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# ***Public Hearing***

before

## ASSEMBLY TRANSPORTATION COMMITTEE

ASSEMBLY BILL No. 3350

*(The "New Jersey Transportation Enhancement and Congestion Relief Act")*

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**LOCATION:** Cherry Hill Municipal Building  
Cherry Hill, New Jersey

**DATE:** May 11, 2001  
10:30 a.m.

**MEMBERS OF COMMITTEE PRESENT:**

Assemblyman Alex DeCroce, Chairman  
Assemblyman Francis L. Bodine, Vice-Chairman



**ALSO PRESENT:**

H. W. "Rusty" Lachenauer  
*Office of Legislative Services  
Committee Aide*

Laura A. Neumann  
*Assembly Majority  
Committee Aide*

Jeffrey Kolakowski  
*Assembly Democratic  
Committee Aide*

*Hearing Recorded and Transcribed by  
The Office of Legislative Services, Public Information Office,  
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey*

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**ASSEMBLYMAN ALEX DeCROCE (Chairman):** Good morning, everybody. My name is Alex DeCroce, and I'm the Chairman of the New Jersey General Assembly Transportation Committee.

This morning we're going to be holding a hearing on the New Jersey Transportation Enhancement and Congestion Relief Act, which was put together by a group of people who worked with us to see if there was a way to improve the old transportation development districts into something that might be more usable. And we've come up with this new legislation. And for a full explanation of the legislation, I'm going to have Mr. John Carnegie explain it to you.

But before I do that, I'd like to introduce members of the panel: John Carnegie -- to my right, Laura Neumann, who works with the General Assembly Staff; Rusty Lachenauer to my left, who is with the Office of Legislative Services; and Jeff Kolakowski, representing the Minority Assembly.

So with that, those of you who may want to testify, if you haven't filled out a slip, certainly do that. And if you have anything you'd like to contribute, we'd like to hear from you. That's the purpose of having three hearings around the State. We have not dropped this bill in yet. We are trying to get ideas from the public as to their concerns and ways to enhance the bill. The whole idea of the bill, as I said, is try to eliminate some of the problems we all have with congestion wherever you might be in the State of New Jersey. To that end, we've come up with the act.

So with that, I'm going to ask John, if you will, give everybody an explanation of what we're attempting to do here.

**JOHN CARNEGIE:** All right.

Good morning, everyone.

As Assemblyman DeCroce said, I'm John Carnegie from the Transportation Policy Institute at Rutgers University. We provided staff support to the Regional Intergovernmental Transportation Coordinating Study Commission for a year, last year, and examined, with the Commission, the land use transportation decision-making process here in New Jersey, and specifically, the implementation history of the Transportation Development District Act, which was passed in 1989. Assemblyman DeCroce was the primary sponsor of that bill.

After a year's worth of work, the Commission published a report about October of last year. And it called for a series of about nine or ten recommendations, with some specific objectives under each. One of the primary purposes of the Commission's work, and the primary focus of the initial part of implementing the final recommendations of the Commission, was to address the deficiencies that were believed to exist in the Transportation Development District Act.

And the three general categories of those deficiencies were -- and the strategies for dealing with them were to eliminate barriers to TDD implementation by correcting and deleting provisions in the existing statute that limit the use and flexibility of TDDs as a transportation infrastructure financing tool.

We wanted to clarify existing language in the Act that was unnecessarily complicating and made the TDD planning and implementation process more difficult. And we wanted to broaden the scope of the present transportation development district approach to authorize the creation of the transportation enhancement districts that enable special benefit assessments on

existing properties, as well as new development within the geography of the particular district.

After the Commission finished its work, we came together -- the Transportation Policy Institute, the Office of Legislative Services, and the Department of Transportation got together to see what we could do about amending the Transportation Development District Act and sort of quickly found out that -- actually, not all that quickly -- sort of painfully found that amending the existing statute was going to be more difficult than we anticipated and came to the conclusion that we should keep the best of the old TDD Act and start fresh with a new bill, which is what we are here to talk about today.

Real quickly, the Transportation Enhancement and Congestion Relief Act was designed to be voluntary and permissive in nature. It was intended to broaden the capacity of county and municipal government to address travel needs related to both past and future development in each of the communities that are involved in the transportation enhancement district planning process. The TED concept is really expanding the scope of potential assessment options so that new revenues can be created to help address transportation needs, both future and existing.

The concept of TDD -- or TED -- permits the assessment of special benefit fees, as I've said, on existing traffic generating properties to correct existing transportation deficiencies and the assessment of development fees on future development to make sure that the infrastructure is in place in the future to deal with the traffic caused by new development.

The bill designates the county as the initiator of a TED application and planning process. That was the same as in the TDD statute itself.

However, it requires a strong partnership among the county, affected municipalities, the private sector, the Department of Transportation, and other interested parties, including the metropolitan planning organizations, in order to develop the plan and to move the process forward. Ultimately, the Commissioner of Transportation would have review and final approval authority over the establishment of a TED.

As I quickly just described, the TED bill requires a cooperative planning process that would engage the county, the affected municipalities, the private sector, and New Jersey Transit, Department of Transportation, MPOs, and other folks in a voluntary and cooperative planning process to develop a comprehensive, forward-thinking transportation enhancement district plan.

The joint planning process is that -- is what I just described -- is called -- was retained from the original TDD Act. And we tried to better explain what is expected out of the joint planning process, that the process allows the district planning partners -- everyone around the table to define a reasonable assessment of current and future transportation needs and to decide what quality of transportation service is appropriate for local, county, and State road facilities, as well as what transit services would be appropriate in the district.

The joint planning process ensures that the private sector has an opportunity to participate in the determining of what transportation improvements and services are provided in the district, and that the public and private sector shares of improvement and service costs are according to what the joint planning partners agreed to.

In addition, the joint planning process would set the amount, the schedule, and the collection process for collecting district fees in order to implement the plan.

And finally, if there's not an agreement by the municipal, the county, and the State DOT planning partners, then the plan for the district would not move forward. That agreement is in the bill as resolutions of support from each of the municipal governing bodies, as well as the county governing body.

As far as implementation and financing goes, as I've already said, the TED authorizes a dual fee structure, which would permit the assessment of special transportation fees for both -- on both existing traffic generating properties and new development. And the process has been designed to ensure that the public sector and private sector each pay their fair share of whatever the cost of needed improvements are.

The TED bill, as we've drafted it, provides for exemptions and waivers under certain circumstances, and permits the use of district revenue fees to pay for development of the transportation district plan itself. So the planning cost, as well as engineering the right-of-way, acquisition, and construction costs related to making transportation improvements -- and if special benefit fees are used, it also would support the use of those fees for ongoing transit operating costs, as well as ongoing administration.

In terms of managing the process over time, the bill sets up a structure that would ensure ongoing and continuous municipal and private sector involvement in plan implementation by requiring the establishment of a TED oversight board. The board would include public and private sector

representatives that are appointed by -- appointed by the county governing body that are agreed to by the participants in the joint planning process. And those -- that oversight board would provide ongoing policy input to the county and recommend district budget priorities.

Overall, we think that the bill makes it easier and more likely to have transportation enhancement districts in a lot of different land use settings around the State. And it provides a more flexible tool that's more geared to the municipal and county planning partners in terms of determining what's in the plan and how the plan is implemented.

ASSEMBLYMAN DeCROCE: Thank you, John.

We implemented the Transportation Trust Fund just a year ago. One of the planks in that trust fund calls for a congestion buster task force. This, to some degree, helps that group, because we believe this bill will help to ease some of the congestion in a lot of the areas that we all seem to be concerned about.

Now, those of you who may live in the southern part of the state may not seem to feel that you have as much of a problem as those who live in the northern part of the state. It's going to catch up with you. It's better to be on top of it now and have something like this in place somewhere along the line -- something that's voluntary and permissive, which means, as John indicated, if one of the participants doesn't agree for any reason, the whole idea -- the whole district would not work. DOT has to be a partner, the counties have to be a partner, the municipalities -- private sector. This is something where the people work together on this whole operation.

So we think it's something good, but we want to hear from you and get your ideas, because if there's ways to improve the bill or correct it or make it better, we want to do that.

So with that, I'm going to call upon Pippa Woods, Assistant Commissioner for the New Jersey DOT.

Come forward and give us a statement.

**ASSISTANT COMMISSIONER PIPPA WOODS:** Mr. Chairman, good morning.

I am Pippa Woods, Assistant Commissioner for Planning, Research, and Local Government Services at the New Jersey Department of Transportation. The Department is pleased to go on record in full support of A-3350, sponsored by Chairman DeCroce.

The Department would like to commend Assemblyman DeCroce for first sponsoring the law to create the Regional Intergovernmental Transportation Coordinating Study Commission, more commonly referred to as RITCSC by the members, and secondly, for sponsoring the legislation under consideration today, A-3350, the New Jersey Transportation Enhancement and Congestion Relief Act. Third, it was the Assemblyman's initiative to hold three regional hearings on the proposed legislation, to enable it a full and complete discussion of the issues.

The Department of Transportation would also like to commend the public and private sector members who participated in RITCSC, and in particular, the Transportation Policy Institute for their hard work in bringing closure to difficult policy, technical, and controversial issues. The RITCSC report is the basis for the legislation under consideration today.

The Department was a full participant in RITCSC, and we value hearing others' views on how to improve upon the concept that was established in the Transportation Development District law that was created in 1989. We are before you today in full support of the transportation enhancement district concept and the process by which such districts could be created in New Jersey.

The TED process seeks to place decisions about how to deal with congestion and other transportation deficiencies and needs in the hands of county and municipal leaders in full partnership with the private sector, our Department, New Jersey Transit, and other transportation agencies or authorities. TED is a totally voluntary process. It encourages good planning and provides incentives for local entities to solve local traffic congestion problems and to enhance their overall transportation system.

The TED process gives local leaders one more tool in their tool kit to help finance needed transportation improvements and services according to a locally generated plan. This is a great step forward for New Jersey communities who wrestle daily with the issues of traffic congestion. It enables the Department of Transportation to participate in a local transportation planning process and to be supportive and involved in that locally generated decision-making.

In summary, the Department enthusiastically supports the enactment of A-3350 and will be working with all interested constituents toward accomplishment of that goal.

Chairman DeCroce, thank you for the opportunity to provide a statement to the Committee today on this most important piece of legislation.

ASSEMBLYMAN DeCROCE: Thank you very much. We appreciate your time that you took -- your time out to come down here.

Let me explain to the public that we, through OLS, notified an awful lot of people about this hearing. And we tried to make it at a reasonable time. We realize it's a Friday, and people do like to travel. But government moves on. And as slow as we are, we want to get moving before the end of the session. So we wanted to have these three hearings as soon as we can.

Probably, a lot of interest will take place in Trenton at our last meeting, which is, I believe, on the 23rd. And we'll hear from an awful lot of people.

I've heard from people who are concerned about certain points, mainly developers. But the fact of the matter is, they should come out if they want to express themselves and hear what we're attempting to do by virtue of the bill and listen to all of the comments from, frankly, the public to see how they feel about it.

So, with that, I'm going to now call on John Coscia from the DVRPC.

John, thank you.

John was a member of our RITCSC commission. I appreciate your input.

**JOHN COSCIA:** Thank you.

Good morning, ladies and gentlemen.

I'm John Coscia, Executive Director of the Delaware Valley Regional Planning Commission. For those of you who might not know, we are the metropolitan planning organization certified by the Governor and designated

by the Federal government to do transportation planning for the nine-county metropolitan area including Philadelphia, Trenton, Camden SMSA, which means we cover nine counties. Four of the counties are in New Jersey. We do transportation planning for Mercer County, Burlington County, Camden County, and Gloucester County.

Having said that, I first want to commend Assemblyman DeCroce for really being the driving force in bringing together the RITCSC and involving all of the interest in transportation planning and decision-making so that we would have the broadest input in revising the transportation development district legislation that presently exists. In our metropolitan region, we only have one county that has gotten involved with the transportation development district legislation, Mercer County -- the Route 29, Hopewell area -- Hopewell Township area. We have many other areas that would benefit by legislation that would permit a public-private partnership.

Now, there are other tools in the toolbox to do that kind of thing, but we certainly think that this new legislation that's being proposed will go a long way in inviting and presenting opportunities for our municipalities and our other counties to participate in this type of work.

There are two key things that I see that will be of great benefit to our counties and municipalities. The first is in this proposed legislation, to eliminate barriers to TDD implementation by amending the act to eliminate growth thresholds. The present act requires a certain amount of new growth for you to form a district. And that was very prohibitive, because we have-- I can take our Route 130 corridor through Burlington County and what have you. We've done a lot of work with the county and all the municipalities in that

corridor. And that's really a redevelopment district. But it would not have been eligible, under the present Transportation Development District Act, to do the things that we can do with this proposed legislation.

So I would like to commend you and the drafters of this legislation. To eliminate the growth thresholds is a big step forward in making eligible many more communities in our metropolitan region for this kind of cooperative public-private sector effort.

The other amendment or change that is totally new, which I think is very significant, is that it amends the act to provide more flexibility to accommodate the use of the TDD concept in a wider variety of land use settings, growth corridors, existing developed areas, and redevelopment areas. This enhanced TDD approach would enable the flexibility to accommodate assessments on new development, existing development, which the present act does not, and/or both, as determined by the participants in the joint planning process. That is a significant change to the existing TDD legislation, and one that would invite communities that have severe congestion problems but not experiencing a great deal of economic growth to join together and prepare a plan that would, in essence, solve their problem on a regional basis, as opposed to each municipality dealing with individual developers as they come through the door.

There is another part of this that I want to mention. The existing TDD legislation really is silent on the participation of transit in this work. This new proposed legislation provides an opportunity to involve transit and transit planning. And New Jersey Transit is an extremely important element in all of

our corridor planning work where we look at multimodal options, not just highway improvements. Those are the key points.

I would also say this: Speaking for the staff, it would be my recommendation to our full commission board, since we programmed Federal transportation dollars for this metropolitan region -- \$14 billion a year for the nine-county metropolitan region -- that I would propose changing our selection criteria for projects and move up to the top of the list for capital funds any communities and county work in this new area of transportation enhancement districts to the highest priority levels. Because if we can get municipalities to work together with the county -- with New Jersey DOT, with New Jersey Transit, and DVRPC, and we collectively -- and the business community, very importantly -- and we can collectively agree on a plan of action, I think that deserves that project moving up to the top of the list instead of waiting in the queue until some of the other projects are done.

We have over 700 projects in our tip, so you can see it might be a long wait. But I would propose that this would move up to the highest level, along with safety type projects, so that the county and municipalities involved would know, going into the process, if they work in a collaborative way and reach agreement on improvements that are needed, at the end of the process, there will be immediate action, and hopefully, Federal funds to implement their projects.

Again, thank you for the opportunity to participate.

ASSEMBLYMAN DeCROCE: John, I wonder two things.

First of all, have you talked to anybody regarding the bill? Have you had any people come to you concerned or--

MR. COSCIA: I brief the board periodically, every month, on the progress of our work. And no one has come directly to me, at the county level, and expressed any comments about the work at this point. I think we need to sell it after adoption, and we will do that.

ASSEMBLYMAN DeCROCE: I think the fastest -- frankly, the fastest way to get this thing moving is, frankly, once we get it dropped in-- That means, once we submit the bill to the Legislature, and probably hold a hearing on it as a bill, then we'll shake the tree, because there are going to be an awful lot of people who are going to be a little nervous about this bill, because, as you mentioned, now we're not only talking about new growth, but we're talking about existing assessments, which means that people who have been benefiting from the infrastructure for so many years, and who have had corporate campuses, shopping centers, now might play a part in maintaining and helping to overcome some of the congestion areas that we might have.

MR. COSCIA: I have a scheduled round of meetings with the boards of chosen freeholders in three of the counties, and in Mercer County, with the County Executive, in the next month. I will place on my presentation agenda a mention of this legislation to, at least, let the elected officials at the county level know of this opportunity so that they can express their points of view.

ASSEMBLYMAN DeCROCE: We've invited them all. It's unfortunate--

MR. COSCIA: Right.

ASSEMBLYMAN DeCROCE: You know, they work, some people are away, what have you.

MR. COSCIA: Sure, sure.

ASSEMBLYMAN DeCROCE: But we did invite them all -- notified them, anyway, of the hearing and asked that they participate.

But let me say this: If it requires that I come down anywhere in the state, I will do that, because I think this is a bill that should be aired as many times as we can in order to get a consensus on the bill.

MR. COSCIA: Well, thank you. And I will keep that in mind as I go around the region.

Thank you.

ASSEMBLYMAN DeCROCE: Thank you.

John Ergman, Moorestown -- Jacob Ergman, I'm sorry. Ergman, right?

**J A C O B F R E E D M A N:** Freedman.

ASSEMBLYMAN DeCROCE: Freedman.

MR. FREEDMAN: It's all right.

Jacob Freedman of Moorestown, New Jersey.

I'm glad to have the opportunity to speak to you today in regards to this bill. I have my concern because voluntary generally is a term that I find to be not as productive as required. The bill itself, which you said is a redraft of a law that was passed in 1989--

ASSEMBLYMAN DeCROCE: It's not really a draft.

MR. FREEDMAN: Well, a recreation.

ASSEMBLYMAN DeCROCE: It's an overhaul.

MR. FREEDMAN: Recreation -- overhaul -- of an act in 1989, which did not prove out. What I would suggest in the rewriting is that you put

a little bit more tooth behind it and basically tie in matching funds for transportation to contributing to the program. If a municipality, if a county, if a regional transportation authority wants to participate, they have to participate all the time. They just can't show up and say, "Okay, we need \$3.5 million for this project," and then disappear again.

Unfortunately, when municipalities and other government agencies below the State hear voluntary, it means, in all likelihood, they are not going to be reimbursed for their professionals' times. A lot of municipalities and county agencies depend on paid professionals to do a good part of their planning and to say, "We'd like you to show up, but there is no money to pay for the professionals' time." I have a feeling you're going to get a response similar to what you've had in the past.

You currently have agencies such as TMAs and the southern and northern New Jersey transportation authorities.

Are anyone from those agencies currently here from TMA or a southern or northern New Jersey transportation authority or the Delaware Port Authority or like that? (no response)

These are all major players in this particular bill, and they're absent.

One of the things that was mentioned that concerns me is the developers' interest in this, because it seems from my experiences, just viewing planning from a municipal level, the planners have a great deal of clout. And if a professional from a municipality requests the State place a traffic light where it might make traffic flow more efficient, and the developer disagrees, it appears that a good chunk of the time that the developer has a more efficient means --

convey their feelings to the Department of Transportation, because a large part of the time they seem to get their way in regards to transportation issues.

I like the concept, but unfortunately, I feel that in actual carrying out of a voluntary issue, in regards to something that should be mandatory, transportation in the most densely populated state in the country should not be a voluntary issue, it should be mandatory.

One of the things that I find kind of ironic, particularly when it comes to transit and pedestrian causes, in regards to transportation, they are generally not handled by the county department of transportation, it's handled by county social services. And because of that, I feel a lot of the information that is pertinent to day-to-day transportation issues within the county is geared towards automobile traffic rather than conceiving things as a picture.

If you walk along the highways and roadways in South Jersey, and you see the cuts in the grass along the highways where people have to cross highways unsafely and walk along the sides of the highways to the point of creating ruts on the side of the road, you would think common sense would show maybe this is a possible place to put a bike path or a sidewalk or whatever is economically effective. But it doesn't seem to happen that way. Transportation is something that has to be done day to day.

And for this bill to have teeth, I think it should require that each of the municipalities, each of the recognized transportation authorities within the region or affecting that particular region, should be involved, whether they want to or not.

I know a lot of the municipalities, particularly when it comes to when they have to chip in their funding for a project, whether or not it's seen or

not, is sometimes as misconstrued as another attempt by the State to put in practices that they don't understand or don't think they should be involved in.

So in closing, I feel that for this to work, you have to take the voluntary part out of it and put some teeth into it by requiring the municipalities, the townships, and the regional transportation agencies to be active. And if they're not active, then they don't get funds from the State.

Thank you very much.

ASSEMBLYMAN DeCROCE: Mr. Freedman, that's why we have these public hearings--

MR. FREEDMAN: Yeah.

ASSEMBLYMAN DeCROCE: --more or less, to get the public's view.

MR. FREEDMAN: Yeah.

ASSEMBLYMAN DeCROCE: Your comments will be well received, and we'll consider them. The whole idea is to get people, frankly, to a hearing to give us their ideas as to what they believe with regard to the last of what will make it work and what won't make it work.

There are a lot of-- I hope you really get a copy of the bill today. We have--

MR. FREEDMAN: Yeah.

ASSEMBLYMAN DeCROCE: Because if you read it thoroughly, you'll find that besides the fact that it is voluntary, there is a way for municipalities and counties to be reimbursed through the bill to make sure that the planning that's done is not just a lost cause and comes out of their pockets.

Moneys will be made available so they can -- municipalities and counties can be reimbursed.

MR. FREEDMAN: Well, I think that's a good thing, but on top of that, I think that if you want transportation planning to work, you have to get all the agencies, the governmental and elected, to work together whether or not they want to or not, because sometimes you get the impression they don't -- that it would be necessary to put some -- like I said before, some teeth into it, and say, "Okay. If you want money from us and you want transportation to work, you're going to have to work with us, or you're going to have to figure out another way to fund projects."

Thank you.

ASSEMBLYMAN DeCROCE: Thank you very much.

Is there anyone else in the public that might be interested in discussing this issue? I saw other people that walked in, but nobody signed up.  
(no response)

If not, I'll take a 10 minute break, and then, by 10:30 -- 11:30, I should say, if no one comes to testify, I'll adjourn the hearing.

So we'll take a 10 minute recess.

**(RECESS)**

**AFTER RECESS:**

ASSEMBLYMAN DeCROCE: Ladies and gentlemen, we're going to curtail the hearing. We've sent out over 300 notifications. Unfortunately, there seems to be a lack of interest.

I guarantee you there will be interest once it breaks as a bill and certainly the press gets a hold of it. I'm sure they'll embellish the bill to some degree to the public, and the public will then respond.

But I want to thank everybody for coming -- those of you who worked with us on the RITCSC, Commissioners Beetle and Woods, and the general public. We appreciate your efforts to come out here this morning.

Thank you very much for coming this morning to record us.

Thanks.

**(HEARING CONCLUDED)**