

PINELANDS COMMISSION

**Pinelands Comprehensive Management Plan
Application Fees**

Proposed Amendments: *N.J.A.C. 7:50-1.6 and 1.7*

Authorized By:

New Jersey Pinelands Commission
John C. Stokes, Executive Director

Date

Authority: N.J.S.A. 13:18A-6n.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number:

A **public hearing** concerning the proposal will be held on:

Tuesday, July 15, 2008 at 7:00 p.m.
Richard J. Sullivan Center
15 C Springfield Road
New Lisbon, New Jersey 08064

Submit written comments by close of business on August 2, 2008 by regular mail, facsimile or e-mail to:

Susan R. Grogan, P.P., AICP
Chief Planner
Pinelands Commission
PO Box 7
New Lisbon, New Jersey 08064
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The name and mailing address of the commenter must be submitted with all public comments.

The agency proposal follows:

Summary

The New Jersey Pinelands Commission (Commission) is proposing to amend Subchapter 1, General Provisions, of the Pinelands Comprehensive Management Plan (CMP) regarding fees and escrows. The Commission adopted its first fee schedule in April 2004 (see *36 N.J.R. 1804(a)*) and amended it in June 2006 (see *38 N.J.R. 2708(a)*).

On July 1, 2003, P.L. 2003, c. 177 was signed into law. Section 30 of this law authorized the Commission to establish fees by regulation adopted pursuant to the Administrative Procedures Act, P.L. 1968, c. 410 (*N.J.S.A. 52:14B-1 et seq.*) for services performed relating to development review applications filed with the Commission as required by the Pinelands CMP.

Prior to April 2004, the Pinelands Commission did not charge fees for its application review (permitting) services. Rather, the Commission relied on a combination of legislative appropriations, interest income and other miscellaneous revenues to fund its permitting functions. Since legislative appropriations represented the vast majority of the available funding, these costs were borne by the taxpayers of New Jersey rather than by the developer, property owner or beneficiaries of the development.

Since April 2004, the Pinelands Commission has charged application fees as a means to cover a portion of the costs associated with the review of development applications and related services that support the development application process. In Fiscal Year 2007, the Commission expended

approximately \$1,479,000 on its application review functions and recouped \$713,000 in application fee revenue. While expenses have remained relatively stable over the past several years, ranging from \$1,422,000 to \$1,501,000 annually, the percentage of those costs recouped through application fees has dropped from 55% to 48%, principally because the number of applications submitted each year has decreased. In Fiscal Year 2008, it is estimated that fee revenues will cover only 32% of the Commission's permit-related expenses.

During this same period of time, the Commission has had to assume greater responsibility for the review of storm water management plans associated with development applications. The Commission is also increasingly asked to review non-standard wastewater treatment technologies which applicants propose as a means to meet Pinelands water quality standards. Thus, while the number of development applications submitted for Commission review has dropped in the last several years, the amount of staff time devoted to most application reviews has increased. These circumstances have caused the Commission to re-examine its application fee rates. As a result, a number of changes designed to more equitably distribute the permitting expenses (and the associated fee revenue) amongst different types of applications and to increase the percentage of Commission permit-related expenses recouped through fees are being proposed. The proposed changes are further described below.

The Commission is proposing to establish a minimum fee of \$200. This is set forth in N.J.A.C. 7:50-1.6(a) and will apply to all applications for which N.J.A.C 7:50-1.6 requires the submission of a fee. As currently structured, the fee

rules do not establish a uniform minimum fee – some applications do not have minimum fees while others are subject to different minimums, ranging from \$100 to \$250. This sometimes leads to confusion amongst applicants, a situation that should be alleviated through a universally applied minimum fee. In two cases, establishment of the uniform minimum fee could result in a decrease in required fees. Off-road vehicle events (N.J.A.C. 7:50-1.6(c)1) and linear development (N.J.A.C. 7:50-1.6(c)4) were previously assessed a minimum fee of \$250. The minimum fee of \$200 being incorporated at N.J.A.C. 7:50-1.6(a) therefore represents a slight decrease in fees for these two types of applications.

Fees for residential development (N.J.A.C.7:50-1.6(b)1 and 2) are currently assessed according to the size (number of lots or units) of a project, beginning when two or more lots/units are proposed. As a project increases in size, the per lot/unit fee decreases. These residential fee rules are being changed in several important respects. First, applications which propose one single family home will now be assessed a \$200 fee. Although an application fee has not previously been assessed to these applications, they comprise a significant portion (approximately 20%) of the total number of applications submitted each year and often require more expansive review services because applicants are not experienced in regulatory requirements. Second, the existing rate tier for residential lots/units up to fifty is now proposed to be divided into two tiers, one for the first four lots/units and the other for lots/units five through 50. This change reflects the need to review stormwater management plans for “major” development, which include residential projects proposing five or more lots/units.

Third, the fee for each residential lot/unit within the tiers is proposed to increase. The fee for each of the first four lots/units is increasing from \$125 to \$200 per lot/unit, the same per lot/unit rate as proposed for one residential unit. The fifth through the 50th lot/unit is increasing from \$125 to \$225 per lot/unit, in recognition of the Commission's increased stormwater review responsibilities. Rates for larger residential projects will also increase, from \$100 to \$125 per lot/unit for the 51st to 150th lot/unit and from \$75 to \$100 per lot/unit above 150.

Even though typical commercial, institutional, industrial and many other non-residential developments also involve stormwater review responsibilities, the Commission is not proposing to change the formula in N.J.A.C. 7:50-1.6(c) for calculating those fees. An analysis of applications submitted in 2007 indicates that, in spite of the Commission's attempt two years ago to bring these fees more into line with residential fees, there was still a disparity. The proposed change to residential fees should help to close this gap.

Fees for certain other, more unusual types of non-residential applications are proposed to be increased. The fee for a golf course (N.J.A.C.7:50-1.6(c)3.), is proposed to increase from \$100 to \$150 per acre. The fee (N.J.A.C 7:50-1.6(c)4.) for linear development, such as a road or an electric transmission line, is proposed to increase from \$100 to \$150 per acre. The formula (N.J.A.C. 7:50-1.6(c)5.) for calculating resource extraction (sand and gravel mining) fees is proposed to change from \$500 plus \$10 per acre to \$1,500 plus \$30 per acre. The change in resource extraction fees, although representing a significant percentage increase, will still result in a lower fee than comparable residential and other non-

residential projects. This lower fee recognizes that resource extraction permits, unlike most other development permits, must be periodically renewed every two to five years depending upon the municipality in which they are located.

The fee set forth in N.J.A.C. 7:50-1.6(i) for the review and processing of a request for a letter stating information that is available in a municipal land use ordinance or stating other information readily available to the public from a source other than the Pinelands Commission is proposed to be increased from \$100 to \$200. The minimum and maximum fees set forth in N.J.A.C. 7:50-1.6(j) for an amended Certificate of Filing are also proposed to be increased from \$100 to \$200 and \$2,000 to \$3,000, respectively. The Commission receives few of these requests but they do require staff time to process.

Three new fees are proposed. The first (N.J.A.C. 7:50-1.6(h)1) proposes to assess a fee for an amended letter of interpretation involving Pinelands Development Credits (PDCs) during the two year period in which the original allocation of PDCs to that property is valid. Pinelands Development Credits (transferable development rights) are allocated to certain properties within the Pinelands and an official allocation, which is valid for two years, is a prerequisite for property owners to sell their PDCs. Although the Commission still believes that no fee should be assessed when a property owner initially requests an allocation of PDCs or seeks to have an expired allocation re-issued, a fee is appropriate when a property owner who has a valid PDC allocation decides to request an amended allocation because, for example, s/he decides to add or

remove property from the allocation. Therefore, a fee of \$200 plus \$5 per acre of land included in the allocation is proposed.

The second new fee applies to public development applications. Although the Commission has heretofore exempted public development applications from fees, the level of application activity amongst public agencies has proven to be quite variable and does require considerable staff resources. Rather than allocating fewer staff resources to the review of public development applications (and, therefore, significantly delaying the issuance of needed approvals) because fee revenue is not adequate, the Commission now proposes to assess public development application fees. This is being accomplished by eliminating the exemption set forth in N.J.A.C.7:50-1.6(a). However, the Commission also recognizes the inherent public benefits of these projects and proposes that the fee be half of that assessed to similar, privately sponsored development. The maximum fee (\$25,000) will also be half of that which can be assessed to privately sponsored applications. These provisions are included in N.J.A.C. 7:50-1.6(e)2 and 3. It is important to note that fees will not be assessed against public development activities that do not require a Commission development approval. These are activities for which a streamlined permitting system has been established through a Memorandum of Agreement approved pursuant to N.J.A.C. 7:50-4.52(c)1. This clarification is proposed to be added to N.J.A.C. 7:50-1.6(a)2. Several changes to the escrow provisions of N.J.A.C. 7:50-1.7 are also proposed. All of these changes relate to the Commission's use of the escrow provisions as a means to recoup expenses it incurs when reviewing, preparing, implementing and

monitoring intergovernmental agreements with other public agencies that allow deviations from the normal land use and environmental standards of the Comprehensive Management Plan. These types of discretionary intergovernmental agreements are authorized by N.J.A.C. 7:50-4.52(c)2 and, unlike the streamlining agreements discussed above, often involve complex land use or environmental issues. Although the Commission has, on one occasion, been reimbursed for the expenses it incurs with respect to a complex agreement and anticipated continuing this practice in the future, the proposed changes to N.J.A.C. 7:50-1.7 will provide the means for these expenses to be recouped through an escrow rather than through a reimbursement process.

The third new fee (N.J.A.C. 7:50-1.6(e)1) is a lump sum amount that is proposed to be added to the fee otherwise calculated for any application that proposes the use of an unconventional on-site wastewater treatment system pursuant to N.J.A.C. 7:50-6.84(a)5. This added fee recognizes that approval of these atypical on-site systems which are intended to reduce pollutant levels in wastewater (thereby entitling the applicant to develop on smaller lots) requires extensive staff analysis of the technology and the specific wastewater conditions of the proposed use. This additional fee does not apply to the use of alternate design treatment systems that have been expressly authorized for residential use pursuant to the “pilot” program set forth in N.J.A.C. 7:50-10.21 et seq. Therefore, it is likely to apply only to non-residential development applications.

Finally, it is important to note that application fees are not assessed by the Commission against any development application that is processed pursuant to an

alternative local permitting program approved by the Commission pursuant to N.J.A.C. 7:50-3.81 et seq. These alternative permitting arrangements, generally referred to as Local Review Officer (LRO) programs, allow municipalities to exercise additional direct permitting authority and do not require the issuance of a Certificate of Filing from the Pinelands Commission. Most of these LRO programs apply to the submission of individual applications for one single family home; thus, the new application fee for one single home can, for example, be eliminated if a municipality elects to institute a LRO program. For clarification purposes, this fee exception is being expressly stated in N.J.A.C.7-50-1.6(a)1.

The proposed fees will increase the fee revenue realized by the Commission. The following chart compares current and proposed fees for several illustrative development applications.

Development Application	Current Fee	Proposed Fee
Single family dwelling	\$0	\$200
50 lot residential subdivision	\$6,250	\$11,150
15 mile electric transmission line	\$9,091	\$13,636
20 acre resource extraction application	\$700	\$2,100
15,000 square foot municipal building	\$0	\$9,375

Although the actual amount of revenue received in the future will be a function of the number and type of development applications submitted to the Commission

each year, an analysis of Fiscal Year 2007 data and data for the first part of Fiscal Year 2008 suggest that total fee revenue might increase between 28 and 36%.

Applying the more conservative 28% rate of increase, fee revenue in Fiscal Year 2008 might have been expected to total \$640,000, rather than the current projection of \$500,000, had these fees been in effect as of July 1, 2007. In that case, approximately 42% of the Commission's permit-related expenses would have been covered by application fees, still leaving more than half of its expenses to be financed by other revenue sources, principally state funding.

Social Impact

The proposed fee amendments are expected to have a positive social impact for New Jersey's taxpayers because the fees will, on a relative basis, reduce the need for general state funding to support the legislatively mandated permitting responsibilities of the Commission. In addition, society as a whole will continue to benefit from the protection of the unique resources of the Pinelands, the nation's first national reserve. The Pinelands Area is comprised of pine-oak forests, cedar swamps, extensive surface and groundwater resources of high quality, threatened and endangered species and other unique natural, ecological, agricultural, scenic, cultural and recreational resources. The proposed amendments to the Commission's application fee schedule will help to ensure that the Commission has the resources necessary to undertake its statutorily mandated review of development applications to ensure that such projects adhere to the land use and environmental requirements of the Pinelands CMP. Applicants are also likely to avoid significant application processing delays that could occur if less

revenue results in a significant reduction in resources dedicated to application reviews. On the other hand, applicants may also view these proposed rates in a negative light because the proposed amendments will increase their review costs.

Economic Impact

As discussed above, the proposed amendments are expected to have a negative economic impact on those entities that submit development applications to the Commission. The following examples help to illustrate the impact of these proposed fee changes on several types of projects:

- A 50 lot residential subdivision will be subject to a \$4,900 fee increase, amounting to an additional cost of \$98 per lot;
- A 15 mile electric transmission line will be subject to an estimated fee increase of \$4,545, an increase of \$303 per mile;
- The fee for a 20 acre resource extraction (mining) proposal will increase by \$1,400 or \$70 per acre of land to be mined;
- A 15,000 square foot municipal building with an estimated construction cost of \$1,875,000 will, for the first time, be charged a review fee of \$9,375, or a cost of \$.63 per square foot.

Although the Commission views these as modest increases, it also recognizes that most applicants will view them in a negative light at a time when economic activity has slowed and other public agencies are themselves faced with financial constraints. However, it should be noted that the Commission's fee schedule is not designed to recapture all of the Commission's permit-related expenses. As

discussed in the Summary, the Commission expects that, if current application trends continue, about 42% of the Commission's permit-related expenses will be recouped through application fee revenue. Alternatively, if the Commission is forced to significantly reduce the resources it devotes to application reviews because of lower revenues, applicants will also experience a negative economic impact due to delays in application review times. From 2004 through 2006, the Commission lowered its average review times by 24%, although many applicants undoubtedly still view the reduced response time of 29.5 days as too high. Because resources devoted to permit reviews have already been reduced over the past two years, permit processing times have increased to an average of 31 days, although they are still well below prior response times. The need for further resource reductions may become necessary but higher fee revenue will, at the very least, temper these reductions.

Environmental Impact

The Commission does not anticipate that the proposed amendments to the Commission's application fee schedule will have any negative environmental impact. The proposed amendments do not modify the land use and environmental requirements of the CMP in any way. Applications for development will still need to demonstrate that they satisfy the land use and environmental standards of the Plan, as is the case now. To the extent that additional fee income helps the Commission maintain an acceptable level of resources to review development applications, some might view that as a positive environmental outcome.

Federal Standards Statement

Section 502 of the National Parks and Recreation Act of 1978 (*16 U.S.C. §471i*) called upon the State of New Jersey to develop a comprehensive management plan for the Pinelands National Reserve. The original plan adopted in 1980 was subject to the approval of the United State Secretary of the Interior, as are all amendments to the plan.

The Federal Pinelands legislation sets forth rigorous goals that the plan must meet, including the protection, preservation and enhancement of the land and water resources of the Pinelands. The proposed amendments amend the Commission's application fee schedule but do not amend any of the provisions of the CMP that implement the Federal goals of the CMP. As a result, the Commission has concluded that these amendments do not exceed any Federal standards or requirements.

There are no other Federal requirements that apply to the subject matter of these amendments.

Jobs Impact

The proposed amendments are not expected to have significant jobs impacts because the amendments modify the Commission's application fee schedule. There are no changes to the procedural requirements of the Pinelands CMP and there are no greater development review requirements that would result in the loss or gain of jobs relating to the construction or environmental consulting industries. Although the imposition of additional fees on the private and public

sectors could have a negative impact on jobs, the added costs, as explained in the Economic Impact Section above, are not significant and should not result in a loss of jobs. To the extent that additional fee income helps the Commission maintain an acceptable level of resources to review development applications, it may be viewed by some as having a positive impact on jobs.

Agriculture Industry Impact

In accordance with the requirements of *N.J.S.A. 52:14B-4*, the Commission has evaluated this rulemaking to determine the nature and extent of any impacts that the proposed amendments may have on the agriculture industry. The proposed amendments make minor changes to the Commission's fee schedule. To the extent that members of the agriculture industry located within the Pinelands intend to engage in activities that will necessitate submission of a development application subject to fee (for example, agricultural employee housing), they may be impacted to the extent that the proposed amendments increase the associated application fee. Given that fees for most commercial activities (agricultural commercial establishments, agricultural processing facilities, etc.) are not changing and that principal agricultural activities, for the most part, do not require the submission of development applications, the Commission does not believe that the proposed amendments will have an impact on the agriculture industry.

Regulatory Flexibility Analysis

As required by the New Jersey Regulatory Flexibility Act, *N.J.S.A. 52:14B-16* et seq., the Commission has evaluated the reporting, recordkeeping, and other compliance requirements that the proposed amendments would impose upon small businesses. The Regulatory Flexibility Act defines the term "small business" as "any business" which is a resident of this State, independently owned and operated and not dominant in its field, and which employs fewer than 100 full-time employees." *N.J.S.A. 52:14B-17*.

The proposed amendments revise the Commission's application fee schedule. The proposed amendments will not impose any additional reporting or recordkeeping requirements on small business, nor will the amendments require small businesses to employ professional services. As discussed in the Economic Impact Section above, the proposed amendments may have minimal impact on developers, contractors and property owners involved or interested in certain development projects within the Pinelands. Because most businesses in the Pinelands may be characterized as small in size and number of employees, at least in comparison to the remainder of New Jersey, the proposed amendments may have a minimal impact on "small business" as defined by the Regulatory Flexibility Act. However, because the Commission's fee schedule is based on the type of development application submitted, the proposed amendments are expected to have the same impact on small businesses as on any other entity. Given that the resources of the Pinelands are important to all State citizens, and the proposed amendments are necessary to provide revenue for appropriate review

and protection of these resources, no lesser requirements for small businesses are provided.

Smart Growth Impact

Executive Order No. 4(2002) requires State agencies that adopt, amend or repeal any rule adopted pursuant to the Administrative Procedure Act (*N.J.S.A. 52:14B-4(a)*) to describe the impact of the proposed rules on the achievement of smart growth and implementation of the New Jersey State Development and Redevelopment Plan (State Plan). The Commission has evaluated the proposed amendments that are the subject of this rulemaking effort to determine the nature and extent of their impact on smart growth and implementation of the State Plan.

The Pinelands Protection Act (the Act), *N.J.S.A. 13:18A-1* et seq., and its implementing regulations, the Comprehensive Management Plan, could be considered one of the first smart growth planning initiatives in the State of New Jersey. The Act was passed to address random and uncoordinated development and construction that was posing an immediate threat to the resources of the Pinelands. (See *N.J.S.A. 13:18A-2*.) As a result of these development pressures, the Legislature found that it was necessary to impose certain limitations, as provided in the Act, upon local approval of development applications within the Pinelands. The regulations and standards set forth in the CMP implement the Act and are designed to promote orderly development of the Pinelands so as to preserve and protect the significant and unique natural, ecological, cultural, and recreational resources of the Pinelands.

In light of the above, both the Act and the CMP are consistent with the law and policy of New Jersey to promote smart growth and to reduce the negative effects of sprawl as described in Executive Order No. 4(2002). Both the Act and the CMP discourage incompatible development of Pinelands resources, which are important not only to the citizens of the State of New Jersey, but also the citizens of this nation. The proposed amendments to the Commission's application fee schedule are consistent with smart growth policy because these fees are necessary to support the regulatory program that ensures that development that is conducted within the Pinelands is scrutinized to ensure consistency with the standards of the CMP and, to the extent that it is not, that it is prohibited. Therefore, the proposed amendments comport with the goals of smart growth and implementation of the State Plan as described in Executive Order No. 4.

Full text of the proposal follows (additions indicated in underlines **thus**; deletions indicated in brackets [thus]):

7:50-1.6 Fees

- (a) Except as provided in (a) 1 and 2 below, a[A]ll applications required or permitted by any provision of this Plan [other than applications filed by a public agency,] shall be accompanied by a nonrefundable application fee of \$200 or a fee calculated according to the fee schedule set forth in (b) through (k) below, whichever is greater. No application filed pursuant to this Plan shall be reviewed or considered complete unless all fees required by this Part have been paid and any escrow required pursuant to N.J.A.C.

7:50-1.7 has been submitted.

1. No application fee shall be required for an application processed in accordance with an alternative local permitting program certified by the Commission pursuant to N.J.A.C. 7:50-3.83; and

2. No application fee shall be required for development that is processed in accordance with an intergovernmental agreement approved by the Commission pursuant to N.J.A.C. 7:50-4.52(c)1.

(b) The application fee for a residential development application submitted pursuant to N.J.A.C. 7:50-4.14 or 4.33 shall be calculated as follows:

1. There shall be [no] a \$200.00 fee for a residential development consisting of [only:] one unit or one lot; and

[i. One dwelling unit on an existing lot of record as of April 5, 2004, provided that the applicant has not submitted another application for residential development involving a single dwelling unit within the previous 12-month period;

ii. A two lot subdivision which results in the creation of only one vacant lot and proposes the development of only one

new dwelling unit; or

iii. The demolition and reconstruction of one residential dwelling unit; and]

2. The fee for all other residential developments shall be calculated based on the number of proposed dwelling units or lots, whichever is greater, including those to be utilized for stormwater facilities, open space, recreational facilities or other accessory elements of a residential development, according to the following:

i. \$[125.00] 200.00 per dwelling unit or lot for the first [50] four units or lots;

ii. \$[100.00] 225.00 per dwelling unit or lot for units/lots [51] five through [1]50; [and]

iii. \$[75.00] 125.00 per dwelling unit or lots for [all] units/lots 51 through [in excess of] 150 [.] and

iv. \$100.00 per dwelling unit or lots for units/lots in excess of 150.

(c) The application fee for a commercial, institutional, industrial or other non-

residential development application submitted pursuant to N.J.A.C. 7:50-4.14 or 4.33 shall be [\$200.00 or the amount] calculated in accordance with the following based on typical construction costs[, whichever is greater,] except as provided in (c)1 through 7 below: one percent of construction costs for the first \$500,000 of the total construction cost; three-fourths percent of construction costs for the portion of the construction costs between \$500,000 and \$1 million; and one-half percent of the construction costs for the portion of the construction costs in excess of \$1 million. Typical construction costs shall include all costs associated with the development for which the application is being submitted, including, but not limited to, site improvement and building improvement costs, but shall not include interior furnishings, atypical features, decorative materials or other similar features. For fees calculated based on the percentage of construction costs, such costs shall be supported by the sworn statement of a licensed architect, licensed engineer, or other qualified individual, if an architect or engineer has not been retained for the project, as to the expected construction costs.

1. For an off-road vehicle event conducted in accordance with N.J.A.C. 7:50-6.143(a)4, the fee shall be \$5.00 per mile of the route proposed [or a minimum of \$250.00];
2. (No change.)

3. For the development of a golf course, the fee shall be \$[100.00] 150.00 per acre devoted to the golf course facility, including but not limited to, the golf course and associated forested areas, club house, putting greens, driving range, parking areas, locker rooms and accessory buildings, such as rest rooms, maintenance buildings, other recreational areas, depicted on the site plan submitted as part of the application. All areas associated with the planning, construction, operation or maintenance of a golf course facility, including those areas not directly associated with golfing or a recreational activity, must be included in the acreage used to calculate the applicable application fee for the development of a golf course;

4. For a proposed linear development, the application fee shall be \$[100.00] 150.00 per acre of all land included in the right of way of the proposed linear development project plus \$[100.00] 150.00 per acre located outside of the right of way that will be disturbed as part of a linear development project [or a minimum of \$250.00].
“Linear development” means land uses such as roads, railroads, sewerage and stormwater management pipes, gas and water pipelines, electric, telephone and other transmission or distribution lines, which have the basic function of connecting two points, the

rights-of-way therefore, and any accessory structures or uses directly associated therewith. Linear development shall not include residential, commercial, office or industrial buildings, improvements within a development such as utility lines or pipes, or internal circulation roads;

5. For a resource extraction permit application or permit renewal application, the application fee shall be \$[500.00] 1,500.00 plus \$[10.00] 30.00 per acre to be mined within each permit period;

6.-7. (No change.)

(d) (No change.)

(e) The application fee required at the time of submission of a development application in accordance with (a) through (d) above shall: [not exceed \$50,000.]

1. Be increased by \$2,500.00 if an individual on-site septic system is proposed pursuant to N.J.A.C. 7:50-6.84(a)5;

2. Equal 50 percent of the calculated fee if a public agency is the applicant; and

3. Not exceed \$50,000.00 unless a public agency is the applicant, in which case the fee shall not exceed \$25,000.00.

(f)-(g) (No change.)

(h) The fee f[F]or a Letter of Interpretation or Amended Letter of Interpretation pursuant to N.J.A.C. 7:50-4, Part VI, [which does not involve the allocation of Pinelands Development Credits, the application fee shall be \$200.00.] shall be determined according to the following:

1. There shall be no fee for a Letter of Interpretation involving the allocation of Pinelands Development Credits except for an Amended Letter of Interpretation, in which case the fee shall be \$200.00 plus \$5.00 per acre of land for which the amended allocation is requested; and

2. The application fee for any other Letter of Interpretation or Amended Letter of Interpretation shall be \$200.00.

(i) The application fee for the review and processing of a request for a letter stating information that is available in a municipal land use ordinance or stating other information readily available to the public from a source other than the Pinelands Commission shall be \$[100.00] 200.00.

(j) The application fee for an Amended Certificate of Filing shall be \$[150.00] 200.00 or 10 percent of the original permit fee, whichever is greater, with a maximum fee of \$[2,000] 3000.00. If a request for an Amended Certificate of Filing is submitted more than five years following the issuance of the original Certificate of Filing, the fee shall be calculated as if a new application had been submitted.

(k) (No change.)

7:50-1.7 Escrows

(a) Notwithstanding any other provision of N.J.A.C. 7:50-1.6, the Executive Director may request an escrow for [those] development applications or other matters pending before the Commission that involve complex issues which, either because of the need for specialized expertise, necessitate the retention of consultants to assist in the Commission's review, or [in the case of development applications,] will require considerable staff review. Should the Executive Director determine that an escrow is necessary:

1. (No change.)
2. Monies submitted pursuant to (a)1 above shall be held in an escrow account and shall be used by the Commission to

reimburse any costs it incurs either as a result of retaining any consultants or for the considerable amount of staff time required for the review and, in the case of an escrow for an intergovernmental agreement authorized pursuant to N.J.A.C. 7:50-4.52(c)2, shall also be used for developing, implementing and monitoring such agreement;

3. (No change.)
4. At the time that the Commission renders its decision on the matter [or,] for a development application, the final municipal approval takes effect pursuant to N.J.A.C. 7:50-4, Part III, or, in the case of an intergovernmental agreement authorized pursuant to N.J.A.C. 7:50-4.52(c)2 when the monitoring of such agreement is no longer required, the Executive Director shall provide a statement of the account to the entity initiating the matter or the applicant and any funds remaining in the escrow account shall be returned to that entity or applicant;

5.-7. (No change.)

(b) (No change.)