



CREATING SUSTAINABLE COMMUNITIES

A GUIDE FOR DEVELOPERS AND COMMUNITIES

GENERAL PLANNING - COMPACT DEVELOPMENT PATTERNS

A recent update of the Department's Land Use/Land Cover data shows that New Jersey continues to lose **approximately 50** acres of undisturbed land to development a day. Addressing the continuing need for new commercial and residential growth in New Jersey while halting a sprawling pattern of development that has occurred historically, is not a simple task. Updating basic planning tools, environmental planning, and completing capacity and buildout analyses is a good start.

The following represent tools that may be used to achieve compact development patterns.

Transfer of Development Rights (TDR)

Transfer of Development Rights (TDR) is a municipal planning and preservation tool offering communities a way to protect agricultural, historic or environmental resources while accommodating the needs for growth. TDR is a realty transfer mechanism permitting owners of "sending area" land to separate the development rights of their property from the property itself and sell them for use elsewhere. Developers who purchase these "development credits" may then develop "receiving areas" deemed appropriate for growth at densities higher than otherwise permitted. Once the development rights of a property are sold the land will be permanently restricted from further development. TDR is also an equity protection mechanism that, unlike traditional zoning, enables "sending area" landowners to potentially be compensated for reductions in development potential. When well-designed, TDR can provide benefits to landowners, developers and municipalities. With TDR, towns preserve their open lands at far less cost than outright purchase. Growth is directed to places where it can enrich community and regional growth.

TDR has been employed successfully in the New Jersey Pinelands and some Burlington County towns – as well as in many regions and towns in other states. The September 2004 State Transfer of Development Rights Act enabled towns in New Jersey to utilize TDR as a planning and preservation tool. The Highlands Water Protection and Planning Act, adopted in August, 2004, also included a provision allowing for a TDR program for the Highlands Region. The Highlands Regional Master Plan sets out the basics of that program and how it will be administered when fully operational.

Non-Contiguous Parcel Clustering/Density Transfer

Noncontiguous parcel clustering is a planning technique under New Jersey's Municipal Land Use Law that allows one parcel to be preserved while its density is transferred and developed instead on a different, noncontiguous parcel. This technique, first authorized in 1996, allows a municipality to approve "planned developments" consisting of two different parcels, where the "sending area" parcel is preserved, for example, as farmland or open space, and the "receiving area" parcel is developed at a higher than otherwise normally permitted density. The development rights from the "sending area" parcel are transferred to and combined with the existing development rights at the "receiving area" parcel. The different parcels may be miles apart.

Noncontiguous parcel clustering is potentially simpler than TDR programs, as balancing between the transferable development potential of a multiple-owner sending area or areas and the available density that may be accepted in a multiple-owner receiving area or areas is not required. Instead, the density transfer under this technique is a comparatively simpler transaction involving only a few, or even two, parcels.

Residential Clustering

Residential cluster development is a form of land development in which principal buildings and structures are grouped together on a site, thus saving the remaining land area for common open space, conservation, agriculture, recreation, and public and semipublic uses. Cluster development has a number of distinct advantages over conventional subdivision development. A well-planned cluster development concentrates dwelling units on



the most buildable portion of the site and preserves natural drainage systems, vegetation, open space, and other significant natural features that help control stormwater runoff and soil erosion. The common areas function as a trap for nutrients dissolved or suspended in stormwater runoff. Cost savings during construction are achieved by the reduction in street lengths and utility installations. Later savings can be realized in street and utility maintenance (less surface area that needs repaving and fewer feet of water and sewer line to maintain). Because dwelling units are placed closer together, refuse and other service vehicles do not have to negotiate over as much street mileage, thus reducing travel time. Where clustering is accompanied by higher-density residential land uses and the provision of pedestrian pathways and bikeways, especially those that link to off-site activity centers, residents of the cluster development may walk and exercise more. Clustering also enhances the sense of community, allowing parents better supervision of children playing in common areas and promoting social interaction among neighbors.

APPLICABLE NEW JERSEY GOALS

- Preservation of Environmentally Sensitive Lands
- Promotion of “Smart Growth” principles
- To create opportunities for more open space

SUGGESTED ACTIONS AND STRATEGIES

- Participate in the Plan Endorsement process
- Adopt TDR and/or clustering ordinances
- Amend current ordinances to discourage sprawl and encourage compact development

STATE TECHNICAL/FINANCIAL ASSISTANCE

Various Planning Grants, DCA Office of Smart Growth – statewide - www.nj.gov/dca/osg/smart/
NJ Highlands Council for the Highlands region - www.highlands.state.nj.us/njhighlands/

TDR Information:

- NJDCA Office of Smart Growth TDR Information - www.nj.gov/dca/osg/resources/tdr/index.shtml
- NJ Department of Agriculture TDR Bank - www.state.nj.us/agriculture/sadc/tdr.htm
- NJ Highlands Council - www.highlands.state.nj.us/njhighlands/master/tdr/

Non-Contiguous Cluster/Density Transfer - <http://www.state.nj.us/dca/osg/docs/parcelclustering120197.pdf>

FURTHER INFORMATION

American Planning Association - Residential Cluster model ordinance
<http://www.planning.org/smartgrowthcodes/pdf/section47.pdf>

Authors - Nick Angarone,
Jennifer Feltis, Liz Semple
September 2007

