RESOLUTION # 9
TRANSFER OF DEVELOPMENT RIGHTS (TDR)

WHEREAS, Transfer of Development Rights, or TDR, offers a tool to achieve both land preservation and economic growth by directing development from farmland, historic and environmentally sensitive sites to where this development is most desired and appropriate; and

WHEREAS, by harnessing forces in the real estate market, TDR can enable landowners to access the equity from their land without having to convert their land to nonagricultural uses, such as residential or commercial development; and

WHEREAS, the Pinelands Development Credit (PDC) program, New Jersey’s first TDR program, instituted in 1981, has to date resulted in the permanent protection of more than 55,000 acres of environmentally sensitive forest and agricultural land in the New Jersey Pinelands; and

WHEREAS, despite the long history of the program being established in the Pinelands, much remains unpreserved, due largely to limitations on where Pinelands PDC credits may, and must, be used (i.e. only within the Pinelands itself, and even there many areas can develop without the use of PDCs); and

WHEREAS, in 2004, the Highlands Water Protection and Planning Act (N.J.S.A. 13:20-1 et seq.) was enacted, which included the establishment of a TDR program as a key component to provide equity protection to impacted landowners; and

WHEREAS, the Highlands Water Protection and Planning Act relies on municipalities to voluntarily participate in becoming receiving areas for Highlands Development Credits; and

WHEREAS, despite statutory incentives and grants from the Highlands Commission, 14 years later, no receiving areas have been established to accept Highlands Development Credits, and therefore no market for these credits currently exists; and
WHEREAS, the cost of state preservation programs which deprive landowners of value in their land in order to provide benefits which are enjoyed by the entire state should be borne by the entire state, and not be shouldered entirely by the region being preserved.

NOW, THEREFORE, BE IT RESOLVED, that we, the delegates to the 106th State Agricultural Convention, assembled through a virtual platform hosted in Trenton, New Jersey, in accordance with COVID-19 pandemic recommendations, on February 17, 2021, support the permanent protection of New Jersey’s farmland, historic and natural resources through, among other methods, the judicious and market-aware use of Transfer of Development Rights.

BE IT FURTHER RESOLVED, that we strongly urge coordinated efforts by and among the various New Jersey state agencies to work with the State TDR Bank with regard to establishing receiving areas necessary to drive demand for Highlands and Pinelands PDC credits.

BE IT FURTHER RESOLVED, that we support the law that established a program that enables the redemption of Highlands and Pinelands Development Credits statewide which was designed to specifically motivate the purchase of Highlands and Pinelands TDR credits in exchange for approval of projects that may or may not be in the Highlands or Pinelands, but anywhere in the state.