 20 acre lot. Alternatively, he could utilize approximately four acres to cluster eight residences, leaving the remaining 36 acres as temporary open space. When the property becomes part of the Growth area and urban-level public facilities and services are extended, the open space land (under either alternative) could be resubdivided and developed at appropriate urban densities.

(3) Shifts From Future Urbanizing to Planned Urbanizing

A mechanism must be established by which lands may be shifted from the Future Urbanizing tier (Limited Growth) to the Planned Urbanizing tier (Growth Area). The tier delineation is not static. As the Planned Urbanizing tier is built out and additional land needs to be made available for development, it will be necessary to shift land from the Future Urbanizing tier to the Planned Urbanizing tier to accommodate the demand for growth. As a general rule, such shifts should be considered every three years when the Commission revises and readopts the Plan pursuant to N.J.S.A. 52:18A-199(a). Consideration of such shifts could be initiated by the Commission on its own motion, or at the request of the Office of State Planning, a county, a municipality or an affected landowner.

A methodology for systematically and consistently reviewing the need for shifts of land from the Future Urbanizing to the Planned Urbanizing tier can be developed based upon an initial determination of whether the land to be shifted represents an "incremental* or a "substantial* change, and, by then requiring specific findings to judge whether

•the change is appropriate at that time. The methodology is outlined below:

- A. Proposed shifts shall be classified by the Commission as "incremental" or "substantial*" based upon an Impact Assessment Report which shall include an evaluation of the following factors:
1. Amount of land involved;
 2. Contiguity to Planned Urbanizing area and character of that area;
 3. Relationship to contiguous Planned Urbanizing area;
 4. Ability to be serviced by facilities and utilities extended from Planned Urbanizing area;
 5. Access;
 6. Environmental impact;
 7. Type and density of land uses proposed;
 8. Fiscal and economic impact; and;
 9. Effect on prime agricultural land.
- B. If based upon the above-mentioned classification, the proposed shift is characterized as "incremental," findings shall be made as to the following:
1. The extent to which the shift will contribute to, encourage or induce urban

sprawl, leapfrog development or premature development of land;

2. The extent to which the shift will affect prime agricultural land;
3. The consistency of the shift with adopted State Plan policies and guide lines;
4. Whether the subject area can logically be developed pursuant to existing policies applicable to the Planned Urbanizing tier; and
5. The extent to which the proposed shift serves to achieve or furthers other adopted State policies and objectives.

C. If based upon the above mentioned classification, the proposed shift is characterized as "substantial," findings shall be made as to each of the factors listed above (in Subsection B), as well as the following:

1. The extent to which the shift is needed to provide additional land for development, based upon State monitoring of the amount, rate, character and location of growth and development;
2. The extent to which the shift is responsive to population and growth rates which demand the increased land availability for development in order to maintain a viable market;

3. The extent to which the shift will impact on development in I through V tiers;
4. Whether the State and affected county or municipality can efficiently and economically provide, operate and maintain public facilities, utilities, and services to the subject area;
5. Whether the shift will result in increased air or water pollution or in increased traffic congestion; and
6. The consistency of the shift with established State (and federal) urban policies.

c. Future Programming

It is not anticipated that new or amended legislation would be necessary to institute the above implementation strategy. However, it will be essential to achieve a high degree of coordination and cooperation with affected municipalities.

8. Agricultural (Tier VIZ) Implementation Strategies

a. Introduction

The Agricultural tier is that portion of the State which is to be largely preserved for agricultural uses. The mapped area reflects two categories of agricultural lands. The first category consists of lands which are certified Agricultural Development Areas (ADAs) pursuant to action of the County Agricultural Development Board (CADB) and the State Agricultural Development Committee (SADC). The second category consists of lands

considered to be prime agricultural lands on the basis of soil characteristics for both field and special crop agriculture, as determined by the United States Department of Agriculture Soil Conservation Service (SCS).

This tier provides the principal focus for carrying out the Plan's objective to 'reduce the rate of conversion of prime agricultural land to suburban uses.* A variety of distinct, but interrelated, implementation strategies are suggested for consideration by the State Planning Commission in order to fulfill this objective.

b. Implementation Strategies

(1) Development Easement Acquisition

Public acquisition of development easements is the single most effective means of preserving agricultural land. A development easement is defined under the existing Agricultural Retention and Development Act to mean "an interest in land, less than fee simple absolute title thereto, which enables the owner to develop the land for any nonagricultural purpose . . . * N.J.S.A. 4:1C-13(f).

Acquisition of development easements was first officially proposed for the State in 1973 in the Blueprint Commission on the Future of New Jersey Agriculture Report. Subsequently, the legislature authorized a two-year experimental program to test the feasibility of purchasing development easements in 1976 (the Farmland Preservation Demonstration Project) but, the program expired without any easements having been acquired. Acquisition of development easements was strongly endorsed in 1980 in Grassroots; An Agricultural Retention and Development Program For New Jersey (the Grassroots Report), a report by the New

Jersey Departments of Agricultural and Environmental Protection. The Agricultural Retention and Development Act authorizing the current development easement acquisition program, was passed in 1983.

The current development easement program is funded 50 percent by the State with 50 percent local match. Acquisition of easements has been limited to date; information prepared by the SADC and submitted to the State Planning Commission in March 1987 by Secretary of Agriculture Arthur R. Brown, Jr. (Report on New Jersey Agriculture to the State Planning Commission) indicates that nine landowners in two counties have conveyed easements covering 1,021 acres. An expanded and more aggressive development easement acquisition program will be required in order to achieve the Plan's objective. As Secretary Brown's report notes, however, future expansion of this program will require additional innovative funding and program approaches.

The Commission should consider some or all of the following funding mechanisms: a bond issue similar to that authorized by the 1981 Farmland Preservation Bond Act; a dedicated real estate transfer tax; a dedicated farmland conveyance gains tax; and a modified transfer of development rights (TDR) program. Revenue from such sources could be held in a fund (the Fund) administered by the SADC and designed to supplement or replace the Farmland Preservation Fund. Several of the alternative funding mechanisms are described below.

A dedicated real estate transfer tax is a tax in a flat amount or as a percentage of value imposed at the time of sale of real estate which would be dedicated and allocated to

the Fund. Consideration of such a tax was suggested as a possible source of funding in Secretary Brown's report. A portion of the general real estate transfer tax currently is dedicated to the Neighborhood Preservation Nonlapsing Revolving Fund created under the Fair Housing Act.

A dedicated farmland conveyance gains tax would be designed both to provide a disincentive for speculation on agricultural lands for short-term conversion to non-agricultural uses and to restrain currently increasing farmland prices. The amount of the tax could vary in proportion to both the length of the holding period (inversely proportional) and the percentage of gain realized on the sale (directly proportional). Such a tax was suggested in the Grass-roots Report.

The TDK concept is a means by which landowners in a district in which development rights are limited by regulation may transfer (sell) their "unused* development rights to other landowners in a "receiving" district where additional development rights may be utilized. The modified TDR program proposed here is somewhat analogous to the Pinelands Development Credits (PDCs) program, and would be unique to New Jersey. Rather than having development rights transferred directly from the owner of agricultural land to another landowner, the development rights - in the form of development easements - would be purchased by the State. Development rights would thereafter be sold by the State to developers in the identified development nodes in the Planned Urbanizing tier as part of the development bonus program described previously. Revenues from the sale of the development rights would be used to

replenish the Fund and to support other activities financed by Fund moneys. Unlike the current situation in the Pinelands with the PDC program, which has achieved limited success to date, it is anticipated that an agricultural TDR program of this type could succeed as a result of the "captive" market created by the proposed bonus program, thereby simultaneously achieving two major objectives of the Plan.

Adequate funding for the development easement acquisition program would enable the state to make modifications to the program which would more effectively curtail the loss of farmland. For example, development easements for limited periods of time (10 years, 15 years, 20 years, etc.) could be acquired at lower cost than permanent easements. This would enable more extensive protection in the interim period until a determination could be made as to the lands requiring permanent restriction. In addition, to the extent that the 50 percent local match requirement may be preventing more easements from being acquired currently, additional dedicated sources of funding would allow the State to increase its share of the cost, up to 100 percent. Finally, the State could enact a right of first refusal in favor of the State to acquire development easements in agricultural land. This technique, advocated by the Grassroots Report, would allow the State to exercise its right whenever the use of the land is subject to change, thereby guaranteeing the ability to prevent non-agricultural use. An additional benefit would be that the necessity for acquiring easements would be delayed, thereby permitting the establishment of the Fund.

(2) Farmland Assessment

Preferential taxation of land based on the value of such land for agricultural or horticultural use pursuant to the Farmland Assessment Act of 1964 should be continued.

However, one provision of the Act has encouraged speculation and the resultant escalation of land values and the inability of some farmers to retain their land for agricultural use. The roll-back tax disincentive for converting preferentially-assessed land to other than agricultural or horticultural use covers only the last three years of ownership. Therefore, a developer who holds the land for more than three years will receive direct tax benefits; in essence, this permits speculative investment in land with minimal carrying costs.

The Commission should consider recommending to the legislature that the Act be amended to increase the roll-back tax payment required upon conversion from agricultural or horticultural use. Such a revision would also require an amendment to the State constitution, since the roll-back period is specified therein. Another criticism of the current program is the financial impact it can have on municipalities. Municipalities with substantial amounts of farmland assessed for agricultural use lose tax proceeds which must be replaced with other revenues or with taxes on non-farm properties. If sufficient moneys were generated for the Fund, some of those moneys could be allocated to such municipalities through a special revenue sharing program.

(3) Eight-Year Farmland Retention Programs

The current eight-year farmland retention programs should be continued. These programs allow landowners to enter into agreements with CADBs and municipalities whereby certain benefits are obtained in exchange for the commitment to retain the land in agricultural use for at least eight years. These programs could be made more beneficial, e.g., by increasing the percentage for State grants for soil and water conservation projects (now 50 percent State/50 percent landowner) where the landowner has conveyed development easements for the property.

(4) Low-Interest Loans

The Fund, if adequately financed, could also be used to promote low-interest loans to purchasers of farmland subject to development easements. Such a program would increase the marketability of such land.

(5) Agricultural Districts

The State could establish, or could encourage municipalities to establish exclusive agricultural use zoning districts and/or large lot zoning districts designed to protect agricultural uses. For example, such a district might impose a 20 acre minimum lot size (although theoretical valuation at one lot per 5 acres should be permitted for purposes of the development easement program in order to provide just compensation). Such a restriction would prevent the subdivision of agricultural properties into 5 acre lots suitable for development, but which may still qualify for the Farmland Assessment program.

Extension of public facilities, special assessments and special districts for infrastructure finance

would be absolutely prohibited within an established agricultural district.

(6) Right to Farm

The State should continue to limit municipal intervention in commercial agricultural production and marketing practices and anti-nuisance protections for farmers employing approved agricultural management practices.

(7) Extension of Public Facilities

The State should discourage the extension of public facilities into agricultural areas, other than those facilities necessary to support agricultural activities. In particular, the Department of Environmental Protection should not approve the funding or extension of sanitary sewer systems – which encourage growth – into agricultural areas unless such extensions are required to protect public health.

(8) Interim Development Controls

The Commission should consider the use of statewide interim development controls to preserve agricultural lands for a limited period of time. Such controls would protect such lands while other implementation strategies are being established.

(9) Environmental Impact Statements

The State should require environmental impact statements, or negative declarations, which assess the impact of major State decisions (such as funding infrastructure) on agricultural lands. In addition, the State should encourage counties and municipalities to adopt such requirements as well as similar requirements for development proposals.

(10) Shifts From Agricultural to Future Urbanizing Tier

A mechanism also needs to be established by which lands may be shifted from the Agricultural tier to the Future Urbanizing tier (or possibly even to the Planned Urbanizing tier). This mechanism must contain criteria which can be utilized to determine when conditions exist under which continued preservation of the land for restricted agricultural purposes is no longer desirable as a matter of public policy. One such mechanism which should be considered by the Commission is the Agricultural Land Evaluation and Site Assessment (LESA) system developed by the U.S. Soil Conservation Service (SCS).

The LESA system, if implemented as suggested in the detailed handbook available from the SCS, is a very sophisticated tool which takes the form of a point system based on relative values assigned to various factors. There are two basic parts to the LESA system: the land evaluation and the site assessment.

Of the two, the land evaluation part is the easiest to apply because the SCS has developed sophisticated computer programs to do the evaluation, which relies heavily on the quality of soils. The land is first categorized as cropland, forest land or rangeland, and the soils are then classified according to rating systems assessing land capability, "important* farmland (a system that rates land as prime farmland, unique farmland, land of statewide importance or land of local importance), and either soil productivity or soil potential. The soils are ranked into groups, depending upon what is considered poor or good in the locale for the stated agricultural use. A relative value is determined

for each group: the best group is assigned a value of 100 and all other groups are assigned lower values. The land evaluation is based on data from the National Cooperative Soil Survey.

The site assessment part of the LESA system identifies important environmental, social and economic factors other than soils that contribute to the quality of the land for agricultural use; it is designed to protect those lands which are located within an economically viable agricultural area and have the greatest potential for continuing production. Some of the commonly used factors include: surrounding land uses (and percentage of land used for agricultural purposes within a specified radius); agricultural viability, including the size of the farm, agricultural infrastructure, land ownership, on-site investment, and the possible impact of conversion on other farmland; land use regulations and tax incentives; surrounding zoning; availability of urban services, including the distance to an urban area, distance to water and sewer systems, distance to jobs, schools and shopping; transportation accessibility; impact on historic or cultural resources, environmentally-sensitive lands or open space; and compatibility with comprehensive plans. Each factor selected is stratified into a range of possible values in accordance with the needs and objectives of the system.

Application of LESA combines a value for land evaluation with a value for site assessment to determine the total value of the land for agriculture. The higher the total value of the land, the higher the agricultural viability. The sum would then be compared with predetermined ranges that are designed to indicate

whether the land should be preserved for agricultural use or shifted into another tier.

c. Future Programming

Implementation of the policies for the Agricultural Tier can be largely achieved through the utilization and expansion of existing programs under the Farmland Assessment Act, the Agriculture Retention and Development Act and the Right to Farm Act; through more coordinated and effective use of the discretionary authority of state agencies to decline to fund or approve public facility extensions in designated agricultural areas; and through greater use of the authority granted to municipalities to adopt agricultural districts pursuant to provisions of the Municipal Land Use Law. A major state effort will need to be focused on the development and funding of a viable and effective transfer/acquisition of development rights program and on the establishment of a State Development Rights Bank to purchase and sell the rights and to administer the program.