May 13, 2011

Mr. Gerry Scharfenberger, Ph.D.
State of New Jersey
Department of State
New Jersey Business Action Center
Office for Planning Advocacy
3rd Floor
225 West State Street
PO Box 820
Trenton NJ 08608

Re: State Strategic Planning Process

Dear Mr. Scharfenberger:

Thank you for providing the opportunity to comment on the State Strategic Planning Process. Founded in 1968, PlanSmart NJ is an independent, non-profit civic planning and research organization committed to improving the quality of community life through the advancement of sound land use planning and regional cooperation.

PlanSmart NJ is uniquely positioned to help inform the work of the Office for Planning Advocacy as it formulates the State Strategic Plan and makes legislative and regulatory recommendations for change.

In 2005, PlanSmart NJ launched our flagship project, the Smart Growth Economy Project. A primary purpose of the Smart Growth Economy Project -- and of PlanSmart NJ -- is to examine the connections between economic development, the environment, regional equity, and transportation infrastructure through the common lens of land use planning, rather than viewing these challenges in isolation. The State Plan is so critical to our State’s future precisely because of its focus on comprehensive land use planning, rather than an emphasis on one aspect (economic development or environment, for instance) to the exclusion of the others.

PlanSmart NJ has developed a series of implementation tools to achieve better outcomes on-the-ground, outcomes that include job creation in our State’s growth areas, improved water quality, and a transportation infrastructure that reduces auto-dependency. These tools include a Land Use Scoring System and Planning Calculators that can be used to measure progress toward identified Planning Targets.

PlanSmart NJ is a member of the Smart Growth Economic Development Coalition, which was instrumental in the passage of the Economic Stimulus Act of 2008 and continues to advocate for changes to our broken land use
system to support economic development and growth in identified growth areas. Our upcoming June 3rd conference is an examination of how land use policies affect business decisions to grow, shrink or move as well as locational decisions within the State.

You posed a series of specific questions to inform your review of the State Planning process, and we respond below.

**How can the general goals of the State Plan be used strategically to influence investment decisions for existing and future growth sectors?**

The State Plan can facilitate business growth, and in particular, business growth in identified growth centers and along strategic transportation corridors, through several means:
- Identification and reform of land use policies that create an impediment to economic growth in the geographic areas where we want and need it;
- Identification of specific regional employment targets, with a focus on growth sectors of the economy;
- Identification of associated housing creation goals within commuting distance for entry-level and mid-level workers;
- Determination of regional transportation investments needed to support economic growth targets;
- Progress toward improved quality of life and creation of livable communities, which is also a factor in business attraction and retention.

**What is the best way to align the goals of a local Master Plan with the State Plan and/or Regional Master Plans?**

It is critical that the goals and strategies of regional, county, and local master plans be aligned with the State Plan. In turn, local zoning must be updated to reflect these master plans and to accommodate the regional goals that have been set forth. **Local compliance with accepted State and regional master planning is crucial to effective implementation of the State Plan.** Similarly, State agencies must be aligned and speak with a common voice when it comes to State Plan implementation. Specifically, it will be critical to change the existing paradigm through:

- Horizontal integration among State-level departments to facilitate implementation of the State Plan; a transformation from agencies working at cross-purposes when it comes to State Plan implementation to agencies receiving consistent direction from the Governor to implement the State Plan through the alignment of regulations, policies, and investment decisions.

- Vertical integration between State agencies, regional planning agencies, county planning agencies and municipalities; a transformation from a visionary State Plan that has not been implemented on the local level to a State Plan that provides a regional framework for employment growth, transportation investments, housing, and natural resource conservation, which is then required to be implemented at the county and local levels. Progress is measured through means such as planning targets and a land use scoring system. State funding, such as State Aid to Municipalities, should be tied to local compliance with the State Plan. Without mechanisms in place to ensure compliance, the State Plan is essentially a “hollow” document.
When and how should this alignment take place?

- A cross-acceptance process in which all levels of government have the opportunity to engage in dialogue is an appropriate vehicle for aligning the goals at the State level with regional, county and local master planning processes.
- Historically, however, the cross-acceptance process has been a bottom-up process with too little direction from the State or counties as to planning targets or specific outcomes.
- The cross-acceptance process should have a greater focus on specific regional goals in the areas of jobs, housing, transportation, infrastructure, and natural resources, and much less focus on the minutiae of map lines. This has been a distraction to the process, and has served to obscure the bigger picture goals and desired outcomes of the State Planning process.
- Once specific regional targets have been identified and agreed upon through the cross-acceptance process, local zoning ordinances must be updated to reflect these agreed-upon specific goals. If not, then the regional and Statewide goals will never be achieved. The State should then link compliance to State Aid and other investment decisions.
- This process need not take place every three years, however, and could instead take place every ten years, with a five-year mid-point review.

When the local and State goals are aligned, what should that mean to the State of New Jersey in making day to day decisions? What should that mean to local government?

- It will be necessary not just to align State, regional, county and local goals, but also to ensure the horizontal integration mentioned above. In other words, the State should focus on making the necessary legislative, regulatory, and policy changes at the state level to truly support the goals of the State Plan. Once these changes have been implemented, the day-to-day decision-making about projects and investments will flow from these changed regulations and policies.
- With regard to impact on municipalities, if county and local zoning ordinances and master plans have been updated to reflect the State Plan goals, then day-to-day intervention by the State is unnecessary.

How can the Municipal Land Use Law be amended to provide local governments better tools to manage growth and meet the goals established in the Master Plan? How about the County Planning Act?

- The County Planning Act should be amended to provide counties with more authority over regional land use planning and decision-making. Currently, New Jersey’s county planning system is much weaker than those of many other states, and most land-use decisions devolve to the local level. A strengthened role for counties, and the associated bolstering of county infrastructure to support this elevated role, would be appropriate.
- The MLUL should be amended to reflect better integration between county and local planning and to facilitate the achievement of regional targets in the areas of environment, economic development, transportation etc. Further, the MLUL should be amended to facilitate use of mandatory cluster ordinances, which in turn will promote center development and discourage sprawl.

Thank you for providing us with the opportunity to comment on the State Strategic Planning Process Project. We believe the time is past due for effective implementation of the goals contained in the State
Plan. Whatever changes are made should, first and foremost, ask the question: Will these changes lead to more effective implementation of the State Plan? We are committed to working with you as a partner to ensure that the answer to this question is yes.

Very truly yours,

Lucy I. Vandenberg, PP/AICP
Executive Director

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