

Creating Communities of Place

Office of State Planning

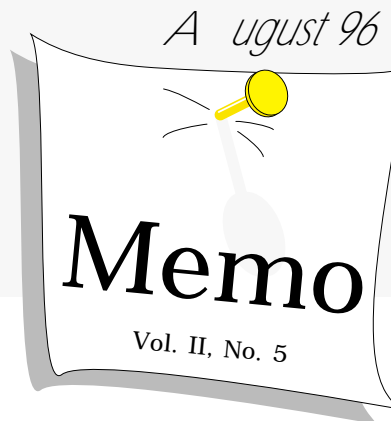
Department of the Treasury

Governor

Christine Todd Whitman

Treasurer

Brian W. Clymer



LAND USE AND PLANNING INDICATORS

Introduction

We have all seen the ten-foot-high thermometer at Town Hall showing the progress a community is making in raising funds for charity. The thermometer, whether it measures temperature or charitable donations, is an indicator of the health, status or success of something important to us, as individuals or as members of a community.

A wide variety of indicators that measure our well-being are being formulated through dialogue by citizens and government officials at all levels. Indicators can assist us in determining how well we are meeting our common goals and solving our problems. They can help us see how effective our institutions are in meeting priorities.

Early in the process of choosing the indicators to be used to gauge progress in implementing the State Development and Redevelopment Plan, it became clear that there was much to be gained by cooperating with other units of government and with regional planning groups in the development of their own indicator programs. In particular, some of the most interesting data for monitoring land use in New Jersey are collected at the municipal or county scale, rather than for the state as a whole. Vacancy rates and changes in property values in downtowns, the condition and capacity of local facilities such as schools, sewers and parks, residential vacancy rates, code violations and even the degree of public participation in civic and governmental affairs

are some of the indicators with direct connections to State Plan goals that towns and regions are best positioned to monitor and affect.

Several excellent indicator programs have been established around the country by municipalities (Seattle, Wash., Jacksonville, Fla., Milwaukee, Chattanooga, Tenn.) and by counties (Greenville County, S. C.), as well as by other states (Florida, Oregon, Maine, Vermont). Interest in indicators at the neighborhood level is also growing. Seven cities (Atlanta, Boston, Chicago, Cleveland, Denver, Oakland, Calif., Providence, RI) are participating in a model program called the Neighborhood Indicators Project.

In New Jersey, a number of state departments such as Health, Education, Environmental Protection and Transportation are developing indicators to measure progress in meeting their respective goals. The Office of State Planning is developing a set of indicators to measure progress in achieving the goals of the State Plan. Programs are also being developed by Somerset County, the Middlesex-Somerset-Mercer Regional Council and the Delaware Valley Regional Planning Commission, to name a few.

By spreading the word on the usefulness of indicators and making suggestions for establishing indicator programs, OSP hopes to spur interest in using them locally. This memo should be especially useful to citizen groups, local governing bodies and planning boards considering ways to improve their communities and

OSPlanning Memo is a monthly publication which highlights strategies, techniques and data of interest to the planning community in New Jersey. I welcome your comments on these memos and your suggestions for future topics.

Herb Simmens, Director
Office of State Planning
609.292.3155
Simmens_h@tre.state.nj.us

regions. OSP also seeks to foster agreement on common formats for the collection and presentation of data, thus permitting aggregation of municipal data to the county or state level, where appropriate, and comparison of indicators across political boundaries, where possible.

This *OSPlanning Memo* is designed to provide an introduction to the subject and to encourage you to get in touch with us and with each other to learn more, exchange ideas and start working on your own indicator program.

Indicators, Targets and Benchmarks

An indicator is data (e.g., the percentage of students graduating from public high school) collected and examined over some period of time to determine whether it suggests a trend (increase or decrease) or where it stands in relation to some standard or benchmark (e.g., halfway to the target). An indicator is a

pointer that can be used to help evaluate policy or the allocation of resources. Although new information or data collected over only two time periods can be very useful, three data points are needed to show a trend. Therefore, in order to serve as an indicator, the data has to be collected and analyzed in a consistent fashion over three or more time periods.

A **target** is the value we would like that indicator to have, the state of things we are working toward: e.g., *Eventually, we would like 98 percent of all high school students to graduate.*

A **benchmark** is a reference point that's used to evaluate a trend in an indicator. It could be where we started, it could be the target, or some intermediate point: e.g., *During the next five years, we would like to get halfway to our target.*

Many indicator programs do not have either targets or benchmarks, and it is reasonable to imagine programs that have targets for some indicators, but not for all. For instance, nationally, the unemployment rate is used as an indicator of the direction the economy is taking. There is no target for the unemployment rate, as a matter of national policy. The Wholesale Price Index and the Consumer Price Index both have benchmarks — their respective base years, when they equaled 100 — but neither has a target. The budget deficit has a target — zero. These are all examples of indicators that have been used to guide policy for many years.

Targets and benchmarks can be attached to specific times or not. We can say that we want to meet the target for an indicator by 1999 and each milestone in yearly increments, or we can leave time out of the picture. There are instances in which not attaching specific years to targets and milestones may be the more responsible approach. The most common of these is when we do not know a lot about the dynamics of the indicator or about the relationship between the indicator and the measures being used to affect it. In such cases, the indicator itself is the more important tool to be used in learning about that relationship.

Indicators can relate to *people* or *place*. We can look at the health of the residents of our community, or the health of the downtown. Many indicator programs look at both people and place.

How Indicators Are Used

The development of an indicator program is best accomplished as part of a broader examination of the community's goals, assets, problems and opportunities. This process can begin at any time, but may be particularly appropriate for municipalities when they undertake a master plan re-examination, as required every six years under the Municipal Land Use Law.

Indicators logically follow from the establishment of goals, visions and plans or strategies to achieve them. For example, a community may choose to establish a goal of revitalizing its downtown. A more detailed narrative vision of what the area would look like after revitalization, and how it would function, would follow. A strategy for achieving that goal, including the actions to be undertaken by government, citizens and businesses, would follow development of the vision.

Indicators come into play when the question is asked, "How do we know if we are making progress in achieving our

goals?" A whole range of indicators could be selected for downtown revitalization, including the increase in property values, retail sales, a reduction in store vacancy rates, surveys of citizen satisfaction, and so forth.

The most common use of indicators is for determining priorities in the allocation of funds and other resources. The Oregon benchmark program, for instance, is used to establish priorities in budgeting for state agencies.

Indicators are used to reduce the need for federal oversight in programs funded by the federal government but delegated to states to carry out, as in the National Environmental Performance Partnership Agreement between the N.J. Department of Environmental Protection and the U.S. Environmental Protection Agency. Indicators can also be used like a thermostat, to indicate when the current level of support is producing the desired outcome (e.g., a higher percentage of students graduating from high school), or when more support (e.g., money, staff) should be added.

Selecting Appropriate Indicators

Here are some criteria for the selection and use of indicators:

- **The indicator can be drawn from an existing database or an easily created new database.** This guideline has to be applied with care, as it can be tempting to focus on what is easily measurable, rather than what is most important about the issue. For example, a town is periodically required to re-examine property values, which yields an existing database, but may not keep records on retail vacancy rates. An annual drive-by survey of the business district is one easy way to create that data.
- **The database from which the indicator is drawn is clearly defined, reliable and, if necessary, can be verified.** Is the retail vacancy rate the percentage of shops vacant at a given time, or the percentage of retail space? Is the vacancy rate on the main street more important than the vacancy rate on side streets? Decisions on how to deal with these questions must be made consistently over the life of the indicator.
- **The data on which the indicator is based are collected on a regular basis so that the indicator can be compared to itself over time.** At what time of year should the survey be undertaken, at peak season or slow season?
- **The data are available at an appropriate scale (e.g., town, census tract).** The indicator is clearly relevant to the area being monitored and to the agreed-upon uses of the indicator.
- **The indicator is easy to understand.**
- **The indicator measures the results we want to achieve, rather than the effort that goes into achieving results.** Is it possible to report the commercial vacancy rate downtown, rather than the time and money that went into marketing or improving the area?
- **Where possible and appropriate, the indicator should be comparable across political boundaries.** Can realtors, state agencies and others use the vacancy rate data to compare the health of the downtown to that of other downtowns nearby or statewide?

Building Consensus

The reason indicator and benchmark programs work is that all affected parties participate and eventually buy into the program. The Oregon benchmark program, for example, is the result of citizen-based planning.

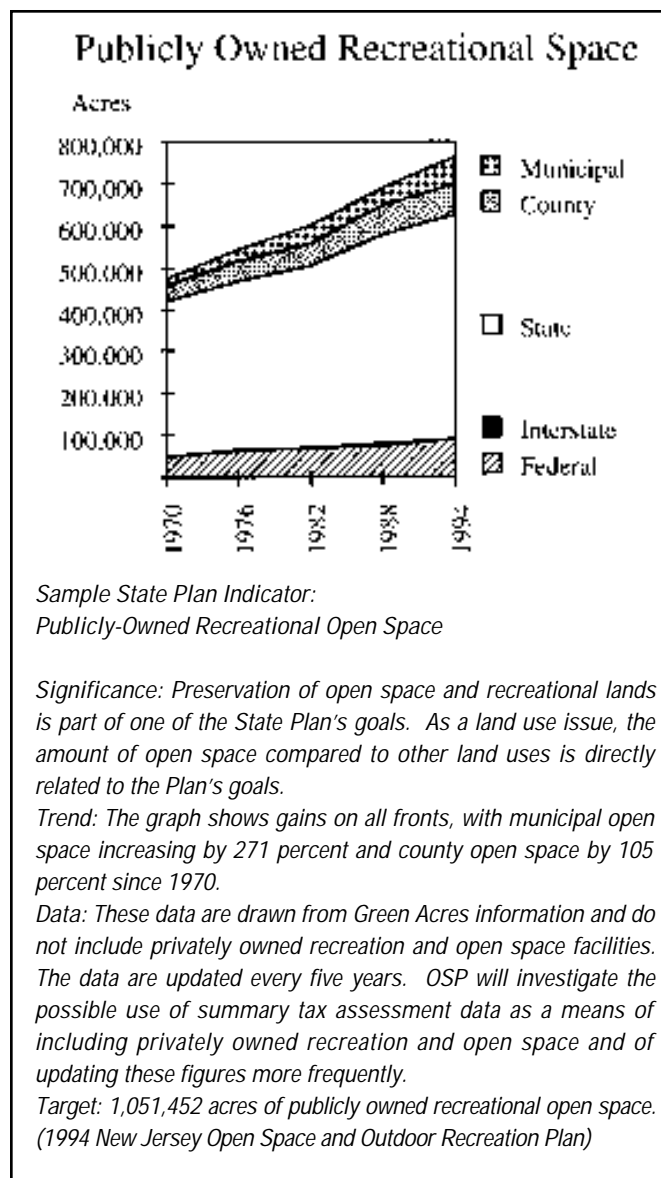
Indicator and benchmark programs from around the country and within business have come to the same conclusion. If everybody agrees on indicators to measure progress or performance, then everybody will agree on the need for change when an indicator points in the wrong direction. While they may not agree on the measures to take to improve the performance of the indicator, they will all agree on how to monitor the effectiveness of the change. This makes it much more likely that people will understand and approve of changes proposed in response to evaluation of the indicators.

So, the next step in the development of an indicator program is widespread consideration of the proposed indicators and targets by all affected parties or their representatives. Indicator and benchmark programs can — and often should — begin on a very modest scale.

Getting Started

We offer the following principles toward setting up new indicator programs:

- Establish an approach to involving citizens and citizen groups in the program.
- Define how the indicators will be used.
- Establish criteria for the selection of indicators.
- Select just a few indicators at first — no more than 10 or 15.
- Clearly and widely communicate plans for an indicator program.
- Aim toward getting constituents to adopt the program as their own.
- Make plans for regular updating and publication of the indicators in the future.
- Keep in mind that indicators programs, by definition, evolve over time and are not expected to emerge fully formed, like



Athena from the brow of Zeus.

Sources of Data

Most municipalities already collect volumes of data that may be useful for indicators. First, evaluate the data according to the criteria you set up. (See the suggestions in the preceding section.) In some cases, you will find that a small change in the way the data are collected or stored will turn them into a very good indicator. In other cases, a long-term solution is required to create suitable data for an indicator. Make these changes part of the indicator program.

Consult with other local and regional indicator programs and explore the possibilities of comparing data across political boundaries and of aggregating municipal data to county and regional levels. At the other end of the scale, some data available from state agencies can be disaggregated to the county and municipal levels. Examples include census data, which are widely available in both hard copy and electronic form, and the following:

Annual Report of the Division of Local Government Services, Statements of Financial Condition of Counties & Municipalities, N.J. Department of Community Affairs.

Covered Employment Data (ES202), N.J. Department of Labor, Division of Labor Market and Demographic Research, which is available on the Internet at www.wnjpin.state.nj.us/OneStopCareerCenter/LaborMarketInformation/lmilist.htm or by calling 609-984-5586.

Known Contaminated Sites in New Jersey, N.J. Department of Environmental Protection. Available from DEP Map Sales for \$15.00. Phone: 609-777-1038.

Census of Retail Trade, U.S. Department of Commerce, Bureau of the Census, U.S.G.P.O., Washington, D.C. Available on CD. Includes number of stores, employees, gross sales and more by county, municipality and four-digit Standard Industrial Code (SIC). Also available at the New Jersey State Library.

For more information, contact Kathleen Kelly by e-mail (kelly_k@tre.state.nj.us) or call 609-633-9648.



OFFICE OF STATE PLANNING
New Jersey Department of the Treasury
33 West State Street, CN 204
Trenton, New Jersey 08625

FIRST CLASS
US POSTAGE PAID
Trenton, NJ
Permit No. 21

OFFICE OF State Planning STAFF

Toll Free Meeting Information: 1-800-522-0129
Office of State Planning Phone: (609) 292-7156
Office of State Planning Fax: (609) 292-3292

_____ **Herbert Simmens, Director** _____

State Agency Coordination

Charles Newcomb, *Assistant Director*
(609) 633-6912

Wendy McVicker, *Secretarial Support*
(609) 633-6927

Local Planning Assistance

David Maski, *Unit Manager & Northeast Area Planning Manager - Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset and Union Counties* (609) 292-3732

David Hojsak, *Delaware River Area Planning Manager - Burlington, Camden, Gloucester, Hunterdon, Mercer, Sussex and Warren Counties* (609) 292-5248

Bill Purdie, *Coastal Area Planning Manager - Atlantic, Cape May, Cumberland, Monmouth, Ocean and Salem Counties* (609) 292-3730

Research

Robert Kull, *Assistant Director*
(609) 292-3096

James Reilly, *Senior Research Planner*
(609) 292-3589

William Bauer, *Research Planner*
(609) 292-3228

Nichole Purcell, *Research Planner*
(609) 633-9647

Steven Karp, *GIS & Cartography*
(609) 292-3160

Sheila Bogda, *Secretarial Support*
(609) 292-3744

Special Assistance

Tom Dallessio, *Public Affairs Manager*
(609) 292-3502

Mary Housel, *Executive Secretary to the Director* (609) 292-7155

Kathleen Kelly, *Assistant to the Director*
(609) 633-9648

Carlos Rodrigues, *Manager, Special Projects* (609) 292-3097

Office Services

Carol Schulz, *Chief of Office Services*
(609) 633-6929

Diane Chepega, *Graphics Coordinator*
(609) 292-3170

Denise Johnson, *MIS* (609) 292-3158

Carol Cavallo, *Administrative Analyst*
(609) 633-6942

Sandy Giambone, *Secretarial Support*
(609) 292-3156