

**INFRASTRUCTURE  
TECHNICAL ADVISORY COMMITTEE**

**REPORT ON THE  
DRAFT PRELIMINARY STATE DEVELOPMENT AND REDEVELOPMENT PLAN**

**SUBMITTED TO THE OFFICE OF STATE PLANNING**

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## INTRODUCTION

The Infrastructure Technical Advisory Committee met twice; the first time on April 5, 1988, and the final meeting was held April 12, 1988. In preparation for the meetings the committee members were sent the following reports for their review:

The Draft Preliminary State Development and Redevelopment Plan. January 1988.

Infrastructure Needs Assessment. Technical Reference Document. Prepared by Hammer, Siler, George Associates, Dated May 8, 1987

During the meetings, members of the Committee distributed these additional reports for the review of the Committee members:

Fragile Foundations: A Report on America's Public Works, Final Report to the President and Congress. National Council on Public Works Improvement, February 1988

Solid Waste Management in New Jersey. State of New Jersey County and Municipal Government Study Commission, November 1987

Draft "Proposal for a Property Tax on New Construction", SIERPC, not dated

Based on initial discussions, the committee elected to focus their discussions on the following infrastructural systems: sewer, transportation (especially highways), water supply, and selected public improvements such as government office\* or campus type developments. The committee felt that the systems selected for discussion would be the most influential in managing and shaping growth.

The following report describes the ideas generated by the committee and presents their suggestions for improving the State Development and Redevelopment Plan. The committee's concerns have been organized into three general areas of concern:

- \* The need for new infrastructure funding initiatives;
- \* The need to define service level standards and to use these levels as benchmarks for plan evaluation; and,
- \* The need to expand the "Infrastructure Needs Assessment" study.

## TOE NEED FDR NEW INFRASTRUCTURE FUNDING INITIATIVES

The committee endorsed the plan concepts of managing new growth to ensure the provision of adequate facilities and of improving the infrastructure in the developed part of the state with the intent of improving the quality of life in these areas. However, the committee felt that the plan's reliance on permitting and particularly on financing new facilities, as a major implementation tool, would not be effective unless new state funding programs were implemented.

The committee members reported that federal funding for infrastructure improvements was being phased down. New Jersey, like most other states, has not replaced the federal programs with new state funded construction or replacement programs. Furthermore, very little state funding now exists, with the exception of funds for transportation programs. While it was observed that the SLERPC report recommended the continuation of the state matching grant program, which provides 15% of the costs of sewer construction, and that the state could make greater use of lending funds at the state's preferred rate (or even at a rate subsidized by the state), it was agreed that without new funding programs a major plan implementation recommendation would be ineffectual.

The committee also agreed that the older urban areas of the state do not have the fiscal capacity to provide for their own infrastructure needs. Several ideas to provide this funding need were discussed, including the SLERPC recommendation of establishing a construction property tax. Under the SLERPC concept revenues would be pooled and then could be used to fund those areas in most need. The consensus of the committee was that the political power of the state was vested in the suburban communities. Therefore, the committee felt that efforts to reallocate funds, like the SLERPC recommendation, might not be politically feasible.

The committee was divided over the issue of how to realistically implement the plan through the provision of infrastructure funds. Some members recommended the use of state agency regulatory powers and the use of state funding from bond issues, to be spent at the discretion of the appropriate state agencies, were the only realistic implementation mechanisms to achieve the plan's objectives. Other members felt that monies collected in a region should be spent within that region, and that the decision on how to spend the monies should be left to municipal or county officials, not state agencies. Additional discussion concerned the SLERPC recommendation to develop, standardize and legislate impact and linkage fees. SLERPC also argued against increasing local taxing powers or the practice of further earmarking of state revenues.

#### NEED TO DEFINE SERVICE LEVEL STANDARDS

The committee felt that the development and application of goals and regular monitoring for levels of service, would enhance the evaluation of the plan's impact and assist in the development of accurate capital improvements plans, budgets, and public willingness to pay.

While the idea of developing and using goals was endorsed, the nature of these benchmarks proved illusive. It was recognized that some goals were promulgated by state or federal regulatory agencies. However, for many types of infrastructure systems, there exist no universal standards. Some members felt that different areas of the state should be allowed to define performance goals appropriate to their physical and fiscal situations. Other members felt that minimum standards needed to be adopted, to ensure a base level, but that then communities could further define affordable and acceptable qualifiers. Some members felt that the issue was in defining what levels were "needed" and "necessary". Although there was some agreement that goals for transportation should be flexible and locally determined, and sewer and water standards were not flexible, there was no resolution of this issue.

#### NEED TO EXPAND THE "INFRASTRUCTURE NEEDS STUDY"

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The committee felt that the "Needs" study was valuable but needed to be expanded, and made an on-going exercise. It was suggested that some of the reports published by the National Council on Public Works Improvement would provide ideas on how to expand this report. In particular it was felt the National Council's report would provide insights on how to focus on the issue of performance goals and the related issue of regular monitoring of performance levels associated with both existing facilities and proposed improvements.