

Adopted March 24, 2017

CMP POLICY & IMPLEMENTATION COMMITTEE MEETING

Richard J. Sullivan Center
Terrence D. Moore Room
15 C Springfield Road
New Lisbon, New Jersey
Tuesday, October 25, 2016 - 9:30 a.m.

MINUTES

MEMBERS IN ATTENDANCE: Sean Earlen (Chairman), Robert Barr, Ed McGlinchey, Richard Prickett and Joe DiBello (Alternate)

MEMBER ABSENT: Candace Ashmun, Paul E. Galletta and Ed Lloyd

STAFF PRESENT: Executive Director Nancy Wittenberg, Larry L. Liggett, Susan R. Grogan, Joseph Sosik, Paul D. Leakan and Betsy Piner.

Chairman Earlen called the meeting of the Comprehensive Management Plan (CMP) Policy and Implementation (P&I) Committee to order at 9:33 a.m.

All present pledged allegiance to the Flag.

1. Adoption of minutes from the August 26, 2016 CMP Policy & Implementation Committee meeting

Commissioner McGlinchey moved the adoption of the August 26, 2016 meeting minutes. Commissioner Barr seconded the motion. The minutes were adopted with all Committee members present voting in the affirmative (*Commissioner DiBello arrived shortly thereafter*).

2. Discussion of Waterford Township's Redevelopment Plan for the Haines Boulevard Redevelopment Area

Ms. Grogan said staff had asked Waterford Township to update the Committee on its proposed Redevelopment Plan for the Haines Boulevard Redevelopment Area (Plan). She said staff wanted to provide the Committee with an opportunity to become aware of the issues related to water use and CMP requirements and express its concerns. She said the Plan had not yet been adopted by the Township. She introduced Mr. David Patterson, the municipal attorney.

Mr. Patterson thanked the Commission for inviting Waterford representatives here today. He introduced Mr. Ralph Condo (Planning Board Chairman), Ms. Susan Danson (Administrator), Mr. Edward Toussaint, Construction Code Official, and Mr. Andrew Levecchia, AICP, P.P. Mr. Patterson made a presentation (*Attachment A to these minutes and posted on the Commission's website at*

<http://www.nj.gov/pineland/home/presentations/HainesBoulevardRedevelopmentPlan-Sosik-NewMaps.pdf>) on the Township's Haines Boulevard Plan. From a series of maps he identified

the location of Waterford Township in southern Camden County and the Redevelopment Area in the vicinity of Routes 30 and 73, and the NJ Transit station at Atco. He said this location puts the 146-acre area in a viable position to be developed. In 2001, Waterford Township designated this to be an area in need of redevelopment and then certified a Redevelopment Plan. At that time, Haines Boulevard was a new road and it traversed the property in a manner to promote the commercial development the Township wanted to encourage in order to improve its tax base. Since 2001, nothing has happened. In late 2015, the current Township Committee decided to be more proactive and hired Heyer, Gruel & Associates to study the area. Heyer, Gruel presented a Plan to the Committee in April 2016 proposing mixed development and establishing boundaries promoting areas for various development types while allowing the flexibility to include commercial, industrial and residential elements.

Mr. Patterson said the Township was currently in court regarding its Affordable Housing obligation and was in discussion with Fair Share Housing to accommodate Waterford's obligation on this site. He said this property is in the Regional Growth Area (RGA) and has no environmental constraints.

Mr. Patterson described the advantages of an approved Redevelopment Plan as by-right approvals are granted. The developer must meet density requirements but need not worry about variances. Mr. Patterson identified the areas where various development types could occur. He said three developers have shown some interest, noting that the Plan has merit, especially with the access to buses and trains at the Transit Oriented Development area, which is of particular benefit to senior citizens. He said the overall concept allows more concentrated development and the Township believes it will be attractive to developers because it provides for flexibility.

Mr. Patterson summarized the Plan by saying, in addition to the opportunity for commercial and industrial uses, there will be a maximum of 792 dwelling units, including up to 240 low- and moderate-income units. He said until now, there has not been much affordable housing in Waterford but this Plan will demonstrate that the Township is meeting its constitutional obligation by planning for those units. He said the Township believed the court will approve this Plan. He said if residential development is inclusionary, one of every five units will be affordable. For a 100% affordable project, development can occur at a density of eight units per acre. There will be a PDC obligation of 30% for all residential units with an exemption for up to 240 affordable units.

He said the next steps will include approval by the municipal planning board then a public hearing and a vote by the governing body over two meetings before submission to the Commission for formal approval. He said the Township will work with the Camden County Improvement Authority to seek a redeveloper. Also, he said, water usage and sewer capacity must be considered and Waterford feels it has been able to accommodate those needs. He said the Township is in negotiations with the NJ American Water Company to contract with them for water supply once the withdrawal limit from the Kirkwood Cohansey aquifer has been reached. Mr. Patterson thanked the Committee.

Mr. Patterson said there are some 20 distinct property owners in the redevelopment area. He said the Township does not own the property, but does have the right of eminent domain, although

has no interest in imposing it. He said he believed all the property owners would be willing sellers at the right price.

Ms. Grogan continued the presentation and discussed how the Plan relates to CMP requirements. She said the challenge is to look at the total number of units proposed and be mindful of the PDC obligation. She said the Township has proposed increasing the density from the maximum permitted by the CMP, 3.375 units/acre, to 5.42 units/acre, but much of that increase is to accommodate the affordable housing units. She said Waterford proposed to accommodate PDCs by imposing a 30% *mandatory* requirement for the use of PDCs. This would be similar to the mandatory PDC requirements approved by the Commission in other municipalities in recent years. As the property is in the RGA with no environmental issues (as confirmed by Commission staff some years ago), and the use of PDCs is mandatory, staff believes the increased residential zoning capacity is justified. Furthermore, the number of units that will be required to use PDCs is virtually the same as that for which an opportunity would be provided under the lower density CMP requirement. She said the Township has a streamlined permitting process in place for the Redevelopment Area, so that should be attractive to potential developers. She said Mr. Liggett will discuss the other areas of concern: the infrastructure and water supply issues.

Commissioner McGlinchey asked about the obligation to obtain water from sources other than the Kirkwood-Cohansey aquifer once 70% of the capacity is allocated. Mr. Patterson said Waterford will have a contract in place with a water provider.

Commissioner McGlinchey said he was familiar with the site and that this Plan has been a long time coming. He thanked Waterford for promoting this endeavor.

Mr. Liggett made a presentation on the water supply issues related to the Plan.

Attachment B to these minutes and posted on the Commission's website at
<http://www.nj.gov/pinelands/home/presentations/10212016%20water%20issues.pdf>

Mr. Liggett said the Camden County Pinelands municipalities (Chesilhurst, Waterford and Winslow) were special in that the Commission had dealt with substantial water/sewer issues here in the past by linking zoning, sewer capacity and water supply in the Regional Growth Area of these municipalities. The goal is to reduce the water loss from streams at the headwaters of the Mullica River due to interbasin transfer of wastewater to the Camden County wastewater treatment plant. Mr. Liggett said the Mullica River is the most important Pinelands river and all three communities and the Camden County Municipal Utilities Authority partnered and agreed to certain conditions to protect the headwaters of the Mullica. This includes imposing a 25% downzoning on the three municipalities, adopting a water supply master plan, amending the wastewater management plan and establishing a stream monitoring program with the United States Geological Survey (USGS).

Mr. Liggett said the Redevelopment Plan will result in water demands that exceed the Township's water allocation. However, the Township is proposing a self-imposed limit of 70% of the total Kirkwood-Cohansey allocation. Once that limit is reached, the Township will purchase water elsewhere. Mr. Liggett described the analyses done on water supply and demand

under the Redevelopment Plan, concluding that roughly one third of the redevelopment area could be served before a non-Kirkwood-Cohansey source would be required.

In response to Commissioner Prickett's question if the Commission was concerned with mixing water sources, i.e. well water and a municipal water supply, Mr. Liggett said that Winslow is doing that now and one cannot tell which water is from which source although there is a difference in price.

Commissioner McGlinchey said all wells have sensors that indicate how many gallons are being pumped.

Commissioner Prickett asked if there are any infrastructure problems with having two water supply sources. Mr. Liggett said not to his knowledge.

Commissioner Barr asked how one would keep track of the amount of development that was occurring under the Plan.

Mr. Liggett said the Commission will know what development activity is occurring when it receives copies of municipal approvals.

Ms. Grogan added that under the streamlined permitting program, applicants in the Redevelopment Area do not need to come to the Commission to obtain Certificates of Filing. Rather, they go directly to Mr. Ed Toussaint, Waterford's local review officer. Once the Planning Board grants site plan or subdivision approval, copies of those approvals will be forwarded to the Commission for review. There will need to be a notification system in place to track PDC requirements, affordable housing units and projected water usage.

Mr. Patterson said the Township will get back to Fair Share Housing following this meeting and that entity wants this Plan to move forward. He said he believed Fair Share Housing was happy with the number of affordable units being accommodated and pleased that the issue would be resolved. He said he had a conference call with the Court on Monday to indicate the number of affordable units proposed in the Plan. The Township will adopt the Plan and send it to the Commission for review and action.

Chairman Earlen asked if the Township will bear the cost of the water line associated with a non-Kirkwood/Cohansey water source. Mr. Patterson said the Township intends for that to be the responsibility of the redeveloper.

In response to Commissioner Barr's question to staff regarding the anticipated schedule, Ms. Grogan said once the Plan is adopted, staff will conduct a public hearing, write a report and return to the P&I Committee in four to five months with a recommendation. Mr. Patterson added it should take about two months for the Township to complete its adoption process and submit the Plan to the Commission.

Mr. Liggett said Mr. Toussaint and Ms. Grogan will coordinate the administration of the Plan.

In response to a question from Commissioner Prickett regarding monthly USGS water flow reports and what would happen if the water level starts to drop, Mr. Liggett said there is an annual analysis of data. He said comparing the flow in a river to wells elsewhere some distance away is statistically tricky.

Mr. Sosik noted that staff had just received a report from USGS and could update the Committee at a future meeting.

Chairman Earlen said he thought this was a great plan as it helps the municipality and thanked the Township for being proactive in working with staff.

Mr. Patterson thanked Ms. Grogan and Mr. Liggett for their work with the Township.

The Waterford Township representatives left the meeting at 10:35 a.m.

3. Plan Review- Update on proposed PDC enhancements

Ms. Grogan made a presentation focusing on the comments received from the builders (New Jersey Builders Association [NJBA] and Builders League of South Jersey [BLSJ] and the New Jersey Farm Bureau (NJFB) on the earlier PDC enhancement proposal along with the staff response. (*Attachment C to these minutes and posted on the Commission's website at: <http://www.nj.gov/pinelands/home/presentations/October%202016%20update.pdf>*)

Ms. Grogan said the builders are requesting more flexibility as they wish to build higher density housing (townhouses, duplexes and apartments) because that is what they believe the market demands. She said Mr. Sosik and Mr. Liggett looked at vacant lands where zone density is 3 units or greater and determined that requiring municipalities to allow multiple housing types would be appropriate in those zones. She said staff had researched residential housing types proposed in recently completed applications (since 2011) and found the vast majority are single family dwellings. There are very few townhouse or apartment projects in the RGA or Pinelands Towns.

Ms. Grogan said there are also few projects where PDC use is required. Of the 28 completed applications in the RGA involving two or more units, only eight required PDCs. Of the 37 RGA and Town applications completed since 2011 for two or more units, 960 total units are proposed and only 197 rights are required. She said most of the RGA zones have a base density of 2-3 units/acre. Historically, applicants have chosen not to build at higher densities where the need for PDCs would be triggered. She acknowledged that there are cases where an applicant cannot achieve higher densities due to on-site environmental constraints or the imposition of various municipal standards. She said under this proposal, the Commission will review existing municipal open space, height and buffer standards to ensure they do not prevent permitted densities from being achieved.

Ms. Grogan said another interest of the builders would be allowing those who propose projects with the use of PDCs to appeal local Planning Board denials to the Commission. Currently, the Commission does not receive or review local denials from the 53 certified municipalities. The

CMP requires that only approvals be submitted to the Commission for review. She said staff does not support this suggestion as it would negate the certified municipal zoning plans that staff and the municipalities have worked so hard on. She said the Commission has the ability to suspend or revoke a municipality's certification status if it becomes evident that a municipality is not implementing its zoning ordinance correctly or consistently.

Commissioner Prickett asked if, rather than denying projects, a municipality could change its zoning plan. Ms. Grogan said that was always a possibility. She said municipalities determine if their goals for a particular area have changed and rezone accordingly, rather than issuing denials. She said the process should include increasing staff involvement when projects are being proposed. Staff does this consistently with some towns.

Ms. Grogan said the builders are also interested in changing the function of the PDC Bank. Ms. Grogan said she agreed that it would be good if the Bank could be more active but is somewhat limited under the current arrangement and lack of funding. The builders would like the Bank to serve more as a clearinghouse for the buying and selling of PDCs at an annually established purchase price. She said if the Commission is enhancing the PDC program, the Bank has to be more efficient, and moving the Bank to the Commission, updating the membership and securing funding will contribute to that effort.

In response to Chairman Earlen's question as to the reality of this happening, Ms. Wittenberg said it needs the support from the farmers and developers. She said Ms. Roth is working on legislation.

Ms. Roth said sponsoring legislators will be needed to move the bills forward and that an appropriation could be requested as currently there is no funding source. She said the PDC Bank Act of 1985 placed the Bank within the Department of Banking and Insurance.

Ms. Grogan said the final issue posed by the builders was the relationship between the cost of the type of housing proposed and the cost of the PDCs. She said staff believes the proposed sliding scale already responds to that concern because the higher the density, the lower the cost of PDCs per unit.

Ms. Grogan said prior to the meeting, staff had distributed an October 24, 2016 letter from the New Jersey Farm Bureau (NJFB) expressing both support for and concerns about the latest PDC proposal (*Attachment D to these minutes*).

She said staff believes the NJFB's concerns with exempting 100% affordable projects from a PDC obligation is valid. It could have unintended negative consequences on the demand for PDCs. She said staff is now recommending a PDC exemption for affordable units only in inclusionary projects, those where the affordable units comprise no more than 20% of the units.

Mr. Liggett reviewed the final slide on supply and demand. He noted that the proposed PDC enhancements, as revised based on the staff's recommendations, will provide enough demand to use the supply of PDCs, albeit there are a lot of assumptions made in preparing these calculations.

Ms. Grogan said there are many factors in determining the future supply of PDCs, including how many property owners will apply for a Letter of Interpretation and how many future farmland preservation program easements will extinguish existing PDCs. Also, she said, not all property owners in the PDC sending areas will sever their credits.

Ms. Grogan said staff will share today's presentation with NJBA, BLSJ and the Farm Bureau and she will draft revised rules.

Commissioner Prickett said he supported these revisions and that staff had done a good job of seeking feedback from the stakeholders. He said the Commission needed to do something to enhance the PDC program.

Commissioner Barr said he supported these changes to the proposal and that they needed to be done as soon as possible.

In response to Commissioner Barr's question regarding a report on the PDC program, Ms. Grogan noted that the FY-2016 Annual Report had been issued in August and was available on the website:
(<http://www.nj.gov/pinelands/pdcbank/reports/2016%20Annual%20PDC%20Bank%20Report%20Final%20Web%20Version.pdf>)

Chairman Earlen said it was great that staff had solicited feedback. He expressed concerns that municipalities will push back on increased density, noting the difference between density that is *required* vs. that which is *allowed*.

Ms. Grogan responded that permitted densities will not be changed; rather, permitted housing types will need to be changed, thereby better enabling already permitted densities to be achieved. Removing the CMP "caps" on permitted density in the RGA will provide municipalities and the Commission with greater flexibility.

Ms. Grogan said that Ms. Tiffany CuvIELLO had attended previous presentations on PDC enhancements. Ms. CuvIELLO represents a number of Pinelands municipalities, as well as the Pinelands Municipal Council. She is aware of the proposals under consideration and the most recent suggestions from the builders. Staff will make sure that the affected municipalities are kept informed. She said today's presentation has not yet been shared with the builders or the Farm Bureau because staff wanted to be sure the Committee had an opportunity to provide input in advance of any such distribution.

Chairman Earlen concluded the discussion by asking staff to move forward with the proposal.

4. Public Comment

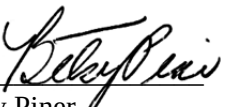
No member of the Public offered comment.

5. Other Items of Interest

Commissioner Prickett noted that he had attended the World Water Monitoring Challenge last Friday (October 21, 2016) at Batsto Village and had appreciated the efforts of the various staff members who had participated. He said that he was very proud to be a part of the Pinelands Commission knowing that staff presents such a great face to the public, particularly in the education of children.

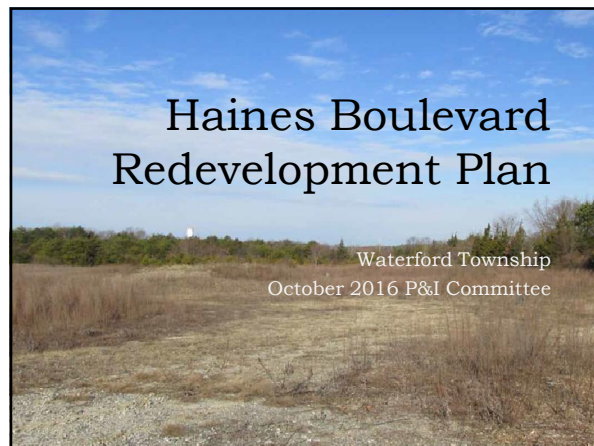
There being no other items of interest, the meeting adjourned at 11:22 a.m. (moved by Commissioner Barr and seconded by Commissioner McGlinchey.)

Certified as true and correct:



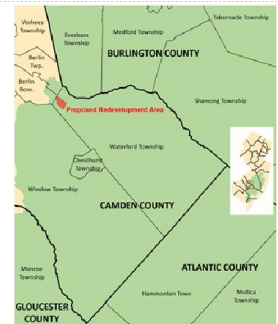
Betsy Piner,
Principal Planning Assistant

Date: November 1, 2016



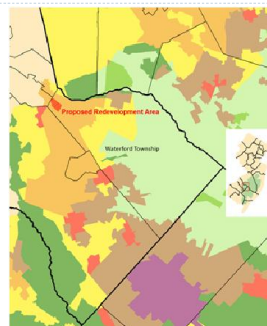
Introduction

- ▶ 146 acres
- ▶ Current redevelopment plan allows only nonresidential uses
- ▶ Atco Train Station provides a unique opportunity for TOD
- ▶ Proposed mix of residential, commercial, and institutional uses
- ▶ Accommodates affordable housing



Introduction

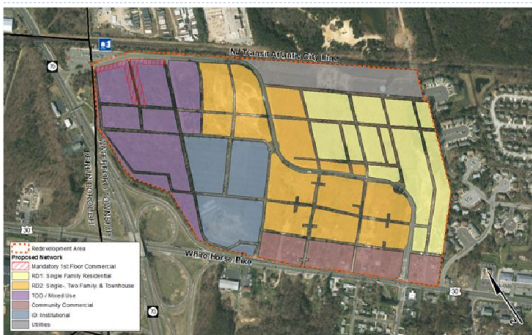
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Haines Blvd. Redevelopment Area



Haines Blvd. Redevelopment Area



RD-1 Residential District

- ▶ Principal Permitted Uses
 - ▶ Detached single-family dwellings
 - ▶ 5 units per acre



RD-2 Residential District



Principal Permitted Uses

- ▶ Detached single-family dwellings
- ▶ Two-family dwellings
- ▶ Attached single-family dwellings (townhouses)
- ▶ 6 units per acre

TOD/Mixed Use



Principal Permitted Uses

- ▶ Retail stores, shops, restaurants
- ▶ Personal service businesses
- ▶ Instructional facilities
- ▶ Banks and finance institutions
- ▶ Child care centers
- ▶ Professional offices
- ▶ Two-family dwellings and townhomes
- ▶ Mixed-use development w/ dwelling units on upper floors
- ▶ Multi-family units
- ▶ 12 units per acre

Community Commercial



Principal Permitted Uses

- ▶ Retail stores, shops, restaurants
- ▶ Personal service businesses
- ▶ Instructional facilities
- ▶ Banks and finance institutions
- ▶ Child care centers
- ▶ Professional offices
- ▶ Mixed-use development w/dwelling units on upper floors
- ▶ 5 units per acre

ID Institutional



Principal Permitted Uses

- ▶ Retail stores, shops, restaurants
- ▶ Educational facilities
- ▶ Health care facilities
- ▶ Libraries
- ▶ Assisted living facilities
- ▶ Community centers
- ▶ Hotels/conference centers
- ▶ Two-family dwellings and townhomes
- ▶ 6 units per acre

Summary of Redevelopment Plan

- ▶ Maximum of 792 units permitted
- ▶ Affordable housing permitted
 - ▶ Inclusionary developments (20%)
 - ▶ 100% affordable projects at 8 units per acre
- ▶ 30% PDC requirement for all residential units
 - ▶ Exemption for up to 240 affordable units

Density and PDC Requirements

	CMP Requirements	Proposed Redevelopment Plan
Permitted Density	3.375	5.42
Total Units	492	792
PDC Units	164	165

Justification for Increased Density

- ▶ The CMP allows municipalities to zone for increased residential zoning capacity and provide additional density bonuses in RGAs if:
 - ▶ The site is appropriate for higher intensity development
 - ▶ 146 acres in RGA with no environmental limitations
 - ▶ Sufficient PDC opportunities are provided
 - ▶ 30% mandatory PDC requirement
 - ▶ Sufficient infrastructure exists or can be provided
 - ▶ Non-K/C water source required when 70% of capacity is allocated



Water Supply Issues: Haines Boulevard Redevelopment Plan Waterford Township

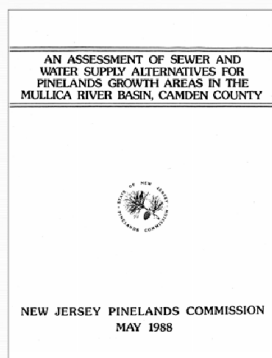
October 25, 2016

Background

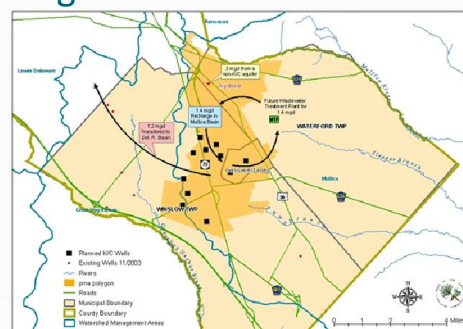
- In 1987, the Camden County Municipal Utility Authority (CCMUA) proposed an interbasin transfer of wastewater from the Regional Growth Area in Chesilhurst, Waterford and Winslow to the Delaware River Basin
- CCMUA evaluated the proposal's potential effects which Pinelands Commission staff concluded would result in significant reductions in subbasin recharge
- PC Study: "An Assessment of Sewer and Water Supply Alternatives for Pinelands Growth Areas in the Mullica River Basin, Camden County"

Background

- The assessment considered 16 scenarios
- Water/wastewater planning:
 - How much water can be transferred without depleting Pinelands streams?
 - How much water can be recharged without polluting Pinelands streams?
- Demand reduction through downzoning



Background



Background

- The PC assessment resulted in:
 - Density decreases in all three municipalities
 - Adoption of a water supply master plan
 - Amendments to the wastewater management plan
 - A stream monitoring program with USGS

Future Water and Sewer Demands

- Future water demands were reduced for the three municipalities to 2.6 million gallons per day (MGD)

	Winslow			Waterford			Chesilhurst		
	1980	Future	Total	1980	Future	Total	1980	Future	Total
1.2 MGD Export	0.44	0.10	0.54	0.40	0.11	0.51	0.12	0.03	0.15
0.3 MGD Non-K/C		0.19			0.08			0.03	
1.4 MGD In-basin Recharge		1.09			0.20			0.11	
Totals	0.44	1.19	1.63	0.40	0.31	0.71	0.12	0.14	0.26

Total Future Demands: 2.60 MGD

Future Water and Sewer Demands

- As amended in 1988, Waterford is allocated 592,000 gallons per day (GPD) of wastewater flow to the CCMUA's Camden facility
- Waterford has a current water supply allocation of 652,000 GPD (approx. 521,000 GPD in terms of wastewater, which is under the current cap)
- Future development will have to use non-K/C water:
 - Current water allocation 652,000 GPD
 - Current usage - 348,000 GPD
 - Remaining allocation 304,000 GPD

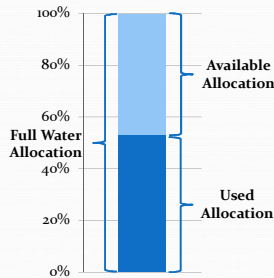
Haines Blvd. Redevelopment Plan

- Waterford's redevelopment plan for Haines Boulevard permits 792 new residential units and nonresidential development, for which water demands would exceed the Township's water allocation
- The Township proposes a self-imposed limit to 70% of total K/C water supply allocation
- Upon reaching this limit, the Township will secure a non-K/C source to meet future demands
- PC staff will work with Waterford to track development approvals and projected water use to ensure compliance

Haines Blvd. Redevelopment Plan

Present water supply situation in Waterford:

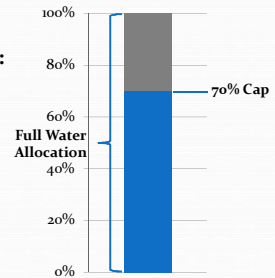
- Current allocation: 652,000 GPD
- Usage: 348,000 GPD (53%)
- Available allocation: 304,000 GPD (47%)



Haines Blvd. Redevelopment Plan

Water supply situation after redevelopment plan:

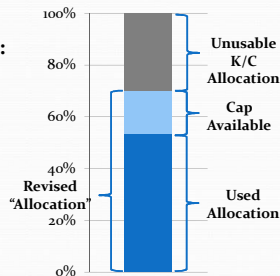
- Upon reaching the 70% cap, Waterford will cease diverting water from the K/C aquifer
- 70% of full allocation: 456,400 GPD



Haines Blvd. Redevelopment Plan

Water supply situation after redevelopment plan:

- Revised "allocation": 456,400 GPD
- Usage: 348,000 GPD
- Available "allocation": 108,400 GPD



Haines Blvd. Redevelopment Plan

- PC build-out analysis suggests a Township-wide future water demand of 720,000 GPD
 - 310,000 GPD from redevelopment plan
 - 160,000 GPD from other RGA units
 - 250,000 GPD from commercial development
- With 108,400 GPD of the revised "allocation" still available, at best, one-third of the redevelopment area could be served before a non-K/C source is required



Response to NJBA/BLSJ

Suggestion

- Use of PDCs on any site should trigger higher densities and a wider variety of housing types, essentially "bypassing" municipal zoning
- Townhouses and apartments need to be permitted because the market for SFDs is flat

Response

- Remove cap on density
- Require municipalities to permit townhouses and apartments when zone density is 4+ units per acre
- Require municipalities to permit multiple housing types when zone density is 3+ units per acre

Development Applications Completed July 1, 2011- June 30, 2016

	Applications Completed	Proposed Units
RGA	144	1,378
Town	42	264
Total	186	1,642

Development Applications Completed July 1, 2011- June 30, 2016

	Applications Completed	Applications for 1 Unit	Applications for 20+ Units	Applications Proposing Multi-Family Units
RGA	144	116	13	5
Town	42	33	3	2
Total	186	149	16	7

Development Applications Completed July 1, 2011- June 30, 2016

	Applications For 2+ Units	Applications for 2+ Units Requiring PDCs	Proposed Units	Rights Required
RGA	28	8	729	197
Town	9	0	231	0
Total	37	8	960	197

Response to NJBA/BLSJ

Suggestion

- Increase on-site design flexibility so that maximum permitted zone densities can be achieved

Response

- Establish minimum lot size requirements for SFDs
- Require a variety of housing types in higher density zones
- Reduce PDC obligation for lots with significant environmental constraints
- Review existing municipal open space, height and buffer standards to ensure they do not prevent permitted densities from being achieved

Response to NJBA/BLSJ

Suggestion

- Allow applicants who propose the use of PDCs to appeal Planning Board denials to the Commission

Response

- Emphasize the Commission's ability to revoke or suspend municipal certification if ordinance is not being implemented
- Increase engagement with municipal boards and staff when reviewing proposed projects

Response to NJBA/BLSJ

Suggestion

- Mend/Fix/Fund the PDC Bank so that applicants can purchase PDCs directly from the Bank at an established price

Response

- Move PDC Bank from DOBI to the Commission and update membership
- Enable the Bank to function as a clearinghouse (buying and selling PDCs at an annually established price)
- Obtain funding for initial PDC purchase
- Obtain funding for increased staff

Response to NJBA/BLSJ

Suggestion

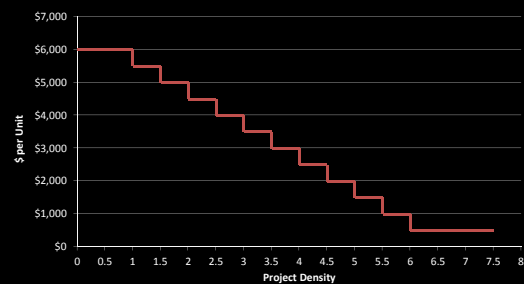
- Better match the cost of PDCs to the cost and type of proposed residential unit

Response

- Apply sliding scale to determine PDC obligation. Very low PDC % will apply to higher density projects, which typically contain the smaller, less expensive units.
- No change to proposal

PDC Cost per Unit

\$10,000 per Right



Response to Farm Bureau

Concern

- Ensure that exemptions for affordable housing do not negate the PDC enhancements by significantly reducing demand

Response

- Exempt all affordable units from PDC requirements
- Exempt affordable units only in projects where the affordable units comprise no more than 20% of the units ("inclusionary" projects)

PDC Demand and Projected Buildout September 2016

Receiving Area	Current Demand (Rights)	Proposed Demand (Rights)	Zone Capacity (Units)	Projected Buildout (Units)
RGA	2,004	5,865	44,752	23,730
Town	0	1,024	7,794	5,080
Total	2,004	6,852	52,546	28,810

Current Supply	6,750 rights
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October 25, 2016

Attachment D



168 West State Street, Trenton New Jersey 08608

Phone: 609-393-7163

Fax: 609-393-7072

Email: mail@njfb.org

Website: www.njfb.org

October 24, 2016

To: Nancy Wittenberg, executive director
NJ Pinelands Commission

From: Peter J. Furey, executive director

A handwritten signature in black ink, appearing to read 'P. Furey'.

Re: PDC revision proposal

Here are a few further comments to explain our support for the concepts outlined in the Pinelands staff recommendations as noted above:

1. this endorsement reflects the view of the leading Pinelands farmers who take an interest in Pinelands policies. We feel confident that the distribution of the draft was widely circulated and the feedback is positive. So a start of the formal review process is fine with us.
2. we will allow the NJDA to speak for itself, but we believe they endorse it also as do the county boards of agriculture in the Pinelands region.
3. the most common frustration among these farmers about the PDC program is the current opportunity to allow new residential development in designated growth areas without requiring the use of Pinelands credits. That is, building below the base density effectively dilutes the development demand to the point where credits would be scarcely if ever be used. Hence, we support the change to "mandatory use."
4. further, most of the feedback we received objected to a complete exemption from using credits for affordable housing projects. We note approvingly that this proposal has already been modified to require at least some credit use for this type of construction.
5. this set of changes is by no means seen as a great cure for the PDC system. This TDR program has been saddled with structural problems from the outset (large developments permitted without the use of credits, inadequate infrastructure funding, environmental restrictions undermining the achievement of bonus densities for developers/builders) such that no one holds high expectations that these changes will substantially reverse the depressed PDC credit market overnight.
6. we strongly believe that the PDC credits ought to be made part of a statewide TDR credit redemption program, so that state-funded investments for sewer, water, transit that create areas of strong development demand in selected parts of the state can lift the demands for PDC's. Of course, that is beyond the jurisdiction of the Pinelands Commission, and is a matter for state legislation.

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cc: Monique Purcell, NJDA
Jay Mounier