



Highlands Council Meeting

Thursday, February 21, 2013

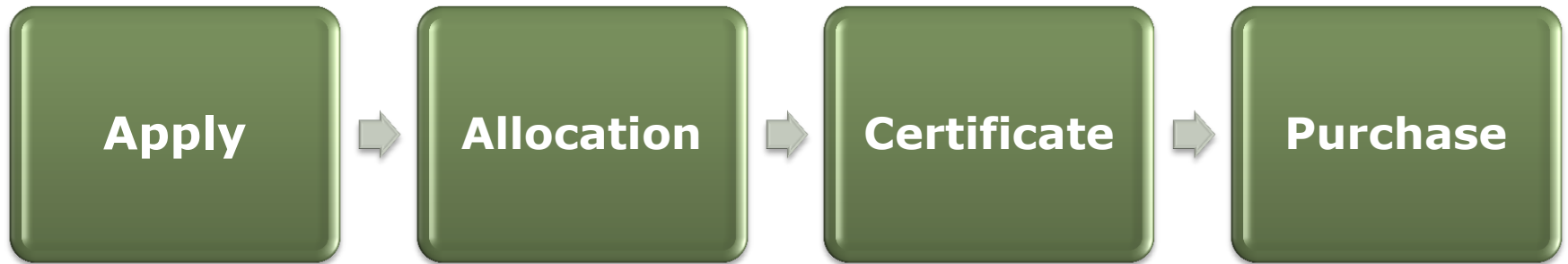


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Transfer of Development Rights (TDR) Program Update

HDC process





Highlands Development Credit (HDC) Status

HDC Allocations	Closed	Pending
1,608.25 HDCs Allocated	392.5 HDCs	88 HDCs
3313 Acres	332.21 Acres	208.07 Acres
86 Applicants	12 properties	5 properties



HDC Status (continued)

Funding

- \$10,000,000 Provided through EO 114
- \$6,293,300 Closed (including closing costs)
- \$1,415,500 Pending (including closing costs)
- \$1,000,000 Set Aside for Debt Service (required by Treasury)

TDR Receiving Grants

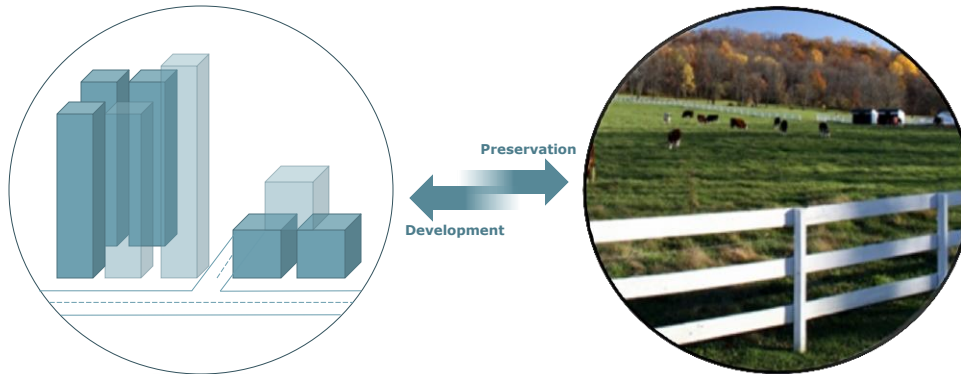
- 15 TDR Receiving Grants awarded
- 7 Completed (2 concluded not-feasible)
- 2 Pending
- Revisions to Program to increase funding and include fiscal analysis

What's Next?



Presentation to Municipalities: TDR Receiving Areas

TDR Receiving Zones: Possibilities & Benefits



Does your municipality want to:

- Improve sewers, roads, schools, or other infrastructure elements
- Improve an existing commercial corridor
- Revitalize an aging urban area
- Reinvigorate a small downtown
- Preserve open space and move development to areas where growth is desired

Designating a TDR receiving zone in your community can help address all these.

Why designate a Receiving Zone?

- Direct growth where you want it
- Revitalize developed areas
- Make infrastructure improvements
- Enhance downtown areas
- Preserve open spaces
- Attract new business
- Improve aging commercial & industrial areas
- Increase competitiveness with surrounding towns

Highlands Council Staff Support



What is Transfer of Development Rights (TDR)?

- Land Use and Regional Planning Tool
- Transfers development potential from areas we want to preserve (Sending Zones) to areas where growth is desired (Receiving Zones)
- Landowners in Sending Zones deed restrict property and are compensated for lost development potential by purchasers who buy development “credits” to use in Receiving Zones

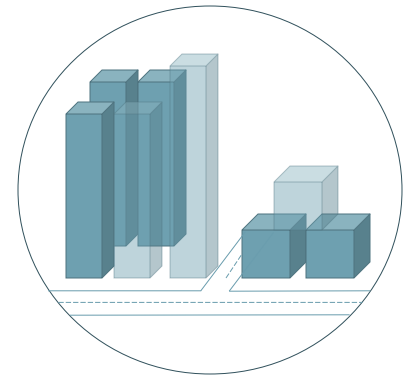
Highlands TDR Program

- Highlands Act required creation of TDR program
- Effective means of addressing economic development needs simultaneously with local and regional landowner equity
- Highlands Council created Highlands Development Credit Bank (HDC Bank) to oversee Highlands Development Credit (HDC) transactions
- Receiving Zones are **voluntary** & can be **anywhere in the state**

Benefits of designating a Receiving Zone

- Charge up to \$15,000 per unit impact fees
 - Use for infrastructure improvements
- Receive up to \$250,000 in enhanced planning grant
 - Maximize impact of receiving zone

NJ Highlands Receiving Zones



- Voluntary
- Anywhere in NJ
- Impact fees
- Planning grants

Benefits: Impact Fees

- Used for receiving area improvements such as:
 - Schools
 - Roadways and transit
 - Sewer and water infrastructure
 - Streetscape
 - Recreational amenities
 - Brownfield and contaminated site clean up
 - Energy improvements
 - Economic development activities

Benefits: Enhanced Planning Grants

- Covers planning for enhancement of Receiving Areas, which can include:
 - Streetscape and façade improvement
 - Sustainable economic development
 - Marketing/branding
 - Historical preservation
 - Infrastructure planning and design

Why designate a Receiving Zone?

Rural Community

- Opportunities: Preserve open space; move development to targeted areas
- Receiving Zone Designation Benefits
 - Impact fees
 - School improvements
 - Road improvements
 - Enhanced planning grants
 - Comprehensive plan for vision of receiving area (village master plan)
 - Market study to identify possible new business
 - Assessment to identify agritourism/ ecotourism opportunities



Why designate a Receiving Zone?

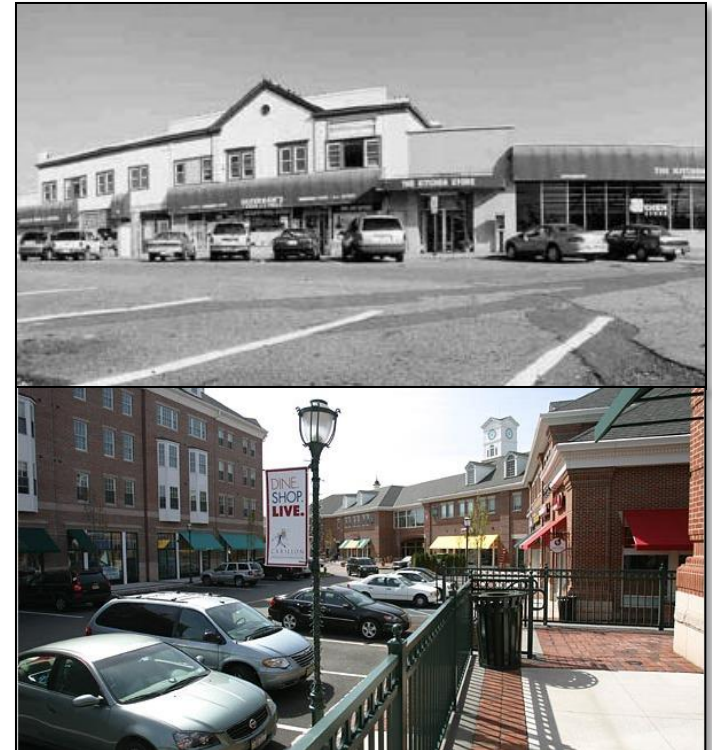
Mature Urban

- Opportunities: Revitalize developed areas
- Receiving Zone Designation Benefits
 - Impact fees
 - Infrastructure upgrades
 - Streetscape improvements
 - Remediation of contaminated sites
 - Enhanced security (cameras, lighting)
 - Enhanced planning grants
 - Sustainable economic development (attract new business)
 - Façade and streetscape plans



Why designate a Receiving Zone? Commercial Corridor

- Opportunities :
Reinvigorate/maximize potential
- Receiving Zone Designation Benefits
 - Impact fees
 - Infrastructure improvements:
sewer, streetscape, access
 - Enhanced planning grants
 - Sustainable economic
development (attract new
business)
 - Architectural enhancement



Receiving Zone Assessment Grants

- Assess feasibility of establishing voluntary Receiving Zones
- Up to \$40,000 available
- Grant scope may be customized to meet needs of applicants
- No requirement to designate Receiving Zone

Next Steps

**Explore possibilities with
Highlands
Council Staff**



**Apply for
Receiving Zone
Assessment Grant**



Thank you for your interest in the Highlands TDR Receiving Zone Program

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