

## Continue to redevelop formerly developed sites

Utilizing data from the Department of Environmental Protection's [Land Use/Land Cover mapping project](#), and a [value-added analysis](#) by researchers at Rowan and Rutgers Universities, a municipality can significantly reduce land consumption. According to assessments of [2015 land use/land cover data from the Department of Environmental Protection](#), since the Great Recession, most of New Jersey's population growth and development has been occurring in State Smart Growth Areas, Centers, Metropolitan and Suburban Planning Areas, easing pressure on New Jersey's remaining undeveloped and unprotected land. This and other information, such as the results from the 2020 census data, indicate very positive vital signs about the resurgence and livability of the State's older cities and state-designated growth areas. Such trends are to be celebrated and further encouraged through continued redevelopment efforts and the use of the tools that make it possible.

The New Jersey Local Redevelopment and Housing Law (Redevelopment Statute or LRHL), [NJSA 40A:12A-1 et seq.](#), gives municipalities access to powerful tools that are proven agents in making redevelopment projects happen. Designed to revitalize distressed urban areas and avert sprawl by incentivizing the redevelopment of blighted, abandoned, or underutilized sites such as Brownfields that suffer from real or perceived contamination, the Redevelopment Statute provides a variety of tools that empower municipalities to be active partners in the redevelopment process. They include the ability to choose and designate redevelopers, negotiate, and execute redevelopment agreements (e.g., to remediate contaminated sites, incorporate environmental protection, climate, energy, and stormwater mitigation measures, guarantee specific infrastructure and capital improvements, public amenities, etc.). Redevelopment Agreements can provide incentives in return for certain public improvements, negotiate payments in lieu of taxes agreements (PILOTs), and issue bonds secured by project revenues to finance project components or other infrastructure improvements (e.g., offsite roadway infrastructure needs/upgrades), as well as negotiate the sale of public property without bidding, and exercise the powers of condemnation to acquire property.

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*Promote warehouse development through the redevelopment of former industrial sites, Brownfields, and landfills to help facilitate remediation and clean-up of abandoned, blighted, or underutilized properties, and to revitalize distressed urban areas. In all cases, redevelopment activities should seek to mitigate and avoid creating additional burden, while working to correct past harm and provide lasting and meaningful benefits, particularly in overburdened communities.*

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Equally important is that the Statute removes certain constraints under the MLUL, allowing greater control over performance standards (such as those to minimize and mitigate public and environmental impacts), including a much higher level of specificity concerning site/architectural design (e.g., rooftop/parking canopy solar, EV charging infrastructure green infrastructure), physical planning, and

necessary transportation infrastructure improvements. If the primary issue concerning warehouses is the impacts of the development, truck traffic, and associated mobile sources of air pollution on the community, then the powers enabled under the LRHL should be focused on addressing those concerns. For example, the tax and land use incentives made available under the LRHL could be applied as financial feasibility offset against such pollution control requirements as mandating the use of electric trucks consistent with meeting DEP's goals under the ACT Rule.

### **Design standards under the Local Redevelopment and Housing Law**

The Redevelopment Statute provides for greater specificity in planning and design, giving municipalities greater control of a designated area than under traditional planning and zoning techniques. Redeveloper agreements, abatements, PILOTs, and other developer incentives can be utilized to achieve enhanced performance standards, Master Plan goals, and objectives of interest to the community and region. Examples of sustainability standards could include enhanced energy efficiency and greenhouse gas reduction measures, use of 'green' (e.g., LEED-certified) building design, and materials used. Other examples include requiring solar on roofs and parking lots and for powering the building's operation, electric vehicle charging stations to encourage electrical hookups for truck parking areas, including for refrigeration trailer units, which will minimize impacts from diesel-run units on neighboring areas, and air quality.

Other enhancements could include onsite public amenities such as completing a planned segment of a dedicated bike path, trailhead public access point or linkage, enhanced habitat buffering, and green infrastructure. Consideration should also include the use of rain gardens and the protection of onsite habitat to buffer any waterways, wetlands, and associated flood hazard areas. Such measures also increase asset value and decrease operational costs through energy, water, maintenance, and waste savings, while making better neighbors. PILOT agreements should only be considered for warehousing if they go "above and beyond" existing local performance standards and requirements.

While the trend in redevelopment is to be strongly encouraged, it is, however, not appropriate to designate large tracts of undeveloped, non-blighted, productive farmland and forested sites (particularly outside of State Smart Growth Areas), for redevelopment or rehabilitation. Local officials, land planners, and developers should be mindful that the Redevelopment Statute provides the Commissioner of the NJ Department of Community Affairs (DCA) with the authority to reject a local redevelopment designation in instances where criteria specified in the LRHL are not met. At the same time, there may be instances where it may be appropriate to create industrial parks (e.g., regional industrial nodes) on non-blighted open lands within State-designated sewer service areas, Centers, and other recognized and approved growth areas with ready access to major highways and other important infrastructure, but without the use of Redevelopment Statute.

### **Develop where infrastructure capacity exists to support it**

Encouraging development that utilizes existing infrastructure is a major tenet of smart growth. It makes the most of investments already made in rail, roads, bridges, and underground infrastructure (sewer, water, natural gas) while strengthening local tax bases and protecting open space and resources like

farmland that can't be replaced. Before taking on new infrastructure obligations, decision-makers should strive to ensure a better return on existing public and private investments. As prime locations within more developed areas or near highway access continue to be developed, it is increasingly important that various levels of government work to proactively identify well-suited locations and opportunities to accommodate appropriately- scaled warehouse development, while continuing to facilitate the trend in redevelopment and infill. Consideration should be given to the condition and adequacy of existing infrastructure and roadway capacity. For example, not all roads are the same, and local and county roads are generally not built to handle heavy truck traffic, especially large volumes.

All levels of government should also continue to promote warehouse development, where appropriate, at former industrial sites, Brownfields, and landfills to help facilitate remediation and cleanup of abandoned or underutilized properties. This not only helps address existing negative impacts and environmental harm but also provides economic and employment benefits, particularly in communities of high unemployment. Many of the known former contaminated sites and abandoned landfills are proximate to both the Delaware River Ports and the NY/NJ Harbor complex, including sites with direct access to freight rail. The use of redevelopment agreements and PILOTs also offer powerful incentives to encourage such uses where they make the most sense while affording opportunities for towns and redevelopers to collaborate on making infrastructure and other improvements that can minimize and mitigate impacts. At the same time, not all Brownfield sites are suitable for excavation and warehouse operations due to the type of contamination present (e.g., VOC seepage through the flooring), the impact that dust and site disturbance might have on the neighborhood, and more.

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### **Manner of development**

In addition to considering different warehouse development types, their density, and potential impacts on quality of life, public health, and safety, local decision-makers should become familiar with the manner and context in which they emerge and their interplay with zoning, subdivision, building codes, and other regulations. In redevelopment, the degree of municipal control depends on the scale and extent to which a structure and/or site is redeveloped, and whether the project is governed by the Redevelopment Statute and undertaken in accordance with a redevelopment plan and redeveloper agreement adopted by a municipality. While zoning and building codes are controlling in all cases, local development and site plan standards may differ for minor projects of varying sizes.

For building retrofits, the subdivision and land development ordinance are generally not applicable where there are no proposed changes to the existing use, structure, or site, and any changes are largely internal and without any volume changes. However, if traffic, energy use, or the volume of products stored will substantially increase and/or change, then emergency response needs may change, which may justify their being treated differently and more like a new development proposal by local government. Where retrofits only require a building permit or zoning permit for a use change, municipalities should, at a minimum, consider the implementation of assessment forms with required applications to collect such information as changes in employee and product volumes, utility usage, traffic generation, fleet size and fuel types, energy source (for heating/electricity), etc., for future transitional planning. This information will give the municipality the ability to anticipate and plan for shifts in services.

### **Use of underutilized land in developed areas**

In addition to accommodating warehouse demand through the redevelopment of existing warehouse facilities, Brownfields, and contaminated sites, it is important to identify the needs of smaller distribution facilities like the “last mile” delivery stations that have been opening throughout the state. These smaller facilities or stations can range between 75,000 and 150,000 square feet (three stories or less) and serve the unceasing demand for e-commerce as it becomes more decentralized and is located in smaller geographic areas closer to the customer base. They could in some instances, be ideally suited in developed areas on land formerly occupied by obsolete office buildings, movie complexes, shuttered malls, brick-and-mortar retail centers, and other stranded assets that are no longer economically viable. Many such sites can be found in both rural and suburban Commercial-Manufacturing Nodes and Centers throughout the state, where their reuse through repurposing existing buildings or demolishing them, could accommodate smaller standalone projects, or be part of a larger mixed-use redevelopment, where last-mile facilities would benefit from being in or near population centers.

The built environment contains more buildable land than might be obvious at first glance. Unused surface parking and other underutilized spaces, particularly in many less developed towns and suburban areas, represent a de facto land bank that is worth a second look. Communities should examine potential opportunities to site smaller projects that can mimic a traditional commercial or retail space, ranging in size from 50,000 to 150,000 square feet. However, it is important to keep in mind that the parking needs for last-mile facilities can be very high, because of the need to accommodate hundreds of delivery vans and small trucks. Smaller, formerly developed, or improved sites must still be able to accommodate adequate tractor-trailer access, and towns must still assess impacts on residential and adjacent areas when siting at smaller facilities in these locations.

Towns should be careful to not rezone important and strategically located, commercial and retail sites, just because they may not be economically viable in their current configuration. In many cases, towns can revitalize tired commercial strips and struggling big-box shopping centers with creative redevelopment plans and related tools that can reimagine and repurpose such sites into vibrant and walkable mixed-use destinations. A combination of residential, retail, office, and commercial uses can coexist in a denser vertical format that serves a variety of purposes of interest to communities.