

P U B L I C H E A R I N G

before

ASSEMBLY COUNTY GOVERNMENT & REGIONAL AUTHORITIES COMMITTEE

on

ASSEMBLY BILL 3092

Designated the "Central Corridor District Development Act,"
provides for continued development along Route 1
from New Brunswick to Trenton; appropriates \$500,000

1, Glenn
2, Bill F

Held:
March 25, 1985
Princeton Borough Hall
Princeton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Harry A. McEnroe, Chairman

ALSO PRESENT:

Peggy McNutt
Office of Legislative Services
Aide, Assembly County Government &
Regional Authorities Committee

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ASSEMBLY, No. 3092

STATE OF NEW JERSEY

INTRODUCED JANUARY 24, 1985

By Assemblyman KARCHER

An ACT concerning certain regional development; establishing the Central Corridor District Development Board; authorizing the issuance of bonds and notes of the board; and making an appropriation.

1 **BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:**

1 1. This act shall be known and may be cited as the "Central
2 Corridor District Development Act."

1 2. The Legislature finds that:

2 a. The region known as the Route 1 corridor from the Raritan
3 River to the Delaware River is experiencing tremendous and
4 generally uncoordinated commercial, economic and residential
5 development;

6 b. This growth, which is expected to continue well into the next
7 century, is raising serious questions, concerns and problems as
8 regards the ability of the county and municipal governments in
9 the region to cope in an integrated manner with the attendant
10 pressures on the region's capital infrastructure and environmental
11 resources; and

12 c. It is appropriate and imperative that this region be provided
13 with a governmental structure and financial mechanism to facilitate
14 economic development in concert with appropriate infrastructure
15 investments and land use guidelines.

1 3. As used in this act:

2 a. "Board" means the Central Corridor District Development
3 Board created by this act;

- 4 b. "Bonds" means bonds issued by the board pursuant to this act;
- 5 c. "Constituent county" means a county with lands within the
- 6 district;
- 7 d. "Constituent municipality" means a municipality with lands
- 8 within the district;
- 9 e. "District" means the Central Corridor District as delineated
- 10 in this act;
- 11 f. "Infrastructure capital project" means the construction, im-
- 12 provement, expansion, repair or rehabilitation of all or part of any
- 13 structure, facility or equipment necessary for or ancillary to any
- 14 transportation system, wastewater treatment system or water
- 15 supply system;
- 16 g. "Major industrial or commercial project" means any project
- 17 involving the provision of at least 5,000 square feet of floor space
- 18 in improvements to real property for manufacturing, processing or
- 19 assembly of material or manufactured products, or for research,
- 20 office, industrial, commercial, retail, recreational, hotel or motel
- 21 facility purposes, or for warehousing, or any combination thereof;
- 22 h. "Major residential project" means any project involving the
- 23 construction of at least five housing units in an area of at least five
- 24 contiguous acres developed as a single entity, or involving the
- 25 construction of at least 10 housing units in an area of less than five
- 26 contiguous acres developed as a single entity; and
- 27 i. "Notes" means notes issued by the board pursuant to this act.

1 4. a. There is established in, but not of, the Department of Com-

2 munity Affairs, a public body corporate and politic, with corporate

3 succession, to be known as the "Central Corridor District Develop-

4 ment Board." The board is constituted as an instrumentality of

5 the State exercising public and essential governmental functions,

6 and the exercise by the board of the powers conferred by this act

7 shall be deemed to be an essential governmental function of the

8 State.

9 b. The board shall consist of the following members: the Com-

10 missioner of Community Affairs, or designee; the Commissioner

11 of Environmental Protection, or designee; the Commissioner of

12 Transportation, or designee; the chief executive officer of each

13 constituent county; one representative of the planning board of

14 each constituent county to be appointed by and serve at the

15 pleasure of the governing body of the respective county; one repre-

16 sentative from each constituent municipality to be appointed by

17 and serve at the pleasure of the mayor of the respective munici-

18 pality; and four public members, not more than two of whom shall

19 be of the same political party, to be appointed by the Governor with



20 the advice and consent of the Senate for terms of four years, except
21 that the public members first appointed shall serve for terms of
22 one, two, three and four years respectively. Each public member
23 shall hold office until a successor shall have been appointed and
24 qualified. A member shall be eligible for reappointment. Any
25 vacancy shall be filled in the same manner as the original appoint-
26 ment but for the unexpired term only. Each designee of a com-
27 missioner may lawfully vote and otherwise act on behalf of the
28 respective commissioner. The designation shall be in writing de-
29 livered to the board and shall continue in effect until revoked or
30 amended by the commissioner in writing delivered to the board.
31 Members shall receive no compensation for their services but shall
32 be entitled to reimbursement for expenses incurred in the perfor-
32A mance of their duties.

33 c. Each member before entering upon the duties of the office
34 shall take and subscribe an oath to perform the duties of the office
35 faithfully, impartially and justly to the best of the member's ability.
36 A record of the oaths shall be filed with the Secretary of State.
37 Each appointed public member may be removed from office by the
38 Governor, for cause, after a public hearing, and may be suspended
39 by the Governor pending the completion of the hearing.

40 d. The board shall annually elect a chairman from among the
41 public members for a term of one year and until the election of a
42 successor. A chairman shall be eligible for reelection. The board
43 shall elect a secretary and a treasurer who need not be members,
44 and the same person may serve as both secretary and treasurer.
45 Each member and the treasurer shall execute a bond to be condi-
46 tioned upon the faithful performance of the duties of the member
47 or treasurer in such form and amount as shall be prescribed by
48 the Comptroller of the Treasury. The bonds shall be filed with the
49 Secretary of State. At all times thereafter the members and
50 treasurer shall maintain the bonds in full force and effect. All
51 costs of the bonds shall be borne by the board.

52 e. The powers of the board shall be vested in the members in
53 office from time to time and a majority of the authorized member-
54 ship of the board shall constitute a quorum at any meeting. Action
55 may be taken and motions and resolutions adopted by the board at
56 any meeting by the affirmative vote of a majority of the authorized
57 membership. No vacancy in the membership of the board shall
58 impair the right of a quorum of the members to exercise all the
59 powers and perform all the duties of the board.

1 5. The board is authorized to carry out the purposes of this act
2 on behalf of and exercise its powers within the Central Corridor



3 District, which shall consist of each municipality in Mercer County
4 which is intersected by either the highway designated as U. S.
5 Route No. 1 or the highway designated as State Route No. 27 and
6 each municipality in Middlesex County south of the Raritan River
7 which is intersected by either the highway designated as U. S. Route
8 No. 1 or the highway designated as U. S. Route No. 130.

1 6. The board shall have the following powers:

2 a. To make and alter bylaws for its organization and internal
3 management and, subject to agreements with holders of its bonds,
4 notes or other obligations, make rules and regulations with respect
5 to its operations, properties and facilities;

6 b. To adopt an official seal and alter it;

7 c. To sue and be sued;

8 d. To make and enter into all contracts, leases and agreements
9 necessary or incidental to the performance of its duties and the
10 exercise of its power under this act, and subject to any agreement
11 with the holders of its bonds, notes or other obligations, consent
12 to any modification, amendment or revision of any contract, lease
13 or agreement to which it is a party;

14 e. To enter into agreements or other transactions with and
15 accept grants, appropriations and the cooperation of the United
16 States or any agency thereof or the State or any agency thereof in
17 furtherance of the purposes of this act, and to do any thing
18 necessary in order to avail itself of that aid and cooperation;

19 f. To receive and accept aid or contributions from any public
20 or private source of money, property, labor or other things of value,
21 to be held, used and applied to carry out the purposes of this act
22 subject to the conditions upon which that aid or contributions may
23 be made, including but not limited to gifts or grants from any
24 department or agency of the United States or the State or any
25 State agency for any purpose consistent with this act;

26 g. To acquire, own, hold, construct, improve, rehabilitate,
27 renovate, operate, maintain, sell, assign, exchange, lease, mortgage
28 or otherwise dispose of real and personal property or any interest
29 therein in the exercise of its powers and the performance of its
30 duties under this act;

31 h. To appoint an executive director and any other officers, em-
32 ployees and agents as it may require for the performance of its
33 duties, and fix their compensation, promote and discharge them,
34 all without regard to the provisions of Title 11 of the Revised
35 Statutes;

36 i. To borrow money and issue its bonds, notes or other obliga-
37 tions and secure the same and provide for the rights of the holders



38 thereof as provided in this act:

39 j. Subject to any agreement with the holders of its bonds, notes
40 or other obligations, invest moneys not required for immediate use,
41 including proceeds from the sale of any bonds, notes or other
42 obligations, in any obligations, securities and other investments in
43 the same manner as trust funds in the custody of the State
44 Treasurer are invested;

45 k. To procure insurance against any loss in connection with its
46 property and other assets and operations in any amounts and from
47 any insurers as it deems desirable;

48 l. To engage the services of attorneys, accountants, planners,
49 financial experts and any other advisors, consultants and agents
50 as may be necessary in its judgment and fix their compensation;

51 m. To make and contract to make loans and grants to counties
52 or municipalities, or instrumentalities thereof, within the district
53 and acquire and contract to acquire notes and bonds issued or to be
54 issued to evidence these loans, all upon any terms and conditions
55 not inconsistent with the provisions of this act as the board may
56 determine to be desirable;

57 n. To fix, revise, charge and collect any fees and charges as the
58 board may determine to be reasonable;

59 o. Subject to any agreement with holders of its bonds, notes or
60 other obligations, obtain as security for payment of all or part of
61 the principal of and interest and premium on the bonds, notes or
62 other obligations of the board, lines of credit and letters of credit
63 in any amounts and upon any terms as the board may determine,
64 and pay any fees and expenses required in connection therewith;

65 p. To make payments to the State from any moneys of the board
66 available therefor as may be required pursuant to any agreement
67 with the State or act appropriating moneys to the board; and

68 q. To do any act necessary or convenient to the exercise of the
69 foregoing powers or reasonably implied therefrom.

1 7. The board shall:

2 a. Prepare, adopt and revise from time to time a District Develop-
3 ment Plan which shall set forth an integrated and compre-
4 hensive plan for the location within the district of infrastructure
5 capital projects; major residential, industrial or commercial de-
6 velopment projects; and agricultural, open space and non-
7 commercial recreational areas with a minimum contiguous acreage
8 of five acres;

9 b. Adopt rules, regulations and standards to implement the
10 District Development Plan and the provisions of this act;



- 11 c. Develop programs and services to promote and facilitate the
12 orderly growth and economic development of the district ;
13 d. Consult with and facilitate cooperation and coordination
14 among State agencies, county and municipal governments, and
15 instrumentalities thereof, and public and private agencies, organiza-
16 tions, institutions and businesses with regard to the develop-
17 ment of plans, programs and policies which affect land use, environ-
18 mental, capital and economic development issues : and
19 e. Provide technical assistance to county and municipal govern-
20 ments within the district in order to encourage the use of the
21 most effective and efficient planning and development review data,
22 tools and procedures.
- 1 8. a. The board may undertake, either on its own or in cooperation
2 with the State or a constituent county or municipality, or instru-
3 mentality thereof, any infrastructure capital project within the
4 district in accordance with the District Development Plan.
- 5 b. The board is authorized to make grants or loans to any
6 constituent county or municipality, or instrumentality thereof,
7 for all or part of the cost of any infrastructure capital project
8 undertaken by the county, municipality, or instrumentality thereof,
9 and approved by the board pursuant to this act. Each grant or
10 loan shall be in such amount and subject to such terms and condi-
11 tions as the board and the county or municipality, or instru-
12 mentality thereof, shall agree.
- 1 9. a. Neither the State, nor any county or municipality, or
2 instrumentality thereof, shall undertake any infrastructure capital
3 project within the district without the approval of the board as
4 provided in this act.
- 5 b. Each application by the State, or a county or municipality,
6 or instrumentality thereof, for an infrastructure capital project
7 permit shall be submitted to the board for review. Board approval
8 of the project shall be limited by and based upon the District De-
9 velopment Plan and the implementing rules, regulations and stan-
10 dards adopted by the board. If the board fails to approve or dis-
11 approve the application within 60 days from the date of its receipt,
12 the application shall be deemed to have been approved by the board
13 unless, by mutual agreement between the board and the applicant,
14 the 60-day period shall be extended for an additional 30-day
15 period.
- 16 c. The board shall review each application and disapprove an
17 application if it does not meet the provisions or requirements of
18 the District Development Plan or any implementing rules, regula-
19 tions or standards. In the event of disapproval, the board shall set



20 forth its reasons in writing and transmit a copy thereof to the
21 applicant.

1 10. a. No person shall undertake any major residential, industrial
2 or commercial project within the district without the approval of
3 the board as provided in this act.

4 b. Each application for a subdivision, site plan or building permit
5 for a major residential, industrial or commercial project within
6 the district shall be submitted to the board for review and, where
7 required, approval prior to approval by the local municipal ap-
8 proving authority. Board approval of any application shall be
9 limited by and based upon the District Development Plan and the
10 implementing rules, regulations and standards adopted by the
11 board. The municipal approval authority shall either defer taking
12 final action on an application until receipt of the board report
13 thereon or approve the application subject to its timely receipt of a
14 favorable report thereon by the board. The board shall report to
15 the municipal authority within 60 days from the date of receipt of
16 the application. If the board fails to report to the municipal ap-
17 proving authority within the 60-day period, the application shall
18 be deemed to have been approved by the board unless, by mutual
19 agreement between the board and the municipal approving au-
20 thority, with approval of the applicant, the 60-day period shall be
21 extended for an additional 30-day period, and any such extension
22 shall so extend the time within which a municipal approving au-
23 thority shall be required by law to act thereon.

24 c. The board shall review each application and disapprove an
25 application if it does not meet the provisions or requirements
26 of the District Development Plan or any implementing rules,
27 regulations or standards. In the event of disapproval, the board
28 shall set forth its reasons in writing and transmit a copy thereof
29 to the applicant and the municipal approving authority.

1 11. a. No person shall construct an access for vehicular traffic
2 between any State highway within the district and any abutting
3 land without the approval of the board as provided in this act.

4 b. Each application for the construction of an access shall be
5 submitted to the board for its review. Board approval of the
6 application shall be limited by and based upon the District Develop-
7 ment Plan and the implementing rules, regulations and standards
8 adopted by the board. If the board fails to approve or disapprove
9 the application within 60 days from the date of its receipt, the appli-
10 cation shall be deemed to have been approved by the board unless,
11 by mutual agreement between the board and the applicant, the
12 60-day period shall be extended for an additional 30-day period.



13 c. The board shall review each application and disapprove an
14 application if it does not meet the provisions or requirements of
15 the District Development Plan or any implementing rules, regula-
16 tions or standards. In the event of disapproval, the board shall
17 set forth its reasons in writing and transmit a copy thereof to the
18 applicant.

1 12. a. The board may, either on its own or in cooperation with
2 the State or constituent county or municipality, or instrumentality,
3 thereof, acquire and develop lands within the district for recreation
4 or conservation purposes in accordance with the District Develop-
5 ment Plan.

6 b. The board is authorized to make grants or loans to any
7 constituent county or municipality, or instrumentality thereof, for
8 all or part of the cost of the acquisition of land for recreation or
9 conservation purposes by the county, municipality or instru-
10 mentality thereof. Each grant or loan shall be in such amount and
11 subject to such terms and conditions as the board and the county,
12 municipality or instrumentality thereof shall agree.

1 13. a. By December 31 in each year, the chief financial officer of
2 each constituent county shall certify and pay to the board an
3 amount equal to the revenue derived from the application of the
4 current county tax rate to the taxable value of new construction
5 or improvements within the constituent municipalities within the
6 county. For the purposes of this section, "new construction or
7 improvements" means any construction, modernization, rehabili-
8 tation, renovation, alteration or repair which is subject to taxable
9 valuation for the first time in the preceding year.

10 b. The amounts received by the board pursuant to this section
11 shall be utilized by the board to meet any obligations incurred by
12 the board in carrying out the provisions of this act. The amounts
13 may be invested and reinvested by the board in the same manner
14 as trust funds in the custody of the State Treasurer are invested.

1 14. a. The board may from time to time issue its bonds, notes or
2 other obligations in any principal amounts as in the judgment of
3 the board shall be necessary to provide sufficient funds for any of
4 its corporate purposes, including the payment, funding or refunding
5 of the principal of, or interest or redemption premiums on, any
6 bonds, notes or other obligations issued by it whether the bonds,
7 notes or other obligations or interest to be funded or refunded have
8 or have not become due, the establishment or increase of reserves
9 to secure or to pay the bonds, notes or other obligations or interest
10 thereon and all other costs or expenses of the trust incident to and
11 necessary to carry out its corporate purposes and powers.



12 b. Whether or not the bonds, notes or other obligations are of a
13 form and character as to be negotiable instruments under the terms
14 of Title 12A of the New Jersey Statutes, the bonds, notes and other
15 obligations are made negotiable instruments within the meaning
16 of and for the purposes of Title 12A, subject only to the provisions
17 of the bonds, notes and other obligations for registration.

18 c. Bonds, notes or other obligations of the board, shall be authorized
19 by a resolution or resolutions of the board and may be issued
20 in one or more series and shall bear any date or dates, mature at
21 any time or times, bear interest at any rate or rates of interest per
22 annum, be in any denomination or denominations, be in any form,
23 either coupon or registered, carry any conservation or registration
24 privileges, have any rank or priority, be executed in any manner,
25 be payable from such sources in any medium of payment at any
26 place or places within or without the State, and be subject to any
27 terms of redemption by the board or the holders thereof, with or
28 without premium, as the resolution or resolutions may provide.
29 A resolution of the board authorizing the issuance of bonds, notes
30 or other obligations may provide that the bonds, notes or other
31 obligations be secured by a trust indenture between the board and
32 a trustee, vesting in the trustee any property, rights, powers and
33 duties in trust consistent with the provisions of this act as the board
34 may determine.

35 d. Bonds, notes or other obligations of the board may be sold at
36 public or private sale at any price or prices and in any manner as
37 the trust may determine. Each bond, note or other obligation shall
38 mature and be paid not later than 35 years from the date thereof.

39 e. Bonds, notes or other obligations of the board may be issued
40 under the provisions of this act without obtaining the consent of
41 any department, division, board, bureau or agency of the State,
42 and without any other proceedings or the happening of any other
43 conditions or things other than those proceedings, conditions or
44 things which are specifically required by this act.

45 f. Bonds, notes or other obligations of the board issued under the
46 provisions of this act shall not be a debt or liability of the State or
47 of any political subdivision thereof other than the board, and shall
48 not create or constitute any indebtedness, liability or obligation of
49 the State or any political subdivision, but all such bonds, notes and
50 other obligations, unless funded or refunded by bonds, notes or
51 other obligations, shall be payable solely from revenues or funds
52 pledged or available for their payment as authorized in this act.
53 Each bond, note and other obligation shall contain on its face a



54 statement to the effect that the board is obligated to pay the principle
55 pal thereof or the interest thereon only from its revenues, receipts
56 or funds pledged or available for their payment as authorized in
57 this act and that neither the State nor any political subdivision
58 thereof is obligated to pay the principal or interest and that neither
59 the faith and credit nor the taxing power of the State or any
60 political subdivision thereof is pledged to the payment of the prin-
61 cipal of or the interest on the bonds, notes or other obligations.

62 g. Each issue of bonds, notes or other obligations of the board
63 may, if it is determined by the board, be general obligations thereof
64 payable out of any revenues, receipts or funds of the board or
64A payable out of any revenues, receipts or funds of the board or spec-
65 ial obligations thereof payable out of particular revenues, receipts
66 or funds, subject only to any agreements with the holders of bonds,
67 notes or other obligations, and may be secured by one or more of
68 the following:

69 (1) Pledge of revenues derived from the payments specified in
70 section 13 of this act;

71 (2) Pledge of rentals, receipts and other revenues to be derived
72 from leases or other contractual arrangements with any person or
73 entity, public or private, including one or more governmental units,
74 or a pledge or assignment of those leases or other contractual
75 arrangements and the rights and interest of the board therein;

76 (3) Pledge of grants, subsidies, contributions, appropriations or
77 other payments to be received from the United States of America
78 or any instrumentality thereof or from the State or any State
79 agency;

80 (4) Pledge of all moneys, funds, accounts, securities and other
81 funds, including the proceeds of the bonds, notes or other obliga-
82 tions;

83 (5) A mortgage on all or any part of the property, real or per-
84 sonal, of the board then owned or thereafter to be acquired, or a
85 pledge or assignment or mortgages made to the trust by any person
86 or entity, public or private, including one or more governmental
87 units and the rights and interest of the board therein.

1 15. In any resolution of the board authorizing or relating to the
2 issuance of any bonds, notes or other obligations, the board in order
3 to secure the payment of the bonds, notes or other obligations and
4 in addition to its other powers, may by provisions therein which
5 shall constitute covenants by the board and contracts with the
6 holders of the bonds, notes or other obligations:

7 a. Secure the bonds, notes or other obligations as provided in
8 section 14 of this act:

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- 9 b. Covenant against pledging all or part of its revenues or
10 receipts;
- 11 c. Covenant with respect to limitations on any right to sell,
12 mortgage, lease or otherwise dispose of any notes and bonds of
13 governmental units or any part thereof or any property of any
14 kind;
- 15 d. Covenant as to any bonds, notes or other obligations to be
16 issued and the limitations thereon and the terms and conditions
17 thereof and as to the custody, application, investment and disposi-
18 tion of the proceeds thereof;
- 19 e. Covenant as to the issuance of additional bonds, notes or other
20 obligations or as to limitations on the issuance of additional bonds,
21 notes or other obligations and on the incurring of other debts by it;
- 22 f. Covenant as to the payment of the principal of or interest on
23 bonds, notes or other obligations, as to the sources and methods of
24 payment, as to the rank or priority of the bonds, notes or other
25 obligations with respect to any lien or security or as to the accelera-
26 tion of the maturity of the bonds, notes or other obligations;
- 27 g. Provide for the replacement of lost, stolen, destroyed or
28 mutilated bonds, notes or other obligations;
- 29 h. Covenant against extending the time for the payment of bonds,
30 notes or other obligations or interest thereon;
- 31 i. Covenant as to the redemption of bonds, notes and other obli-
32 gations by the board or the holders thereof and privileges of ex-
33 change thereof for other bonds, notes or other obligations of the
34 board;
- 35 j. Covenant to create or authorize the creation of special funds
36 or accounts to be held in trust or other wise for the benefit of holders
37 of bonds, notes and other obligations of the board or of reserves
38 for other purposes and as to the use, investment, and disposition
39 of moneys held in those funds, accounts or reserves;
- 40 k. Provide for the rights and liabilities, powers and duties arising
41 upon the breach of any covenant, condition or obligation and
42 prescribe the events of default and terms and conditions upon
43 which any or all of the bonds, notes, or other obligations of the board
44 shall become or may be declared due and payable before maturity
45 and the terms and conditions upon which the declaration and its
46 consequences may be waived;
- 47 l. Vest in a trustee or trustees within or without the State any
48 property, rights, powers and duties in trust as the board may de-
49 termine which may include any or all of the rights, powers and
50 duties of any trustee appointed by the holders of any bonds or notes



51 pursuant to section 22 of this act, including rights with respect to
52 the sale or other deposition of notes and bonds of governmental
53 units pledge pursuant to a resolution or trust indenture for the
54 benefit of the holders of bonds, notes or other obligations of the
55 board and the right by suit or action to foreclose any mortgage
56 pledged pursuant to the resolution of trust indenture for the benefit
57 of the holders of the bonds, notes or other obligations, and to limit
58 or abrogate the right of the holders of any bonds, notes or other
59 obligations of the board to appoint a trustee under this act, and
60 to limit the rights, duties and powers of the trustee:

61 m. Pay the costs or expenses incident to the enforcement of the
62 bonds, notes or other obligations or of the provisions of the reso-
63 lution authorizing the issuance of those bonds, notes or other obli-
64 gations or the trust indenture securing the bonds, notes or other
65 obligations or of any covenant or agreement of the board with the
66 holders of the bonds, notes or other obligations;

67 n. Limit the rights of the holders of any bonds, notes or other
68 obligations to enforce any pledge or covenant securing bonds, notes
69 or other obligations; and

70 o. Make covenants other than or in addition to the covenants
71 authorized by this act of like or different character, and make
72 covenants to do or refrain from doing any acts and things as may
73 be necessary, or convenient and desirable, in order to better secure
74 bonds, notes, or other obligations or which, in the absolute discre-
75 tion of the board, will tend to make bonds, notes or other obligations
76 more marketable, notwithstanding that the covenants, acts or
77 things may not be enumerated herein.

1 16. The board may establish any reserves, funds or accounts as it
2 may determine necessary or desirable to further the accomplish-
3 ment of the purposes of the board or to comply with the provisions
4 of any agreement made by or any resolution of the board.

1 17. Neither the members of the board nor any person executing
2 bonds, notes or other obligations issued pursuant to this act shall
3 be liable personally on the bonds, notes or other obligations by
4 reason of the issuance thereof.

1 18. The State pledges to covenant and agree with the holders of
2 any bonds, notes or other obligations issued pursuant to authori-
3 zation of this act that the State shall not limit or alter the rights
4 or powers vested in the board to perform and fulfill the terms of
5 any agreement made with the holders of the bonds, notes or other
6 obligations or to fulfill the terms of any agreement made with the
7 holders of bonds, notes or other obligations including the obliga-

8 tions to pay the principal of and interest and premium on those
9 bonds, notes or other obligations, with interest on any unpaid in-
10 stallments of interest, and all costs and expenses in connection with
11 any action or proceedings by or on behalf of the holders, until the
12 bonds, notes and other obligations, together with interest thereon
13 are fully met and discharged or provided for.

1 19. The State and all public officers, governmental units and
2 agencies thereof, all banks, trust companies, savings banks and
3 institutions, building and loan associations, savings and loan as-
4 sociations, investment companies, and other persons carrying on
5 a banking business, all insurance companies, insurance associations
6 and other persons carrying on a insurance business, and all execu-
7 tors, administrators, guardians, trustees and other fiduciaries, may
8 legally invest any sinking funds, moneys or other funds belonging
9 to them or within their control in any bonds, notes or other obli-
10 gations issued pursuant to this act, and those bonds, notes or other
11 obligations shall be authorized security for any and all public
12 deposits.

1 20. All State agencies and governmental units, notwithstanding
2 any contrary provision of law, may lease, lend, grant or convey to
3 the board, at its request upon any terms and conditions as the gov-
4 erning body or other proper authorities of the State agencies or
5 governmental units may deem reasonable and fair and without the
6 necessity for any advertisement, order of court or other action or
7 formality, other than the authorizing ordinance of the governing
8 body concerned, any real property or interest which may be nec-
9 essary or convenient to the effectuation of the purposes of the board.

1 21. All property of the board is declared to be public property
2 devoted to an essential public and governmental function and pur-
3 pose and shall be exempt from all taxes of the State or any political
4 subdivision thereof. All bonds, notes and other obligations issued
5 pursuant to this act are declared to be issued by a body corporate
6 and politic of the State and for an essential public and govern-
7 mental purpose and those bonds, notes and other obligations, and
8 interest thereon and the income therefrom and from the sale, ex-
9 change or other transfer thereof, and full funds, revenues, income
10 and other moneys received or to be received by the trust shall at
11 all times be exempt from taxation, except for transfer, inheritance
12 and estate taxes.

1 22. a. If the board defaults in the payment of principal of, or
2 interest on, any issue of bonds, notes or other obligations after the
3 same becomes due, whether at maturity or upon call for redemption,

4 and the default continues for a period of 30 days or if the board
5 fails or refuses to comply with the provisions of this act, or de-
6 faults in any agreement made with the holders of any issue of
7 bonds, notes or other obligations, the holders of 25% in aggregate
8 principal amount of the bonds, notes or other obligations of the
9 issue then outstanding, by instrument or instruments filed in the
10 office of the clerk of any county in which the board operates and
11 has an office and proved or acknowledged in the same manner as
12 required for a deed to be recorded, may appoint a trustee to rep-
13 resent the holders of the bonds, notes or other obligations for the
14 purposes herein provided.

15 b. The trustee may, and upon written request of the holders of
16 25% in principal amount of the bonds, notes or other obligations
17 then outstanding shall, in his or its own name:

18 (1) By suit, action or proceeding enforce all rights of the holders
19 of bonds, notes or other obligations, to require the board to carry
20 out any other agreements with the holders of the bonds, notes or
21 other obligations and to perform its duties under this act;

22 (2) Bring suit upon the bonds, notes or other obligations;

23 (3) By action or suit, require the board to account as if it were
24 the trustee of an express trust for the holders of the bonds, notes
25 or other obligations:

26 (4) By action or suit, enjoin any acts or things which may be
27 unlawful or in violation of the rights of the holders of the bonds,
28 notes or other obligations:

29 (5) Sell or otherwise dispose of bonds and notes of governmental
30 units pledged pursuant to resolution or trust indenture for benefit
31 of holders of bonds, notes or other obligations on any terms as a
32 resolution or trust indenture may provide:

33 (6) By action or suit, foreclose any mortgage pledge pursuant
34 to the resolution or trust indenture for the benefit of the holders
35 of the bonds, notes or other obligations;

36 (7) Declare all bonds, notes or other obligations due and pay-
37 able, and if all defaults shall be made good, then, with the consent
38 of the holders of 25% of the principal amount of the bonds, notes
39 or other obligations then outstanding, to annul the declaration and
40 its consequences.

41 c. The trustee shall, in addition to the foregoing, have those
42 powers necessary or appropriate for the exercise of any function
43 specifically set forth herein or incident to the general representa-
44 tion of holders of bonds, notes or other obligations in the enforce-
45 ment and protection of their rights.

46 d. The Superior Court shall have jurisdiction over any suit,
47 action or proceeding by the trustee on behalf of the holders of
48 bonds, notes or other obligations. The venue of any suit, action or
49 proceeding shall be laid in the county in which the principal office
50 of the board is located.

51 e. Before declaring the principal of bonds, notes or other obli-
52 gations due and payable, the trustee shall first give 30 days' notice
53 in writing to the board.

1 23. On or before March 31 in each year the board shall make an
2 annual report of its activities for the Governor and to the Legis-
3 lature. The report shall set forth a complete operating and finan-
4 cial statement covering its operations during the year, including
5 amounts of income from all sources. The board shall cause an
6 audit of its books and accounts to be made at least once in each
7 year by certified public accountants and the cost thereof shall be
8 considered an expense of the board and a copy thereof shall be
9 filed with the State Treasurer and the Comptroller of the Treasury.

1 24. All officers, departments, boards, units, divisions and com-
2 missions of the State are authorized to render any services to the
3 board as may be within the area of their respective governmental
4 functions as fixed or established by law, and as may be requested
5 by the board. The cost and expense of those services shall be met
6 and provided by the board.

1 25. There is appropriated to the Central Corridor District Develop-
2 opment Board from the General State Fund the sum of \$500,000.00.

1 26. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to provide for continued vigorous and rational growth and development along Route 1 corridor from New Brunswick to Trenton. Continuation of the present pattern of virtually unrestricted, uncoordinated and untidy development in this area will ultimately prove self-defeating, since the net result will surely be a poor match of infrastructure and environmental needs with a haphazard development landscape that does not maximize the area's true growth potential.

This bill establishes a Central Corridor District Development Board with the authority to plan for the location of major land developments and capital infrastructure projects in the Route 1 area from the Raritan river to the Delaware river. The board is to be composed of cabinet officials, members of the public, and representatives of the counties and municipalities within the district.

The board would be empowered to either undertake capital infrastructure projects on its own or to provide financial assistance to local government for these projects. Similarly, the board would be authorized to provide financing to counties and municipalities for the preservation of land for conservation or recreational purposes.

The board would have the authority to sell bonds to fund its projects and municipal assistance programs. Revenue to back the bonds would be derived from a portion of the property tax receipts generated by new construction and improvements.



ASSEMBLYMAN HARRY A. McENROE (Chairman): I'd like to call the hearing to order. I have one announcement I would like to make prior to convening our session. If there are any additional individuals who wish to be heard by the Committee this afternoon, please advise us without delay by speaking to Ms. McNutt. She is on my left, and she will take your name. We'll then call you at the appropriate time.

I would like to welcome everyone to the hearing this afternoon. This is the first of three hearings concerning Assembly Bill 3092, which is sponsored by Alan J. Karcher, Speaker of the General Assembly, who represents Middlesex County. The bill addresses the establishment of a Central Corridor District Development Board which would have responsibility for the review of matters relating to the continuing development of this region -- most particularly the Route 1 corridor.

We are convening today, Monday, March 25 at 1 p.m. I think we are moving along quite well, and I am pleased that the Borough of Princeton has made Borough Hall available to us this afternoon. We will also have a hearing on Monday, April 1 at the South Brunswick Municipal Building in Monmouth Junction, New Jersey. That will convene at 7 p.m. Finally, we have scheduled a third public hearing on Thursday, April 11 at the State House Annex in Trenton at 1 p.m.

I would like to welcome the sponsor of the legislation, Mr. Alan J. Karcher, Speaker of the General Assembly, who represents Middlesex County. Mr. Karcher, on behalf of the Committee, welcome. The Vice Chairman of the Committee, Mr. Pankok, is presently at the State House testifying before the Joint Appropriations Committee, so he will not be with us today. We also have Mr. Vainieri of Hudson County, but a prior commitment prevents him from being here. Mr. Hendrickson of Ocean County and Mr. Zecker of Passaic County also will not be able to attend this afternoon, so I will represent the Committee. Of course, we are taking formal testimony, and each member of the Committee will be apprised of the testimony offered by the public. This testimony, as all of us know, is being recorded for the benefit of the public.

Mr. Karcher, welcome.



ASSEMBLY SPEAKER ALAN J. KARCHER: Mr. Chairman, I would like to thank you and all of the members of your Committee for extending yourself by conducting these hearings -- the first being today in Princeton, and the second in South Brunswick. I think this is a wonderful opportunity for many people who otherwise would not be available to offer testimony.

I have a statement I want to read, and I will do it as expeditiously as possible.

The Central Corridor District Development Board of the Route 1 Corridor is what we are here to talk about. It has generated an enormous amount of interest and concern. By way of preface, I don't think I need to regale you with the history of this. This particular geographical region that we are literally in the very hub of may soon become the best known area perhaps in the entire United States. It certainly has the potential to rival anything, especially as we have seen in California with its famous Silicone Valley, or the famous Triangle Research Park in North Carolina, or Massachusetts' Route 128, which I had an opportunity to see first-hand last week. It is my opinion, and I think the opinion of many people, that this area -- this particular corridor of Route 1 -- if done right and planned properly, will be an area that will be synonymous with research, high technology, and finances. It will be a synonym for the type of high technology and research that we associate other things with, such as Fifth Avenue with shopping, Rodeo Drive in Los Angeles with shopping, and Wall Street with finances. In fact, it might put all of those to shame.

Projections made several years ago showed that by 1992, 10.6 million square feet of office space -- in other words, more office space than there is in Milwaukee, Wisconsin -- would be constructed on Route 1 between Lawrenceville and South Brunswick.

These original projections showed that by 1992, employment would increase by more than 125% in West Windsor, by more than 145% in South Brunswick, and by about 200% in Plainsboro.

Also, these original projections showed that by 1992, housing units for new workers would increase by about 115% in each of these towns, and that the number of vehicle trips per day would jump anywhere from 120% to 180%.

Today, we can see from the pace of development that these projections were far too modest. Rather than comparing the Central Corridor District to Milwaukee, we should be comparing it to Dallas, Texas. We can see no end to the prospects for growth in this region. Last fall a university consortium recommended to the National Science Foundation that the Route 1 Corridor be the site of a new, advanced super-computer center. New Jersey won this honor, and the computer center will be sited on Route 1.

The center will be right at home alongside such companies as RCA's Communication Satellite Research Facility, IBM Research Center, Forrestal, and Carnegie, as well as a host of other computer software and biomedical research firms.

Soon after the super-computer center is put in place, it will be outclassed by another larger computer being built now by two Princeton University professors. These two giant computers may well be linked, and the Route 1 Corridor could become the world's foremost mathematical and computational center.

Almost everyone familiar with Central Jersey is both pleased and concerned about the inevitable and exciting growth that lies ahead. New Jersey has worked hard to attract business. We have encouraged development by promoting our State's assets: our strategic location, our transportation system, our skilled workers, and our quality of life. We want, we need, and we deserve the recognition that a prestigious research region like this one can bestow upon us.

I am pleased with our successes, but more importantly, I want to ensure that we encourage and aggressively compete for more desirable business development in our Central Corridor.

I advocate growth for the Central Jersey area. To continue to attract desirable development, I advocate coordinated, planned growth. For a time, Central Jersey can continue to grow without regional planning or coordination, but although Central Jersey can grow today, it cannot prosper tomorrow.

We have all encountered increasing congestion and traffic delays along Route 1 from its intersection with Route 130 in North Brunswick to its intersection with Route I-95 in Lawrence. As we make

this trip, we can't help but realize that Route 1's explosive growth is a regional problem that will require a regional solution.

After I considered several alternatives, I introduced a measure, which you have before you today -- A-3092 -- that would create a regional planning authority for the Central Jersey area called the Central Corridor District Development Board. Its mission would be to facilitate large-scale development in this district. I emphasize the word "facilitate."

Let me explain very briefly what the bill does. The district includes all municipalities in Mercer County that are intersected by either Route 1 or Route 27, and all municipalities in Middlesex County that are intersected by either Route 1 or Route 130. This includes New Brunswick, North Brunswick, Plainsboro, Cranbury, West Windsor, Lawrence, Trenton, Princeton Borough, and Princeton Township.

This bill would create a 21-member Board. The members would include a representative of each participating municipality, the Chief Executive Officers of Mercer and Middlesex Counties, a representative of each county's Planning Board, the Commissioners of Environmental Protection, Community Affairs, and Transportation, and four public members appointed by the Governor. I call your attention to the balance of the Board: the towns' representatives who constitute a majority of the Board.

The Board's work would begin by developing a master plan for the region. The regional plan could be based on municipal and county master plans. The master plan would position infrastructure projects, major commercial, residential and industrial developments, agricultural land, open space, and recreation areas.

As the bill now stands, the Board could veto proposed commercial construction of 5,000 or more square feet, or the construction of five or more housing units on at least five acres, if that development is inconsistent or creates violence with the region's master plan. The Board's review period would be 60 days, which could run concurrently with any local approval process. If all parties agreed, the review period could be extended for 30 days. Any proposal not acted upon within the agreed time period would gain automatic approval.



Some municipal leaders have already said that the 5,000 square foot threshold for commercial construction should be raised to 50,000 square feet, or even 100,000 feet. To make it harder for one town to influence a development application, other municipal representatives have suggested that a super-majority, or a two-third's majority, be required to sustain a veto. Still others have recommended a requirement that the regional master plan be based on municipal and county master plans that already exist.

I am listening, and I have listened, to all recommendations. I made it my business, subsequent to the introduction of this bill, to meet with as many mayors as chose to meet with me, and I have gone out of my way to reach out to a number of other municipal officials. A number of them have had excellent ideas, and I certainly have been open to them. I want to emphasize that certainly no one should take this particular bill, as introduced, as the final word. The last thing I would ever suggest is that I have some monopoly on wisdom or that my staff has a monopoly on good ideas. We certainly don't, and we are open to discussion and suggestions. Some of those that I just enumerated above seem to be ideas that have great merit and value, and I would recommend them strongly for the consideration of this Committee.

The County and Regional Authorities Committee, which now has this bill, is about to hear and consider the arguments. Once again, I want to thank you for going out of your way. I know it is a personal sacrifice for you, Mr. Chairman, to conduct these hearings, and I am very appreciative. I think everyone in this region is appreciative that you would take from your time and extend your efforts and enterprise to conduct these hearings.

I am confident that the final bill will reflect the best thinking. After developing a master plan, the Board's next task would be to finance the construction of the infrastructure needed to support the desired growth. In addition to an initial \$500,000 start-up grant from the State, the present bill provides funding for this construction by using an incremental financing plan, or a share of the first year's growth in county tax revenues generated by the new commercial and residential projects.

During the Committee review process, however, other revenue-raising methods are likely to be considered. What kind and how much infrastructure is likely to be needed will influence the kind and amount of financing.

Whichever financing method the Committee selects, it should allow the Board to build and rehabilitate the region's infrastructure and acquire parks and open spaces.

Since I introduced this legislation, there has been an avalanche of response, both positive and negative. I have welcomed all of it. Out of this dialogue will come a better bill. What pleased me most was that civic leaders and decision-makers immediately began to think and to talk about this region as a region. Many times when I discuss this, I talk about the famous incidences in the Wizard of Oz when the Tin Man and the Straw Man finally got what they needed from the Wizard. Of course, it was symbolic -- a diploma for one, a heart for the other, and a medal for the cowardly Lion. Then suddenly they were brave, strong, intelligent, etc., etc.

The introduction of this legislation was a catalyst for this region -- the 10 towns. Suddenly they recognized that they were not separate entities; they really were a region. What it took was for someone to say, "You are a region." Then they began to think and act as a region. That has been very, very gratifying and productive in its own right.

Regional thinking is the first step toward regional planning. The legislation quickly received some enthusiastic -- and thankfully -- some bipartisan support. Mercer County Executive Bill Mathesius and Princeton Borough Mayor Barbara Sigmund have both endorsed this concept.

I am aware that there are others who have raised objections to this legislation, and in the last few minutes, I want to address two arguments that have been made.

First, the Chamber of Commerce has argued that regional planning would threaten growth. The Chamber fears that regional planning would add another layer of bureaucracy to an already complex approval and permit system.

I want to stress, and I want to do it in the strongest way possible, that regional planning, in my opinion, would enhance growth. Planning could enhance growth by streamlining the permit process. Since the Commissioners of Community Affairs, Transportation, and Environmental Protection would sit on this Board, it seems likely that we could build in a pilot program which could be designed to facilitate the permit process. Such a pilot program could create one permit -- one unified permit -- issued by the regional Board that would incorporate the permits of the individual departments that are represented on the Board.

Also, planning could enhance growth by removing obstacles to regional growth. An area that looks like it may soon choke on its own traffic is uninviting to business. Surveys of industries and residents of the district indicate that residents and workers alike feel that traffic is already heavily congested and may be terrifying in the near future. Despite the fact that many companies are already offering van services, buses, and flex time, the traffic on Route 1 still only crawls during rush hour. At rush hour, this highway changes from a Class A road to a Class F road. This congestion demonstrates the increasing necessity for more comprehensive solutions, much more comprehensive than any one employer or any one company can devise.

Mass transit can offer a solution to the inevitable saturation of Route 1. If the regional Board considered a Metropark-type station in South Brunswick, for example, it would make the area even more attractive to business.

The Department of Transportation believes construction of additional lanes, overpasses, and grade separations, which would cost an estimated \$200 million, would barely allow the highway to accommodate the anticipated traffic in 1992. Another \$250 million will be needed to handle the traffic expected by the Year 2005. In other words, almost a half a billion dollars is anticipated for growth over the next 20 years, just to stay even where we are now. Regional planning can provide each town with greater financial resources for the funding of the construction that is important to them for their needed access roads, bridges, and sewers.



A second objection has been made that some mayors have expressed concern that regional planning would threaten home rule. In fact, this particular regional planning agency would enhance home rule. The municipal and county master plans can be the basis of the regional master plan, just as municipal plans are now the basis of county plans.

Representatives on the existing Board, as presently constituted in the draft legislation, would constitute a two-third's majority on the Board. If more towns like Montgomery and Franklin requested and received membership in the district, then local representation would even further outweigh State representation. Is this State control and interference? No, this is representational regional planning which would enhance home rule.

In addition to being a representative Board, the agency would also enhance home rule by giving each municipality a measure of influence over the growth of its borders. At this time, the only way towns can have some influence beyond their borders is through the courts.

Mercer County and Princeton Borough have already taken West Windsor, South Brunswick, and Plainsboro in Middlesex County to court. This is an expensive, time-consuming approach. Regional planning by litigation fuels municipal hostilities and depletes municipal resources. The court is an arena in which contestants battle; the Board that is proposed would be a forum through which neighbors could negotiate. Planning belongs in a board room, not in a court room. Friction and competition between municipalities can be replaced with professional, cooperative planning.

The Central Corridor District Development Board would give every town the opportunity to participate in cooperatively creating a master plan that is satisfactory to all. The two-third's majority could be required to veto development. This super-majority, which is not built into the bill, but which is something you may wish to consider -- it has been suggested by some mayors -- would mean that no town could dominate the Board, and no town could develop without some regard for its neighbors. Using its new voice in regional planning, each town could more effectively determine its own destiny.



Before I conclude my testimony, and before I answer any questions, I want to stress that I champion this plan because I can envision Central New Jersey as a world-class financial research center in the future. This regional authority can help the area emerge as one of the twenty-first century's most important centers of influence. Now is the time to plan for more growth, and more importantly, more prosperity in the future.

Thank you.

ASSEMBLYMAN McENROE: Thank you, Mr. Speaker. I appreciate you coming before the Committee, and I appreciate your kind words regarding my commitment of time to these hearings. We on the Committee recognize the bill as an important measure for our review. We are really intrigued with the concept. As a person who has spent some time in county government as a freeholder, I know the limitations of county government. As someone who is involved in legislative activity in the most urbanized State in the Union, I recognize the need for us to approach regional problems from a regional viewpoint. I want to commend you for the introduction of the legislation.

In a sense, I join with the County Executive of Mercer County and the Mayor of this Borough in supporting the concept of the legislation. It is intended to make New Jersey a better place in which to live, to grow, and to prosper. As you relate some of the views as you see them in the future, in my mind, I am thinking of jobs, prosperity, and the premier place that New Jersey will maintain. It will become an even greater place to live and to prosper.

The hearings will be open to public review, and we will have the published transcripts available to them. I appreciate your open-minded view as far as accepting the views of the mayors in this region are concerned. I really see the bill as a beginning of New Jersey's review of regional authorities as a part of our governmental review.

As I mentioned before, New Jersey's Charter allows limited power for county government. All the power that the counties have in New Jersey is derived only from the actions of the Legislature.

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I want to offer our continued cooperation to you. There will be amendments, I believe, after our careful review. Hopefully, the bill will be reviewed in working sessions by this Committee, and we hope to have available testimony reviewed. Hopefully, it will go to the Assembly for their consideration before too much time elapses.

Thank you again.

ASSEMBLY SPEAKER KARCHER: I want to add one or two items. First of all, once again, I want to emphasize the proposition that I have great faith and confidence in this Committee. For those of you who did not know Mr. McEnroe prior to -- should I say "his ascendancy" -- to the Assembly, he was the Director of the Board of Freeholders in Essex County. He has a wealth of knowledge in municipal and county government, and I can't think of anyone I would have more confidence in trusting this legislation to. I want to assure you that I have every faith and confidence in the Committee process, and any amendments that are developed-- As I said, there have been many, many good ideas that have already come forth. I am certainly open to them, and I take no offense or umbrage. I am sure that the ultimate product that is forged by this Committee will be a much better product than what was introduced.

Not to digress, but lastly, let me say that I have never run into anyone who does not acknowledge that there is a problem. There is a universal acknowledgement of the problem, and there is a universal acknowledgement of the potential. The only thing I think would be intolerable for the State to do would be to do nothing. That is the one thing I think would be totally unacceptable in the face of the acknowledgement and recognition of such a problem that has such vast potential.

With that, Mr. Chairman, I thank you.

ASSEMBLYMAN McENROE: Thank you, sir. (applause) That isn't normally the way we conduct Committee hearings -- to allow a person's popularity to rule the Committee. Mr. Karcher, you can accept those applause as an expression of genuine support and recognition of your leadership as a legislator.

ASSEMBLY SPEAKER KARCHER: I am going to be more realistic and accept it as polite courtesy. (laughter)



ASSEMBLYMAN McENROE: On that happy note, I would like to call on the Mayor of this lovely Borough of Princeton, Barbara Sigmund. Mayor Sigmund is a former Freeholder of the Borough of Princeton. Welcome. I regret that we don't have our full Committee to hear your testimony, but they will be advised.

MAYOR BARBARA SIGMUND: Welcome to Princeton Borough, Mr. Chairman and Mr. Speaker. Princeton Borough was recently described by you as bucolic, but I would describe it in more modern terms as the heart of the Karcher corridor.

We think this is a very important bill and a very important occasion. We are honored that you and the Speaker have come here today for the first of your hearings.

As you may know from various press reports, Princeton Borough is currently seeking, as the Speaker mentioned, a rational and fair way to distribute the effects of growth that have a regional impact. In this section of Central New Jersey, we really have all enjoyed -- not just in Princeton Borough, but in the region Speaker Karcher defined as a region, and which we have discovered is a region -- a way of life that can best be described as having our cake and eating it too. We have a series of what are basically small towns that have a strong sense of community and intimacy within them. We have two cities on either end of the corridor which have been struggling to revitalize themselves -- New Brunswick and Trenton. Of course, we have been able to enjoy the benefits of metropolitan New York and Philadelphia whenever we wanted to. We could visit them, but, thus far, they have not visited us on a daily basis.

It has been a way of life that most of us have cherished and enjoyed greatly in this area. Ironically, in the very name of that way of life, and because of the attractiveness of that way of life, we are in danger of destroying it, not only for Princeton Borough and Princeton Township, but for all of this region of Central New Jersey.

Until very recently, the growth patterns in our towns in this region have been very modest. They have not been very intrusive in inter-municipal terms. In the only two municipalities in which it could be so described, in the early 1970s, we formed a Regional



Planning Board. That is between Princeton Township and Princeton Borough themselves.

It is no longer true to say that there are no inter-municipal effects from the growth patterns in the towns in this region. In the Towns of South Brunswick, West Windsor, and Plainsboro, there is projected to be a 42% increase in jobs alone in the next 20 years. Of course, that means five times the present level of congestion in the region. I think when people talk about congestion, traffic, etc., and say that they like it, they are really using a short-handed term. They are really using that as a short-handed way of saying they do not like five times the amount of congestion, five times the amount of loss of quality of life, five times the loss of intimacy in community, and all of those intangible, but very real qualities we have enjoyed in this section of Central New Jersey. We should change that only with great care and consideration.

I think Speaker Karcher's plan has been an excellent response to this reality of enormous growth in our region, especially to regulate approvals not yet granted for development. On March 7, 1985, the Princeton Borough Council indicated its approval of Speaker Karcher's bill by resolution.

I think the bill has been miscast as a State imposition on home rule. I think it really creates something new altogether, and that is something we should call regional rule. In doing so, Mr. Chairman, it sets up the two elements that are necessary for any kind of effective government. It sets up a Board that has the power to say, "Yes or no." It simply doesn't talk from municipality to municipality; it has a real power of real review, real approval, or real denial. The power to say "Yea" or "Nay" is the primary power of government. What that needs to back it up, of course, is some sort of funding mechanism. Speaker Karcher's bill provides that as well.

It provides an effective way of running a new creature called regional rule. I agree with Speaker Karcher that that does not mean a contraction of home rule, but an expansion of home rule because each municipality would have some power to say "Yea" or "Nay" over a proposed development in the area that, undoubtedly at the level he is describing it, is going to inter-municipally affect each other.



Of course, on a lighter note, it has always been suggested in political science circles that the other element necessary for effective government is a standing army. I don't suggest that that is going to be necessary in this particular region.

We will have the other two elements, which are the power to say yes or no, and the power to fund the necessary improvements in the region.

I am one of the people who has suggested to Speaker Karcher that there should be a higher triggering level than the one he has suggested for this review process. I think 100,000 square feet makes more sense than 5,000 square feet. I think that in 100,000 square feet of development, there are undeniable spill-over effects into neighboring municipalities. That would leave all the normal kinds of development approvals in municipal hands alone. In the case of Princeton Borough and Princeton Township, it would leave them in our Regional Planning Board's hands.

In this regard, I wish to put on the record that I would like to have worked into the legislative process a kind of companion proposal that county planning boards be given co-equal review powers with municipal planning boards for 100,000 square feet of development. That would be a board that exists, has funding powers, and has the power to say yes or no. We wouldn't have to set up a special mechanism for that.

In any event, I believe the passage of Speaker Karcher's bill, the kind of bill I suggested, or some combination thereof, is absolutely necessary to maximize the benefits of growth that Speaker Karcher has spoken of, and that you have spoken of, while at the same time, rationally and fairly distributing the inevitable spill-over effects of that growth.

Thank you for coming today and for listening to Princeton Borough.

ASSEMBLYMAN McENROE: Thank you very much, Mayor. I have a few questions. As a mayor of a municipality, how do you feel about a 21-member Board? Do you think it might possibly be unwieldy, or is there any other alternative when you consider a region with 10 municipalities in it?

MAYOR SIGMUND: I think you might only need two public members. I don't really know why you would have to have four. Again, perhaps the counties could have one representative each, rather than two representatives each. That certainly is something we could all talk about. The municipalities have the controlling interest in this corporation as it is set up, and if that can be strengthened, I agree that that would be a good idea.

ASSEMBLYMAN McENROE: Thank you very much, Mayor. We appreciate your very positive testimony, and we thank you for the opportunity to come to the Borough.

MAYOR SIGMUND: Okay. Thank you so much. You all come back, you hear? (laughter) May I ask for a little inter-municipal courtesy? I notice that Mayor Pike of Princeton Township is here, and he has to get back to the working world. Could he possibly be called upon next?

ASSEMBLYMAN McENROE: It would be our pleasure. On the recommendation of the Borough's Mayor, may we hear from Mayor Winthrop Pike of Princeton Township? Welcome, Mr. Mayor. I want to introduce myself, Harry McEnroe, Chairman of the County Government and Regional Authorities Committee. The other individuals here representing majority staff are: Mr. John Alati, the aide to our Committee, is on my right; this is Ms. McNutt, who is the legislative aide to our Committee; and, on her left is Glenn Beebe, minority aide to the Republican members of the Assembly. You have my apologies for the other members of the Committee not being here. We would like very much to hear your thoughts on the bill.

MAYOR WINTHROP PIKE: Thank you very much, Chairman McEnroe. I appreciate the courtesy of being allowed to make these remarks at this time.

Ladies and gentlemen, on January 17, after studying the Karcher bill as it then existed, I made a recommendation to the Township Committee of Princeton Township that they consider the bill and adopt a resolution either opposing it or being in favor it.

On February 4, such a resolution was adopted by the Princeton Township Committee. I will leave a copy of it with you after I finish



reading it. I think perhaps the simplest way I can cope with this is to read it. It isn't very long; it is only two pages. I think that will fit very well within the five-minute format, which I understand is what we are allowed.

The Resolution reads as follows:

"WHEREAS, the Township Committee of the Township of Princeton has reviewed A-3092, a bill sponsored by Assemblyman Karcher which would establish a Central Corridor District Development Board to regulate growth along the Route 1 corridor; and

"WHEREAS, this legislation implies that the local municipalities located in the corridor are unwilling and unable to coordinate growth and economic development in the corridor; and

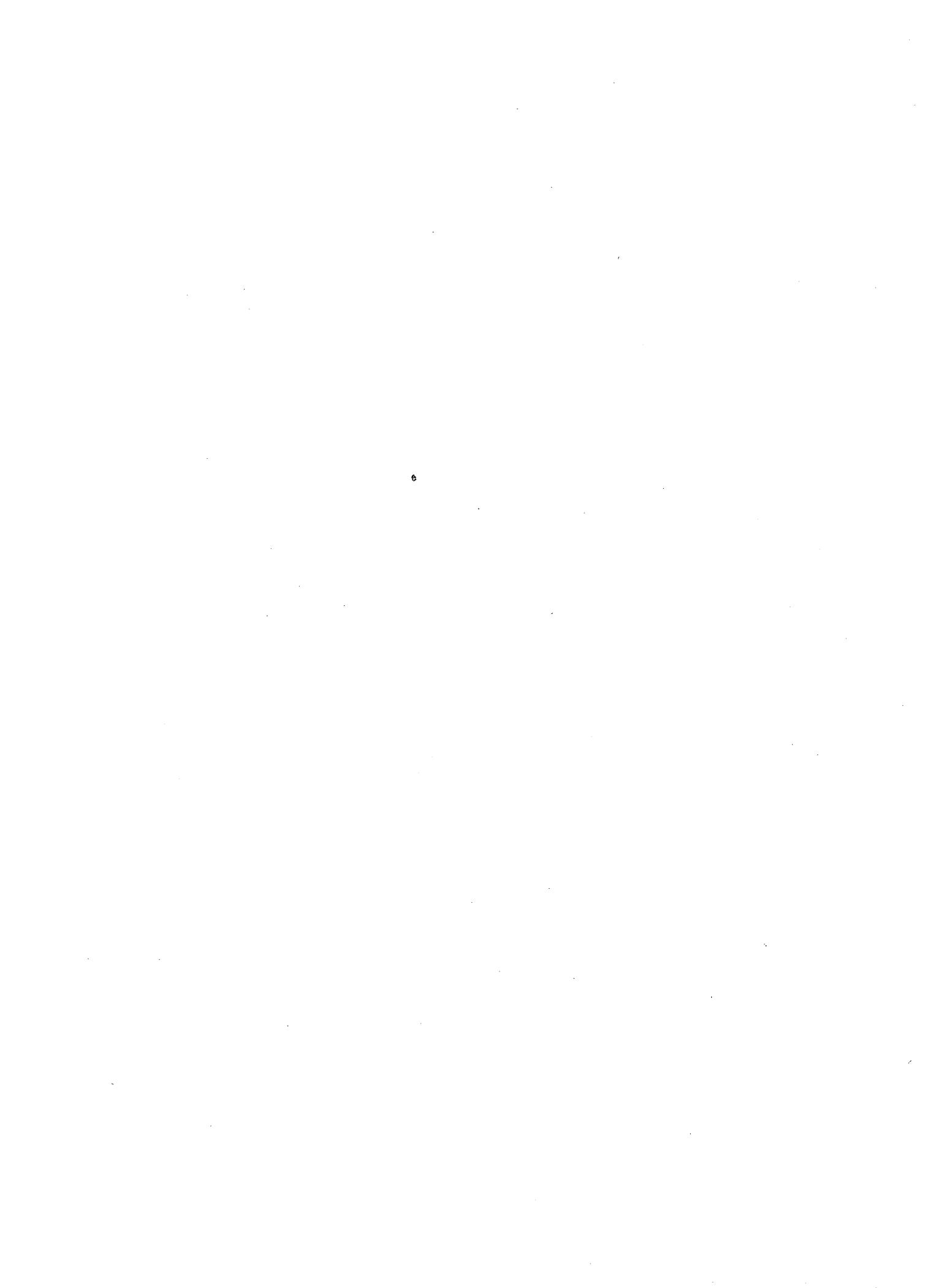
"WHEREAS, this proposed legislation further asserts that a governmental structure above the local level, with significant policy-making authority and broad financial powers, is necessary to guide this development; and

"WHEREAS, the Board shall be comprised of 21 people: three representatives of the State from departments which already have jurisdiction over many aspects of the development which they are to monitor as members of the Board; residents of Route 1 corridor municipalities, chosen by the Mayors with no requirement that they be elected officials; and four members appointed by the Governor to serve as voting members, but who are not required to have any direct relationship with the Route 1 corridor; and

"WHEREAS, the proposed Board is to be created solely to govern development in the Route 1 corridor, thereby discriminating against other growth corridors in the State; and

"WHEREAS, the Board's power to enter into contracts, leases and agreements, and to accept aid, grants appropriations and contributions appears unbridled and exempt from control by any higher authority; and

"WHEREAS, the Board has the authority to acquire, improve, dispose and otherwise deal in real estate to exercise its powers, with no provisions for consultation with or approval from local planning boards or governing bodies; and



"WHEREAS, the Board has the authority to issue bonds, notes or other obligations with no requirement to determine their effect on local municipalities' fiscal conditions; and

"WHEREAS, the Board can charge any fees it determines to be reasonable for an undefined set of services it may provide; and

"WHEREAS, the board, a body responsible to no electorate, requiring no approval from higher authority and without holding public hearings, has the authority to 'do any act necessary or convenient to the exercise of the foregoing powers or reasonably implied therefrom,' thereby giving it the power to overrule all local regulations and governing bodies on virtually any matter; and

"WHEREAS, the Board can prepare, adopt and revise a District Development Plan which supersedes all local Master Plans and Planning Board functions and would have final review over all infrastructure development projects including both new construction and rehabilitation of transportation system, waste water treatment systems, water supply systems, any industrial or commercial projects involving structures of 5,000 square foot area or more, residential projects with as few as five housing units, all other uses of land requiring five or more acres; and

"WHEREAS, in conjunction with the foregoing, the Board may adopt any rules, regulations and standards to implement the Development Plan and the provisions of this act; and

"WHEREAS, the regulations of the Board prevent any municipality in the corridor from undertaking any infrastructure capital project or major residential or commercial project on its own as the legislation requires all projects to be approved by the Board prior to construction, adding delays of up to 60 days or more to the approval process; and

"WHEREAS, all accesses for vehicular traffic between any State highway within the Route 1 corridor and any abutting land must have the approval of the Board, leading to delays of up to 60 days; and

"WHEREAS, the funding for the operation of the Board is to be provided by residents of the constituent counties in an amount equal to the taxable value of new construction or improvements within the

municipalities included in the corridor area, which provision may result in a county tax increase for all county residents, not just those in the corridor; and

"WHEREAS, other provisions of this proposed legislation may have equally deleterious effects on the communities affected; now therefor

"BE IT RESOLVED, that the Township Committee of the Township of Princeton, although in favor of regional cooperation to fulfill the needs of current and future residents, is opposed to this legislation, as drafted and to the concept of a 'super agency' such as the Board contemplated in it, which would have the authority to make policy decisions, and would be given the resources to implement them while circumventing the established planning process, avoiding citizen input and overruling most aspects of local government structure, thereby discriminating against the local residents and stripping their own elected officials of much of their policy-making authority and ability to implement same; and

"BE IT FURTHER RESOLVED, that this resolution will be sent to Governor Thomas Kean, Assemblymen Alan Karcher, Gerald S. Naples, and John S. Watson, Senator Gerald R. Stockman and the Mayors of all the affected Route 1 corridor municipalities, the Mercer County Executive, the Mercer County Freeholders, and the Middlesex County Freeholders.

"The foregoing resolution was adopted by a majority vote of the Princeton Township Committee at its meeting on February 4, 1985." This was certified by Patricia C. Shuss, Acting Township Clerk.

I might point out, sir, the date on which this occurred. I would not close the door to some possible changes of attitude if there were some amendments to the bill, but I would not want to take a position on that without seeing them.

Thank you for your courtesy.

ASSEMBLYMAN McENROE: Thank you, Mayor. (applause) I can assure you that any amendments will be available for your review prior to the consideration of the Committee.

I am intrigued by one of your comments: that you find it discriminatory to other growth areas.



MAYOR PIKE: How about Route 17 or Route 130, for instance? I suspect there are similar problems there.

ASSEMBLYMAN McENROE: Again, we are dealing with legislation which is a framework -- a draft -- of a proposal impacting on the one particular corridor area that, I think, has engendered the most attention in the State of New Jersey during the past five years.

MAYOR PIKE: I am quite familiar with the congestion. I cross Route 1 about four times a day on the way to work. Sometimes it takes three or four traffic light changes to get through.

ASSEMBLYMAN McENROE: I have one other comment regarding the conduct of the agency, the Board, if it becomes a reality in the future. It will be governed and regulated by existing statute as it addresses regulatory agencies and boards, and much of the detail you were concerned about is addressed in the legislation.

MAYOR PIKE: I can only speak from experience with one other authority, the local sewer authority, which we have -- occasionally in the past, although not at present -- found rather intractable to any suggestions from the governing bodies.

ASSEMBLYMAN McENROE: Thank you again. Each of the members of this proposed Board will report directly to the municipality which he represents. We appreciate your testimony very much. Thank you.

MAYOR PIKE: Thank you. Here is a copy of our resolution.

ASSEMBLYMAN McENROE: Thank you. Next we have Councilman Marvin Reed from Princeton Borough. Mr. Reed?

COUNCILMAN MARVIN R. REED: Thank you, Mr. Chairman.

ASSEMBLYMAN McENROE: Welcome.

COUNCILMAN REED: Mr. Chairman, Mr. Speaker, other municipal officials, and friends and neighbors of the Route 1 Corridor, my name is Marvin Reed. I am a member of the Council of the Borough of Princeton. I would like to present a statement and also pose a question for the Committee that you perhaps may have the answer to.

Princeton Borough is a small municipality. Our slightly more than 12,000 residents occupy little more than one square mile. We are a long-established municipality, one of the oldest and best known in the State.

But, as our Mayor has indicated, we, the municipal officials of Princeton Borough, wonder whether we are about to become the victims of our own fame. The core of what has come to be known as the Route 1 Corridor, our area, seems destined for enormous economic development, population growth, and even greater prosperity.

We value our history in Princeton. It is a history of constant changes. When we try to protect valued symbols of our past, we in Princeton recognize that they remind us of past changes and the variety of changing life styles which are our legacy. Our State needs new business development, particularly when it means the creation, not just the transfer, of jobs for thousands of New Jersey workers. We do not fear development per se, but as a Council, we are seriously frightened by the pace and haphazardous manner in which office and residential development is occurring all around us.

For a State that only recently abolished its Office of State and Regional Planning, it may sound like a fruitless request; but, we would genuinely urge the State of New Jersey -- in particular, the State Legislature, if no one else will seize the initiative -- to make an investment in Route 1 development -- the investment of sound planning and infrastructure expansion.

Legislation, such as the Central Corridor District Development Act under discussion today, could be the down payment.

It provides a mechanism for regional planning, based not on State takeover, but on representation and cooperation among represented local elected officials.

And, even more importantly, it provides a mechanism for tax sharing and regional financing for what will surely be necessary infrastructure improvements, without unduly impacting on communities such as Princeton Borough that are physically unable to scramble for new office building ratables, and will, otherwise, find it necessary to charge new services and improvements to overburdened existing taxpayers.

To illustrate our concern, let me cite, in particular, one of our most recent Borough studies and actions.

We have been alarmed at the lack of action by the New Jersey State Department of Transportation in improving the highway to accommodate traffic generated by new office development along Route 1. We have also been alarmed that the DOT claims no responsibility for restraining individual local planning boards as they continually approve more and more new development, even while the highway becomes dangerously congested.

Recent newspaper stories have outlined the DOT dilemma. The reports make clear the following:

1. By the year 2005, DOT estimates there will be about 135,667 new workers employed in the Corridor;

2. That amounts to over 27 million square feet of new office space, calculated at the normal rule of thumb estimating figure of 200 square feet per employee; that would be the size of three World Trade Centers, if they were relocated onto our highway;

3. With all the improvements being planned -- widening to six lanes, new interchanges and overpasses, etc. -- the DOT says Route 1 only has the capacity to absorb 15 to 17 million square feet of new development. That leaves a deficit of more than 10 million square feet of planned office space that, even with improvements, Route 1 cannot absorb;

4. The cost of completing the highway improvements at today's dollar value is projected by DOT at \$225 million to \$250 million;

5. But, the State does not have the money even to do this much;

6. Funding prospects for the next seven years indicate that the State can "reasonably expect perhaps as much as \$100 million for Route 1 improvements." That is, \$75 million from I-95 de-designation money, and another \$20 million from conventional Federal funding sources;

7. As an alternative, the DOT says it will be urging the State to establish a special "development tax" on the new offices to pay for the cost of Route 1 highway construction.

The concept of special development taxes on the new office centers is sound. To some extent, the financial mechanisms projected in the legislation before us today represent such a revenue-raising system. But, those special levies should be earmarked by the proposed regional commission for infrastructure improvements -- expansion of our sewer operating plant, lateral road/bridge upgrading, low- and moderate-income housing, recreational amenities, etc. -- and not for the reconstruction of Route 1. Basic highway reconstruction, we believe, should be funded from gasoline and auto-related revenues dedicated to this purpose. The State should be allocating sufficient funds from those sources as its investment in sound Route 1 development. It should not be preempting possible developer contributions that could provide subsidies for public transportation, regional sewer processing expansion, new regional solid waste disposal facilities, increased regional fire protection, additional hospital beds in the region, day-care centers near the parents' workplaces, new schools, regional cultural/recreational amenities, and especially subsidies for low- and moderate-income housing for workers to live near their jobs so they don't have to clog the highways as long-distance commuters.

The proposed legislation is one way to restrain overdevelopment, provide infrastructure improvements, and guarantee that development will not proceed until and unless infrastructure improvements are concurrently being made.

Without such legislation, we sadly fear that much of the talk by State officials about Route 1 -- especially the talk from DOT about upgrading Route 1 to support the influx of new corporate headquarters and computer technology centers -- is a myth. The State is not meeting its obligations. It talks about encouraging economic growth and municipal cooperation in the area, but is making no substantial investment of its own funds to assure proper development.

We recognize that there are those who will say, "But, why Route 1?" We in Princeton can only answer, "Why not?"

We in New Jersey have been pioneers in creative economic development. In establishing the extremely imaginative Hackensack

Meadowlands Commission, we protected a fragile environment, assured sound overall planning, and set up an innovative tax-sharing scheme that has benefited all the municipalities in that North Jersey region. Similar regional development programs have been enacted to aid our shore communities and those in the South Jersey Pinelands.

If the Central Corridor District Development Board proves successful in phasing development, keeping it balanced, and expediting infrastructure improvements -- as we believe it can be -- there is no reason why the concept cannot later be replicated with a Route 206 Corridor District running from Montgomery through Hillsborough Townships to Somerville, or similar districts for segments of I-287 up to Suffern, of I-195 between Trenton and Belmar, of I-78 between Summit and Phillipsburg, and of other areas where major highway extensions in once open areas make intensive development very likely.

The Princeton Borough Council has gone on record by resolution to express its opposition to the inadequate DOT proposals, as well as to express its support of legislation such as that before us today.

We urge that you proceed with legislation that assures sound planning and progress for the area.

I have one question for the Committee, and perhaps you have the answer. We recognize that it probably takes time for legislation to proceed, and that in any case, this process will last over several months. We do not know if, in this legislation, existing permits would be allowed to continue, or whether it would be assumed that such legislation could be retroactive. Is there any indication as to how they will be treating projects that have already made application and have already come before local planning boards?

ASSEMBLYMAN McENROE: I drove from Essex County to Mercer County at noon today, and I was counting new construction and new roads intersecting with Route 1. The concern you--

COUNCILMAN REED: (interrupting) We could show you additional permits where ground hasn't been broken yet.

ASSEMBLYMAN McENROE: Right. Where approval has already been provided by the appropriate level of government, I think at this point

that they would be permitted. Our final scheduled Committee hearing is April 11; hopefully, we will be able to have it before our Committee before the first of May. The General Assembly, I believe, will consider it shortly thereafter. The Speaker sets that agenda, and he has a substantial interest in its passage, so I would think it will be considered without any delay. It will be reviewed carefully. We want to make sure we have a bill that is prepared to address all of those particulars that a municipality will legitimately bring to us.

I want to mention one other thing. I appreciate your comment regarding the introduction of caution, which I think the bill addresses -- that it will not be just an impractical approach to planning, and a circumstance where development will not have any regulation whatsoever. The bill introduces an orderly procedure regarding the planning for the Corridor. I hope everyone doesn't overlook that.

COUNCILMAN REED: As you can understand, our main concern is that as each municipality engages in development, it will be developing its infrastructure at the same time and that it will be providing housing, commensurate with the number of jobs. One of the attachments I gave you with my testimony indicates that in some of these communities, they are going to be very high ratios of the number of jobs to residents. They are not planning for housing at all, let alone low- and moderate-income housing. That obviously dooms us to a large number of commuters and an inordinate amount of automobile traffic when people cannot live near where they work.

Since Princeton Borough is land-locked, we see the need to engage in future infrastructure costs, even though we ourselves don't have the capacity or the plans to bring a large number of new ratables into our municipality to do that.

ASSEMBLYMAN McENROE: Thank you, Councilman. We appreciate your testimony.

ASSEMBLYMAN McENROE: We now have an individual representing the Plainsboro Democratic Municipal Committee, Sandra Ayres.

SANDRA T. AYRES: Thank you, Mr. Chairman.

ASSEMBLYMAN McENROE: Sandra, we have copies of your testimony, and we appreciate that.

MS. AYRES: Yes, you do. My comments and the written submission are being presented on behalf of the Plainsboro Democratic Municipal Committee. However, before beginning, I would like to make it very clear, particularly to the members of the audience, that my Committee is not the Township's governing body, but rather an elected committee of the Democratic organization in Plainsboro.

ASSEMBLYMAN McENROE: You may proceed, thank you.

MS. AYRES: The Plainsboro Democratic Municipal Committee welcomes this opportunity to address solutions to the regional concerns generated by the rapid development along Route 1. We wish to thank the members of this Assembly Committee for providing such an opportunity. Particularly, we wish to thank Assemblyman Karcher, sponsor of A-3092, for his role in initiating this forum. We believe this is the forum in which constructive dialogue on the issues can take place, and effective solutions can be achieved.

My Committee supports regional growth management, a goal of A-3092. Management of the region's growth is necessary to achieve the ultimate single goal we believe all residents of the region share; that is, growth which works for us in providing the benefits of a dynamic, job-producing economy, and not against us by impairing our environment.

We recognize that the rapid, large-scale development occurring along Route 1 has regional implications, no matter how well planned it is at the local level. These regional impacts demand regional solutions.

Thus, we agree with the goal of A-3092. However, the bill raises serious questions concerning the means chosen to pursue its goal. The management approach in the bill could well prove counterproductive. Furthermore, there is a real possibility that our mutual goal can be achieved at far less cost to taxpayers, more efficiently, and, ultimately, more effectively.

For example, the broad planning powers in A-3092 are not necessary to prepare a valid regional management plan. As we all know, there are many plans already in place which address land use in the region and infrastructure improvements. These plans have been

developed by competent planning staffs at all levels of government, and at taxpayers' expense. They can, and should, provide the basis for a regional plan. I am happy to hear that the Speaker apparently agrees with heading in this direction. We also agree that adjustments in the existing plans may well be necessary, but, in our view, they should only be made where required to prevent detrimental regional impacts. In other words, we do not agree with adjustments where only internal affairs are at issue.

This narrower approach is a more cost-effective avenue for achieving the growth management goal. In addition, it preserves a municipality's jurisdiction over its internal affairs, and thus maintains, to the extent possible, the benefits of local knowledge and local responsiveness to matters of local concern.

We also find problematic A-3092's proposal to establish an entirely new planning and regulatory agency at the State level. We agree that each agency with responsibility for land-use regulation and infrastructure improvements in the region should be involved in preparing a regional growth management plan. However, the need for an additional expensive layer of bureaucracy is questionable, at best.

A more prudent, yet effective, alternative would be a directive from the Legislature requiring the relevant agencies to develop a plan, within a set time frame, with public participation, and using the planning approach I recommended. Each agency could rely primarily upon its own planning staff. County planning departments could provide additional support services, with increased staffing if needed.

With regard to final decisions on plan components, we, in any event, object to a State agency vote on land-use matters. This is, and should remain, the domain of local and county governments which are directly accountable to their constituencies, in this case acting jointly to decide land-use questions which affect the region as a whole.

In turn, we cannot agree that local and county governments should have the power, collectively or otherwise, to veto decisions of State agencies. In particular, the environmental goals of the region

appear to be far better served by having the expertise of Department of Environmental Protection control on issues of environmental need, as they do today.

Of course, even the best regional development plan will be to no avail if there is no power to implement it. Nonetheless, again, A-3092 appears to go further than necessary in setting up an entirely new regulatory agency, and another layer of development review.

As indicated earlier, we cannot, in any event, accept the proposal that a regional planning agency might overrule the Department of Environmental Protection with regard to infrastructures needed to protect the environment. We also doubt whether support can be found for superseding the New Jersey Department of Transportation's control over State highways.

With regard to land-use controls, it would seem more practical, efficient, and effective to take advantage of existing law and development review procedures, buttressed by new law giving additional powers to the counties.

To elaborate, a requirement that local master plans and land-use regulations conform to the duly developed regional management plan will, under existing law, require local development proposals consistent with that regional management plan. For additional control, counties could be given the authority to jointly approve amendments to local land-use regulations and large-scale development. They already receive these proposals for review. They should be given additional power to deny approval if the proposal is not consistent with the regional management plan. If necessary, each municipality in the region could be afforded notice, and an opportunity for input during the counties' review process.

Turning next to the funding provisions of A-3092, we recognize that in this era of Federal austerity, new sources of funding for infrastructure improvements must be found. A-3092 suggests the dedication of a portion of county tax revenues. This proposal might be acceptable if the funds are used only where there is a direct nexus between the project to be funded and new growth in the region, and only for local and county improvements.

We vehemently oppose the use of county tax revenues to improve a State highway such as Route 1. Such costs are, and should remain, the responsibility of the State. It may be reasonable to require county taxpayers to share costs for local and county road improvements made necessary because of new growth in the region. However, it is not reasonable, in our view, to demand that they simultaneously take on the State's cost burdens. A-3092 would impose a regional obligation to overcome regional problems. In the same manner, the State must recognize, and meet, its obligation to overcome deficiencies in its highway system which contribute to the region's problems.

It also deserves emphasis that funding for infrastructures, particularly road improvements, is a key factor in controlling the impacts of growth. Under existing law, which A-3092 would not change, even the best regional growth management plan will not alleviate negative growth impacts when confronted with accelerated development, unless the plan is accompanied by an adequately funded capital improvement program.

In this case, the joint county structure mentioned previously could be the vehicle employed to implement the capital improvement program, distributing the funds derived from the dedicated county tax on an equitable basis and according to an established system of priorities.

In conclusion, we wish to reiterate our commitment to regional growth management. We want to see a workable management strategy achieved. Our comments here today are intended to facilitate that result, by offering what we think may be more viable alternatives to the approaches taken in A-3092.

The Plainsboro Democratic Municipal Committee would appreciate the opportunity to work with the Legislature in resolving outstanding growth management issues. We are also willing to work cooperatively with other interested parties. As residents of the affected region, and of Plainsboro in particular, we are appalled by the unproductive, confrontational attitude adopted by some of our neighbors. Their invalid lawsuit against Plainsboro and others is a

device, of course, which will not resolve regional growth problems. Instead, the suit uselessly diverts resources, and defeats intergovernmental cooperation, both of which are needed to bring about workable solutions.

In our view, the pending court action is a disservice to residents in the region, including the constituents of those who filed the suit. We will all continue to live with the impacts of uncoordinated regional growth unless our elected officials jointly pursue effective avenues to achieve regional growth management.

Again, we wish to thank this Committee, and Assemblyman Karcher, for taking positive steps in that direction, and for allowing us the opportunity to comment on A-3092 and give our positions on the need for strategies to accomplish regional growth management.

Thank you very much.

ASSEMBLYMAN McENROE: Thank you, Ms. Ayres. We appreciate your positive comments relating to your support and interest in the legislation and your support for a regional growth management concept.

In a sense, you're offering a substantial amendment to the bill. I would ask that you -- and your Committee, of course -- review the draft legislation very carefully. We would certainly welcome any amendments you would offer. Again, in a sense you are changing somewhat, not the direction of the bill, but its implementation, and you are calling for joint county participation instead of a regional authority approach. This is certainly something that this Committee will consider carefully.

Please do not delay in reviewing the bill carefully and in offering your proposed amendments to our Committee.

MS. AYRES: Thank you.

ASSEMBLYMAN McENROE: Thank you. We would now like to hear from the Administrator of Plainsboro, Mr. Peter Hechenbleikner.

MAYOR BARBARA WRIGHT: Assemblyman McEnroe?

ASSEMBLYMAN McENROE: Yes.

MAYOR WRIGHT: Mr. Hechenbleikner will not testify for Plainsboro. I will testify on April 1.

ASSEMBLYMAN McENROE: Oh, on April 1.

MAYOR WRIGHT: I am the Mayor, Barbara Wright.

ASSEMBLYMAN McENROE: Thank you, Mayor Wright. We will see you on April 1 at the South Brunswick Municipal Building.

Our next witness will be Mr. Herbert Wright of South Brunswick. Mr. Wright, you are only identified as being from South Brunswick. Are you a public official, sir?

HERBERT WRIGHT: A past public official.

ASSEMBLYMAN McENROE: So, you are appearing as a private citizen?

MR. WRIGHT: I like it that way. (laughter)

ASSEMBLYMAN McENROE: I want to welcome you as a private citizen. We have heard from public officials and we welcome an opportunity to hear from a voter and a good citizen of South Brunswick.

MR. WRIGHT: I like to believe that, too.

ASSEMBLYMAN McENROE: I can tell by the way you approached the Committee. It's nice to see you.

MR. WRIGHT: Thank you very much. I will also have some prepared words for the hearing on April 1, an appropriate day. At this point, I would like to comment on some things which have come to my attention from previous comments. Apparently, there is some great misunderstanding of what we are really confronted with, with the growth in the corridor right in the front trenches, what we are doing, and what we have done.

It is not all bad. Some of it is quite good. For instance, Route 1, in my opinion, is blocked by development on the sides. It is very cost ineffective to do much with that to increase its capacity. So, in South Brunswick and Plainsboro, there has been some movement by the developers, with the help of the municipalities, to provide parallel service to the Route 1 Corridor highway. That is to the good. These are extensive tracks. We are hoping in our master plan streets-and-roads-phase to improve and enlarge on it -- to expand and extend it. This is in the works. We have people working on this very diligently in South Brunswick.

The east/west, which is often referred to, but which I haven't heard about today-- They talk as though something should be done, but nothing has been done except, again, in South Brunswick. We

have the upgraded county road, Route 522, which we have worked on for over 20 years. We have to consider the approved serviceable highway which came out of what was passed as New Jersey State legislation in 1934 to provide a road from Route 206 to Route 33, north of Princeton, and that segment, and north of Hightstown on the lower segment, with a north/south segment in-between to be established in the countryside. The countryside is no longer countryside. It is the metropolis corp of the City of Plainsboro, or the city side effect of Plainsboro. It is very disrupting. Cranbury has its problem with it. No one seems to be willing to even hear that, to recognize it, or to talk about it. And, we do need some talking up front, even on what is here now.

I believe there should be agenda conferences by the municipalities to determine what direction they want Route 1's development to take. We don't even know that yet. So, there is Route 522, and Route 92, which we in South Brunswick propose should go to the Turnpike. No one in this study business even wants to recognize that this exists. I have a lot of fault to find with the planning that is going on in the municipalities -- our neighbors, who now presume to jump on the bandwagon, or join some kind of a chorus to instrument the development of the corridor. I point out that the corridor municipalities are those which have frontages on the highway. The others are circumventers and do not, as a matter of fact, have any direct interest in the projects on that highway. They have never come to any of the municipality meetings that I know off; nor have they talked to any municipal officials in South Brunswick to express their concern in a neighborly way about this thing which is a terror. It is a juggernaut.

I hope there will be a look taken at this from the position of not just putting another layer of government on. That will never do it. It is very commiserative with the plans of New York City to hold hostage, or to hold down, the New Jersey towns that are on the banks of the Hudson River. On the river front they look like heck, and they do not look that way accidentally. They look that way because there are other interests dumped on them. They have been denied access to funds to improve themselves at the government level by certain legislation. Watch out for that legislation; it can hurt. Thank you.

ASSEMBLYMAN McENROE: Thank you very much, Mr. Wright. I appreciate your comments regarding the legislation. May we hear from Mr. William Cherry, Princeton Township Committee member?

WILLIAM CHERRY: Thank you, Chairman McEnroe. Ladies and gentlemen: Today, the Mayor presented a resolution from the Township Committee which has been passed. I voted against it, but not because I bitterly oppose the resolution, which, of course, opposed the Karcher bill. I am not tremendously enamored by the Karcher bill, but I am much more optimistic as to the potential for amendment of the Karcher bill and, frankly, much more pessimistic about the likelihood of voluntary cooperation on the part of the municipalities which are concerned in this grandiose development that is taking place.

You know, of course, about the tax system in New Jersey depending upon local real estate taxes for all of the local functions and services that are provided. This has generated, as is well-known, the famous ratables chase, which is, bluntly, insane and truly a disaster for the State over the long run. I would suggest perhaps a reference back to Bill Cahill's tax proposal for a State real estate tax as maybe a way of getting around this ratables chase problem, apart from using direct controls of a sort suggested by the Karcher bill, although thereto direct controls are almost certainly necessary.

We have the chase for ratables, wherein one municipality will, frankly, cut the throat of the neighboring municipality in order to get its tax base enhanced and, therefore, its tax rate seemingly reduced. Although -- as bitter experience tells all of us -- a ratable may look great on the first day, the expenses eventually incurred by it, and above all, the loss of quality of life that a big ratable generates, is something which is paid for generation after generation. Really, it is being very short-sighted, but that is the way we are built these days. The human race is short-sighted.

There is another problem which exists, of course, besides ratables per se, and that is the transportation problem, particularly automobiles. That has already been discussed today, but, again, the insularity, the parochialism of the individual municipality, of necessity because the municipal governing body reports to its

electorate alone, suggests to everyone to try to fob on the neighboring municipality the burden of transportation and to try to avoid it for itself as best it can. Sometimes this is enormously successful to the enormous damage of neighboring municipalities.

Thirdly, particularly in New Jersey at this time in 1985, we have a water supply problem. Quite frankly, I question very seriously whether this development, plus others which are coming along elsewhere, will not lead to a water crisis of the worst magnitude. We have enjoyed a fine water supply in years gone by. Every so often there is a drought and a little bit of a pinch. But, can you imagine the loss of the whole quality of life if we have to get along on 10% of the water we have been used to getting along on? I think this is a very great danger, and one that is not covered, or even mentioned by the Karcher bill.

Let me go back to that bill for a moment on another point. I would suggest that the bill contain a provision for stopping all construction as soon as the bill is passed, in order to review everything, readjust, and get started on a whole new scheme of things. Now, I am not thereby endorsing the proposed commission of the Karcher bill per se, but merely this point. The Borough of Princeton and the County Executive of Mercer have introduced a lawsuit against some of the other municipalities. There is no real enmity, although I can understand the other municipalities' response. It is not because those persons introducing the bill are opposed to the Karcher bill, but because they realize that unless some sudden impact provision is placed in the bill, almost everything is going to happen before the bill and the planning commission go into effect. That is the reason for the lawsuit. I am not qualified -- I am not an attorney -- to say whether the lawsuit is legally valid. I have been persuaded by some of the arguments presented by Mr. Mathesius, who, of course, is a noted attorney, as well as a county executive. I also appreciate the resentment on the part of the municipalities, particularly when the philosophy of home rule is a constant thing that has held up for them. Ladies and gentlemen, home rule is a wonderful principle; however, it is getting hedged in these days. It is being ground away by the very

nature of our civilization and its development. Home rule should still be preserved where it can be, but I don't think that home rule can be an absolute principle any longer. It just isn't possible in this day and age, 40 years after World War II. With the United States presently in enormous industrial competition with the rest of the world, we have to jointly work out all the problems which are being thought of presently in terms of home rule concepts.

Now, there is one more thing concerning the Karcher bill. It relates to the Route 1 development alone. People who criticize it point out that there are other developmental problems in other areas of a similar sort. In fact, just about 10 miles to the north and west of this area is another one which has not yet been started. That is important because U.S. 1 is really underway, as you have seen, Mr. Chairman. But, over there on what is supposed to be called the Somerset Expressway, where I-95 was once supposed to go, but then was cancelled out, there is an expectation and an intent on the part of the officials of Hillsborough Township to see to it that 25 million new commercial square feet of space is developed. For that purpose, they want the Somerset Expressway.

That Expressway would go right where I-95 was supposed to go. In terms of our governmental decision, that was wiped out. These folks -- understandably from the standpoint of the home rule concept and from the standpoint of ratables, the simplistic ratables notion they have -- want that Somerset Expressway. In fact, it is so close, Mr. Chairman, that it will impact on the U.S. 1 problem very violently, just as U.S. 1 would impact on the Somerset Expressway if that Expressway were built, and I hope it is not. I hope the development there does not take place because, quite frankly, speaking from my view for Princeton Township, the impact of that developmental area will be just as dreadful as the impact of the development of U.S. 1. Admitting to all of you that development also has its advantages, I marvel at the notion of having a super-duper computer around. I happen to be a computer expert myself, and I would like to just jump into that machine -- when it is built -- and disappear for six months at a time.

That is one thing, but the quality of life that is being sacrificed for this development must be preserved to the fullest extent possible. I would suggest, however, that I object to the formation of another level of government -- this has been said before -- particularly one where the people on it are not elected. You provide for elected representatives from the municipalities, but you do have a problem with the size of your committee. If you took all of the governing body members of all of the municipalities which conceivably are concerned, you would probably have a democratic situation, but you might have too much of an unwieldy group. I don't know how to lick that one. I'll think about it, and I'll try to tell you when I have an answer.

ASSEMBLYMAN McENROE: Use that computer. (laughter)

MR. CHERRY: Perhaps, Mr. Chairman. In any case, I think those are the points I wanted to make. Oh, let me say one more thing. I would like to call to your attention, particularly to you, Assemblyman McEnroe, because you are a member of the Legislature, that there is a problem in generating new roads in New Jersey which I don't think anyone has understood. Former Commissioner Sheridan, in the course of a problem with S-92, which is a local problem you may be acquainted with to some extent, recently wrote an article for our local newspaper, in which he outlined two important things: When the State establishes on its maps a proposed right of way for a road, and when a developer subsequently proposes to build in that right of way, the State has one year in which to pay for the land and prevent the developer from blocking the right of way. But, on the other hand, the State is obliged by law to also formulate an environmental impact statement and comparison of all possible routes for the proposed roadway. Commissioner Sheridan said, "This takes three years." So, while he has only one year to make the purchase, he has to use three years to make the study. Therefore, the purchase cannot be made and, therefore, the State of New Jersey, I say, inferring from what he said, is really helpless to build new roads. You can widen existing ones, but to actually structure a new road is beyond our present legal structure. Frankly, there has been an oversight, but, you know, those things have happened throughout the history of civilization.

I think I have hit the big nails for you. I hope I have been useful. Thank you very much.

ASSEMBLYMAN McENROE: You have been very helpful. I have one question for you. As an interested party to the development of this area, what is your reaction to the proposal within the legislation regarding the Central Corridor District Development Board's involvement in recreational and land preservation? Do you see that as an overstepping of their authority, an intrusion on municipal home rule, or an intrusion on county prerogatives?

MR. CHERRY: I think all of these things go together; therefore, the planning for one thing can hardly be done without the planning for recreational open space, and, sadly, the preservation of what little farmland we have in what is known as one of the best farmlands in the whole United States. The United States, as you know, is the breadbasket of the world.

I don't know what we can do. You know about the problem of Cranbury, of course. Also, the Mount Laurel decision has changed the whole impact of this thing. The people who build the ratables are wiping out land which they really should be using to provide moderate-income housing -- in accordance with the Mount Laurel decision -- to the workers for those ratables. They are passing that on to someone else, too. Part of that fault, Assemblyman McEnroe, is that the formula which has been used by the Mount Laurel judiciary is really a botched job, to put it bluntly. That is under litigation and must be fixed, but until it is fixed, we have to face up to the possibility that Princeton Borough and Princeton Township will have to build hundreds and hundreds of houses, or see to it, at a considerable loss to the municipality, that those are built, in order to provide the living space for the people in the developed and commercial areas in other municipalities.

So, once again, please consider the State real estate tax as one way to modify the ratables chase.

ASSEMBLYMAN McENROE: Thank you. We appreciate your testimony very much. Our next witness will be Mr. Keith Wheelock, representing himself as a private citizen. Mr. Wheelock?

KEITH WHEELOCK: Thank you. I have one question. If the Borough is bucolic, how would you describe Montgomery Township?

ASSEMBLYMAN McENROE: Likewise. (laughter) It is a nice place, unless you have to travel Route 206.

MR. WHEELOCK: I think I am the only person speaking here not only as a private citizen, but as one who is outside the Route 1 Corridor. That has been made clear in the proposed Karcher bill. Our Mayor, Don Matthews, agrees that we have no role within the Route 1 Corridor, so let's skip that subject.

ASSEMBLYMAN McENROE: The impact of this legislation is certainly a matter of--

MR. WHEELOCK: (interrupting) Well, when we have the "Son of Karcher" bill on Route 206, I believe I will be testifying as a member of our planning board, but now I am speaking as a private citizen.

ASSEMBLYMAN McENROE: You have great confidence in the Speaker's ability to manage this through the Legislature then?

MR. WHEELOCK: I saw his son portraying Franklin Roosevelt in "Annie" at Princeton Day School; therefore, I have great confidence in the whole family.

ASSEMBLYMAN McENROE: Very good.

MR. WHEELOCK: In the recent past, for seven years, I was President of the Location Consulting Division of Dunn & Bradstreet Corporation. As such, I sought to provide, in a pro bono publico manner, some of my past experience to regional issues. As such, when Bill Mathesius and Barbara Sigmund, in a nonpartisan move, asked that I provide a technical professional affidavit on the problems of the Route 1 Corridor, I did so. As a resident of Montgomery Township, I neither support nor oppose their initiative. In sum, what I said was that what is occurring, principally because of the rate of development, not the overall nature if one looks further ahead, is exceedingly disruptive and destructive. I am speaking as someone who personally, in my professional capacity, has blackballed areas of Fairfax County, Stamford, Greenwich, the whole City of Houston, and others back in the 1970s and early 1980s.

My concern is a very practical one. I have tremendous personal admiration for what I know of the accomplishments of Barbara Wright and Stan Perrine as Mayors of Plainsboro and West Windsor respectfully. I also appreciate the ratables race, where they would be doing a disservice to their constituents if they showed what some might call "statesmanship," while others grabbed all the ratables short-term. That is a reality, and I think what they have been doing has been very tasteful within the framework of what I think my kids would call "Allie, allie, in free."

Now, how does one approach this in a somewhat more practical manner from the standpoint of the region, because no municipality is an island? Well, from my own planning experience I recognize that it is necessary to sometimes be practical and pragmatic on matters that cannot be discussed in public. Thinking of sovereignty and the problem of home rule, I recollect that back in 1964, when I was an American diplomat in the Congo, there were 3,000 hostages being held by the rebels, and this was a clear and immediate danger, probably of a higher magnitude than along Route 1. I sought and received authorization to take an M-16 and a .45 and go into rebel provinces. I came back with three rebels and we finally -- as a result of some of the information -- launched a paratroop attack. While I do not expect paratroopers to be landing on Route 1, there is a similarity to the strictures applied to home rule when there is a clear and present danger for the whole area.

I support the tone and sense of urgency in the Karcher bill. I would leave the details to others, but in my view, and it is based on some professional knowledge and background, unless there is a bold initiative to check in the short-term pace of development that, in my view, is going to seriously deter the maintenance of the existing superior working and living environment for past residents, for present businesses, and for future newcomers, then I think this is going to be a tragedy for the whole area.

I see another dimension, the issues that have been raised in this draft bill. These are significant because many of these issues are extant in other areas of the State, and how one finds a balance

between the spirit of home rule and the necessity to deal with regional and subregional problems which, in fact, have in them the element of mutual self-interest for each of the municipalities, is one reason why I am delighted that you and others are serving in the Assembly, where I can nip at your heels as a voter.

There is one final consideration. I think we are fortunate in the Middlesex/Somerset/Mercer area under consideration that since 1968 there has been a regional study council which includes municipalities, businesses, private citizens, and academic groups. This is the MSM Regional Study Council. This does not have the force of law; however, it has established credibility in seeking consensus. Even now, it is bringing together many bodies that have an interest that the whole Route 1 Corridor does not develop in an unseemly manner.

I am concerned, as are others who have spoken before me, about the prospect that if some version of the Karcher bill is enacted, it will probably take 18 to 24 months before the mechanism of some regional plan can be deduced, and then if you have 21 people who are saying "Yea" or "Nay", I suspect that some of my children may be as gray-haired as I before something practical occurs. From a practical standpoint -- and this is apart from the legislation, I suspect, although it may be considered as an implementation form within the legislation -- I see that what the MSM Regional Study Council is doing, and can do, in seeking consensus among some very competent municipal representatives, may be the best prospect to check in the short-term what I see as a massive overdevelopment.

I would just close with the point that I am quite familiar with the psyche of corporation relocation. As a matter of fact, I have contributed to this psyche. I would expect that much of the 25 million square feet of office space that has been built recently, or is on the drawing boards, will not be built. But, the problem of picking up the pieces where we have become a Houston, which now has 38 million square feet of unoccupied new office space, or Greenwich, which has a 19% vacancy, is something I would not wish to see my neighbors in Mercer and Middlesex confront. Therefore, I would hope that in addition to pursuing some aspect of the existing bill, there will also be a

consideration by the principal bodies concerned within the Corridor that from a practical standpoint, the MSM Regional Study Council is a mechanism within which reasonable people can discuss practical solutions to a problem that affects us all. Thank you.

ASSEMBLYMAN McENROE: Thank you very much. I appreciate your comments. I thoroughly hope the members of that study commission have their resumes ready for the respective mayors and councils, so that-- The point you make is a very good one about the time problem of creating a board, making the appointments, swearing the members in, and setting up an agenda. It is a difficult problem. Thank you.

Is Fred Woodbridge here?

FROM AUDIENCE: Mr. Chairman, Mr. Woodbridge will be back in a few minutes.

ASSEMBLYMAN McENROE: Mr. Woodbridge will return in a few moments, okay. We are also awaiting the arrival of the mayor of a municipality not directly within the identified 10-municipality Corridor, the Mayor of Hamilton Township, Mayor Rafferty. Is Mayor Rafferty here? (no response)

Is there anyone else who wishes to be heard? Yes, sir?

HOWARD KAYE: My name is Howard Kaye; I am from Lawrence Township. The previous speaker said some of the things I wanted to say, but number one is, this is a classic example of two layers of government, or three layers of government, coming to a problem too late. I want to address that more than anything else. For instance, no matter what you do about the Route 1 Corridor, the Route 1 Corridor's destiny has almost been set. I appreciate the fact that you are trying to do something about it, but I would like to talk about what causes these things to happen in the first place, and that is what government is supposed to do. I think the State government has done the State a disservice by not dealing with the problem before it occurred, or at least while it was occurring, and not dealing with it as a reaction, a knee-jerk reaction.

The problem of planning is dealing with forces at work when they institute themselves. For instance, when the President of Princeton University decided to develop the land that Princeton

University owned, that was a force at work that could not be denied. Therefore, there was something that had to be done by the communities and the State at that time. There are other forces at work in the State of New Jersey that are very unique since it is an urban State with a great deal of open land. The development of the high tech part of the economy is going to force this State into a position it never dreamed it would encounter. For instance, the super computer. The super computer has a worldwide effect; it doesn't only have a State effect. I'm asking that you do something with this bill which should have been done 25, 30, or 40 years ago, and that is to form a planning organization to determine what the forces at work are, which will have the power to create regional associations to deal with that force while the force is swelling to the surface.

In the Route 1 Corridor, the State should have had a planning organization of the 10 communities 12 or 14 years ago. There are other places in the State where the same thing has happened. When Route 287 was authorized as a Federal highway, a 287 regional commission should have been formed with powers to say that someone from the State had the authority to force the elected officials of those communities involved to get together to discuss their problems before they occurred, not afterward. I think that is the State's responsibility.

This solution to Route 1 will be dealt with at the highest cost and with the least desirable effect because it wasn't dealt with before it became a reality and a major problem. In order to deal with the rest of the things that are happening in the State, I ask that this bill to be presented be dealt with in that framework. The future of the State of New Jersey needs tremendous planning. I guess the best example was the Hackensack Meadowlands. When the Meadowlands decided to become a force, someone dealt with it with a commission. Don't wait until the Route 1 Corridor is a reality; don't wait until Route 130 is a reality. Form something now for the Route 130 Corridor. Form something now for the Route 78 Corridor. There are lots of corridors coming. The new roads, 295 and I-95 -- form them now. Get something out of the State, some identifying informational force, that will produce sound planning. Planning is not done after the thing happens;

planning is when you identify what is going to happen. The people in the communities who are on planning boards are laymen. They are people who are politically appointed and who have the interests of the community at heart, but they need help from the State to become good planners and to identify the forces at work in the community, or the community next door to them, or two communities over.

That is what I ask you to form with this Karcher bill.

ASSEMBLYMAN McENROE: Thank you, Mr. Kaye. We appreciate your comments. As this hearing opened today, I commended the sponsor, Speaker Karcher, for the introduction of the bill. I characterized it as what I think is going to be the first of many opportunities to address a concern that all of us share in the most densely populated State in the Union. This is also an old colonial State, where home rule is a respected, locally supported concept. So, there are traditional values. We are attempting by holding these hearings to allow for the development of concern and, hopefully, support for these kinds of initiatives. We certainly appreciate your comments.

I believe Mr. Woodbridge is available now for testimony. Are you Fred Woodbridge, private citizen?

FRED WOODBRIDGE: Yes.

ASSEMBLYMAN McENROE: Thank you, Fred.

MR. WOODBRIDGE: My first question concerns a definition. Section 10. b. of the proposed legislation states that each "major residential, industrial, or commercial project within the district shall be submitted to the Board for review, and, where required, approval prior to approval by the local municipal approving authority." While Section 3. g. does define what a major industrial or commercial project is, there is no apparent definition of what constitutes a major residential project. Could we have a definition given and see that it be written into the bill?

My second question concerns Section 9. a. of the bill. That section requires permission from the Corridor District Board for any infrastructure capital spending by a municipal government or similar instrumentality. Does this mean, as an example, that the major rehabilitation of the sewer system in the Princetons would require Corridor District Board approval?

Many of us in the greater Princeton area are concerned about the ratables game which is being played for very high stakes in the communities along Route 1. It can probably be asserted without challenge that some large commercial and industrial developments have been given approval by local governing bodies, in part, because of the anticipated increase in local tax revenues that such development would cause.

Bearing this in mind, my third question can perhaps be best understood with the use of a hypothetical example:

Let us consider a hypothetical large office complex which is proposed for a Route 1 location. As our tax system is presently constituted, such an office complex would generate substantial local, county, and State property taxes. Yet, to the local governing body which gives approval to such a proposal, it is really only the local property tax component which is a factor in the ratables game. Whether they actually pay for themselves in the long run or not, large commercial and industrial projects seem to be given approval because they generate large amounts of local property tax revenue.

If that is, in fact, the case, then it can be reasonably argued that depriving a municipality of this additional local tax revenue would serve as a great disincentive towards the continued approval of many large projects which are not really wanted by the general public, especially beyond the municipality's borders.

Bearing that in mind, we come to my question: Why have you chosen to fund the Central Corridor District with the county property tax component of all future ratables increases? It seems to me that the great hope for this or any other proposed bill is that it might control rampant development in this area brought about in large part by the stampede for more local tax ratables. Take the increased ratables away from the local governments, and you take away their incentive to overdevelop. My recommendation would be for you to do exactly that: Fund the Corridor District out of any future ratables increases in local property taxes, instead of county taxes.

If this is not done, then in my opinion the amount of publicity which this bill has received in the press, as a way of

controlling rampant development, will have been unfounded. The same incentives to bring in ratables to each municipality will continue to exist as before, and we have no reason to believe there will be any less development. It will merely be given another stamp of approval by another government entity.

Finally, I would like to comment on open space preservation as it pertains to the Central Corridor bill. While I am very pleased to see that the bill would empower the Corridor District Board to purchase open space with the idea of holding it for nondevelopmental purposes, I have two major reservations. First, please note that the Corridor District can only purchase open space with money that it would have raised through taxes, and that money is only raised through new development. This leads to a "Catch-22" type of situation whereby we can only protect open space by developing other space. That is unfortunate. I fear that the amount of money which would be available for open space acquisition would either be too small to do much, or it would have been raised in significant amounts only after the area has been developed much further than is desired.

Second, it should be noted that the ability to purchase open space, which this bill would grant, does not necessarily guarantee that any such acquisitions would ever take place. It would be desirable to make a stronger commitment to open space purchases in this bill.

Perhaps the time has come to create a regional open space preservation district which would raise money by levying a small additional amount of property tax on all land within the district. Considerable political support exists for such a measure at this time in the greater Princeton area; you might wish to investigate this concept further with knowledgeable people in the area. Thank you very much.

ASSEMBLYMAN McENROE: Thank you very much, Mr. Woodbridge. I would like to address some of your questions, if I may.

In your first question, you referred to Section 10. b.?

MR. WOODBRIDGE: Yes.

ASSEMBLYMAN McENROE: It is my understanding that there has been a change from the draft to the printed bill. What was the change?

MS. McNUTT: There was a printing error in the original printing of the bill. However, there is a corrected copy out now. There is actually a definition of "major residential project."

ASSEMBLYMAN McENROE: Yes. There is a definition within the printed bill of what a major residential project would be. It is on Page 2, Line 22. (Assemblyman McEnroe hands Mr. Woodbridge a copy of corrected bill.)

Now, the second question regarding 9. a., the section requiring permission from the Corridor District Board for any infrastructure capital spending by a municipal government or similar instrumentality -- "Does this mean that the major rehabilitation of the sewer system in the Princetons would require Corridor District Board approval?" I believe it would.

MR. WOODBRIDGE: Yes, sure.

ASSEMBLYMAN McENROE: In the next question regarding your recommendation that the revenue for the Central Corridor District Development Board be predicated on local property tax, rather than county tax-- I believe the county property tax component is placed in there, frankly, to generate support and a recognition of the fact that most municipalities want control of their own revenue-generating opportunities. This will be considered by the Committee.

Your next statement says: "If this is not done, then in my opinion the amount of publicity which this bill has received in the press as a way of controlling rampant development will have been unfounded. The same incentives to bring in ratables to each municipality will continue to exist as before, and we have no reason to believe that there will be any less development." I have to submit that with the creation of the District Development Board, I believe the development will come in a more orderly way. That will be one of the prime responsibilities of the Board.

MR. WOODBRIDGE: But, do you still see the same amount of development occurring?

ASSEMBLYMAN McENROE: I do not. I see inherent in the legislation a cautious approach and a stand against overdevelopment.

MR. WOODBRIDGE: I see.

ASSEMBLYMAN McENROE: At least I read the bill that way, and I believe the sponsor's intention was to promote a prudent new direction and a new concept in the State of New Jersey so that there would be an orderly development in areas such as this Corridor.

MR. WOODBRIDGE: I would certainly agree with you that passage of the bill would enable more control to be exercised. I would fully support that. It is just that in my own mind I am not quite sure that that will, in fact, happen, that's all.

ASSEMBLYMAN McENROE: I see this bill as sending a message, if you will, to everyone in New Jersey, every planning official, every county board of freeholders, and every municipal government body that in New Jersey there is a new concept alive and well that is looking for ways of providing an orderly growth, again, in the most industrialized and most densely populated State of all the 50 states, and that is right here, New Jersey. I think the message will be clear that the Legislature is interested in supporting orderly development, and not in eroding home rule.

So, I see it as a responsible measure. We are really here to define that responsibility and to agree, in a democratic fashion, that it is legislation we can support, and that hopefully will be beneficial to the State. You want a stronger commitment for open space in the bill, and that is generally supported by most referendums. Most of our voters in the State will support a well-intentioned Green Acres or open space project. I think that is an important component of the bill, also.

MR. WOODBRIDGE: I would just like you to consider that, that's all.

ASSEMBLYMAN McENROE: I appreciate your thoughts very much. We have your testimony and we will make it a part of today's record. Thank you.

In the absence of anyone else wishing to provide testimony, we are going to conclude this hearing. However, our hostess, the Mayor of the Borough, Mayor Sigmund, has asked to reappear for a short statement.

Hello, Mayor. I wasn't sure you would be able to take time from your busy administrative functions to join us here.

MAYOR SIGMUND: Thank you for granting me the privilege of the house.

I simply wanted to make two suggestions based upon some prior testimony I heard. They might speak to some of the concerns which were expressed.

My first suggestion is about Mayor Pike's concern regarding the notion that the municipalities would lose control over even their own appointments. He was using as an example, of course, authorities that are set up on a regional basis. I would suggest two minor changes in the language of the bill which I think would address those concerns. First of all, it should not read: "The representatives of the mayors of the municipalities," but, "The mayor of each municipality and/or his or her designee, who shall in no case be appointed for more than a one-year period. I think that would pretty much cover that particular concern, which I understand, having been a member of various kinds of authorities.

ASSEMBLYMAN McENROE: That language is allowed for State commissioners also, "or their designees."

MAYOR SIGMUND: I think it is also allowed for the chief county governing official, but it is not, or at least in the first version of the bill it was not, present for mayors. I think maybe that could cure that particular concern, or at least help to address it.

The second area I would like to address is the area that Ms. Ayres brought up, which pretty much crossed a little bit with my testimony. I would like the Committee to consider almost joining the two ideas, that is, county planning board approval powers, not just review powers, as county planning boards reputedly have now, but don't really have. With the idea of the Karcher Corridor, could you consider a bill that would jointly grant powers to county planning boards of all 21 counties for any development within the constituent municipality of municipalities of that county of 100,000 square feet or more, and then in addition to that, within this particular Corridor, because of all of the particular concerns you have pointed out and the Speaker has pointed out, grant approval powers to this Board for any development of 250,000 square feet or more? In this Corridor, the relevant counties' authority basically would cut off at 250,000 square feet.

ASSEMBLYMAN McENROE: Thank you, Mayor. I appreciate that. We are taking notes on these recommendations and will prepare them for our review. The Committee will certainly review those things.

MAYOR SIGMUND: And then below 100,000, of course, everything would remain at the municipal level.

ASSEMBLYMAN McENROE: Yes. Thank you.

Is there anyone else who wishes to be heard regarding the proposed legislation, Assembly Bill 3092? (no response)

Before we adjourn, I would like to announce, again, that our next public hearing will be held at the South Brunswick Municipal Hall on April 1, at 7:00 p.m. For the record, we anticipate some input from the developers who are interested in both Middlesex and Mercer Counties, particularly in the Route 1 Corridor area. We want to hear from the builders, the developers, and the people who are committed to this development. We would like to have their input so the Committee can also consider any recommendations from that sector.

I want to thank everyone for their attendance. Mayor, I want to let you know how much we appreciate you making this lovely place available for our hearing.

MAYOR SIGMUND: Thank you.

ASSEMBLYMAN McENROE: Thank you.

(HEARING CONCLUDED)

APPENDIX

R E S O L U T I O N
on
DOT Plan for "Developer's Tax"
for Route 1 Highway Reconstruction

WHEREAS it is reported that the N.J. Department of Transportation is about to issue a report on highway reconstruction for Route 1 between Trenton and New Brunswick, and

WHEREAS preliminary reports indicate that the DOT study will project that by the year 2005 some 135,667 new workers will be attracted to work in more than 27 million sq. ft. of new office space currently contemplated by existing master plans for municipalities along the corridor, and

WHEREAS, even with complete reconstruction, DOT is expected to say, Route 1 would have added capacity to absorb only 15 to 17 million sq. ft. of new development, and

WHEREAS DOT indicates that it currently can anticipate from I-95 de-designation money and from other conventional federal funding sources only \$100 million of the \$225 to \$250 million (at current dollar value) required for the anticipated reconstruction of Route 1, and

WHEREAS the State indicates that it contemplates proposing a special "development tax" for new office buildings along the Route 1 corridor, and

WHEREAS the availability of possible "developer contributions" should not be preempted by requiring them for basic highway reconstruction, and

WHEREAS "developer contributions" should be kept available for local government or regional authority improvements in the infrastructure in the area: i.e. lateral road/bridge upgrading, subsidies for public transportation, regional sewer processing expansion, new solid waste disposal facilities, increased fire protection, additional hospital beds, day care centers, new schools, support for low and moderate income housing for workers employed in the new offices, cultural/recreational amenities, etc., and

WHEREAS the state and federal governments have traditionally underwritten their share of highway reconstruction costs from gasoline and other auto-related revenues and should be allocating sufficient of those revenues to fund needed highway reconstruction in the area, now, therefore, be it:

RESOLVED that the Princeton Borough Council does hereby express its opposition to the inadequate projections for Route 1 highway improvements put forth by the N.J. State Department of Transportation, and be it further

RESOLVED that the Princeton Borough Council calls upon the N.J. Department of Transportation to impose an immediate ban on further building permits for construction along the Route 1 corridor until such time as adequate highway improvements, lateral roadways, public transportation, sewer extensions, sewer processing capacity, solid waste disposal facilities, fire houses, medical centers, day care centers, schools, housing for low and moderate income workers employed in the new offices, and new municipal or regional revenue structures are in place so that no additional financial burdens for such development-generated infrastructure improvements fall on neighboring municipalities, and be it further

RESOLVED that copies of this resolution be forwarded to: the N.J. Commissioner of Transportation, Gov. Thomas Kean, State Senator Gerald Stockman, Assemblymen Gerard Naples and John Watson, the Mercer County Executive, the Mercer County Board of Chosen Freeholders, the Princeton Regional Planning Board, the Mercer County Planning Board, and the mayors and committees of Princeton, South Brunswick, Plainsboro, West Windsor, and Lawrence Townships as well as the mayor and council of the City of Trenton.

adopted by Princeton Borough
Council, March 19, 1985

1 DEMOGRAPHIC PROJECTIONS
 Population and Employment for 2003*
 Bureau of Statewide Planning
 New York State Department of Transportation
 Date: February 19, 1985

William S. Bechtel, asst. to dir.
 Transportation Planning & Research
 (509) 292-3161

Princeton Borough South of North of West of Nassau Nassau Bayard Borough											Zip
	P-14	P-15	P-19	Total	P-Twp.	All-P	MM	PL	SB	Region	Lawrence
Housing											
Population	0	807	394	1201	3114	4315	2089	642	4056	11102	2345
Density	443	0	182	625	1277	1902	626	188	917	3633	465
Family	630	1325	0	1955	145	2100	0	2550	0	4650	0
Homes	0	0	0	0	0	0	0	0	470	470	0
Units	1073	2132	576	3781	4536	8317	2715	3380	5443	19855	2810
Institutional Use				0							
Rooms	0	0	0	0	0	0	160	450	90	700	90
Hospital Beds	0	317	0	317	0	317	0	0	0	317	0
Students	0	0	0	0	12	12	0	0	0	12	?
Employees	3869	603	915	5387	313	5700	0	0	0	5700	0
Employment				0							
Manufacturing	2209	2256	159	4634	2424	7058	2885	2807	2467	15217	5817
Agriculture	0	0	0	0	120	120	2945	3118	282	6465	150
Trade	0	0	0	0	64	64	680	0	6208	6952	370
Shopping	0	0	0	0	0	0	0	0	0	0	2361
Business	0	0	0	0	495	495	0	0	0	495	329
Business	0	0	0	0	0	0	138	0	197	335	50
Business	0	0	0	0	192	192	385	30	342	949	349
Non-Business	359	1206	0	1565	0	1565	0	0	0	1565	0
Jobs	0	0	0	0	0	0	119	330	36	485	36
Total Jobs	0	1300	0	1300	0	1300	0	0	0	1300	0
Private Jobs	0	140	0	140	330	470	257	0	125	852	275
Public Jobs	0	0	0	0	0	0	410	0	0	410	0
Jobs	4200	118	0	4318	0	4318	0	0	0	4318	0
Units	6768	5030	159	11957	3625	15582	7819	6285	9657	39343	9737

Princeton Borough											
South of North of West of			Borough								
Nassau	Nassau	Bayard	Borough	P-Twp.	All-P	MN	PL	SB	Zio	Region	Lawrence
P-14	P-15	P-19	Total	P-Twp.	All-P	MN	PL	SB	Zio	Region	Lawrence
NG GROWTH TO 2005											
Population	0	0	0	0	511	511	1944	1327	3108	6890	437
Population Density	0	12	0	12	1312	1324	4395	2276	8879	16874	5651
Density	30	255	109	394	5	399	766	2680	1800	5645	5007
Homes	0	0	0	0	0	0	0	560	560	0	0
Alts	30	267	109	406	1828	2234	7105	6283	14347	29969	11095
TUTATIONAL GROWTH TO 2005											
Rooms	137	0	0	137	0	137	650	1100	0	1887	224
Clinical Beds	0	0	0	0	0	0	0	0	0	0	0
Students	0	0	0	0	0	0	0	0	0	0	0
Students	0	0	0	0	0	0	0	0	0	0	0
MENT GROWTH TO 2005											
Business	142	567	109	818	1260	2078	31948	20568	18435	73129	12883
Arch	100	0	0	100	0	100	810	9480	8275	18665	1604
stry	0	0	0	0	0	0	63	730	6369	7162	467
Shopping	0	0	0	0	0	0	0	0	0	0	800
Shopping	0	0	0	0	0	0	0	0	400	400	800
Shopping	0	0	0	0	0	0	340	311	250	901	330
Business	0	0	0	0	5	5	22	0	600	627	654
own Business	0	133	0	133	0	133	255	480	300	1168	82
Jobs	0	123	0	123	0	123	770	780	600	2273	90
al Jobs	0	0	0	0	0	0	0	0	0	0	0
Jobs	0	0	0	0	0	0	0	0	0	0	0
e Jobs	0	0	0	0	0	0	0	0	0	0	0
Jobs	0	0	0	0	0	0	0	0	0	0	0
Alts	242	823	109	1174	1265	2439	34208	32449	35229	104325	17710
2005 Housing	30	267	109	406	1833	2239	7127	6283	14947	30596	11749
2005 Employment	242	823	109	1174	1265	2439	34208	32449	35229	104325	17710
Ratio E/H	6.31	2.36	0.28	3.16	0.80	1.87	2.88	1.86	1.77	1.98	3.47
Ratio E/H	8.07	3.08	1.00	2.89	0.69	1.09	4.80	5.16	2.36	3.41	1.51

4x

1980-2005 Projections

Route 1 Corridor Study

