

New Jersey

State Planning Commission

“Smart Housing Incentives Act”

presented by

New Jersey Future
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Brookings Institute 2006 Prosperity Study

New Jersey's economic competitiveness is threatened:

- Rising housing costs and lack of choice
- Economic segregation
- Sprawl: wasteful use of land
- Shortage of workforce housing

Policy Solution:

State Plan Vision for Centers

- Growth channeled into mixed-use, walkable centers in locations with infrastructure
- Variety of scales from hamlet, village, town, regional center, urban
- Surrounded by protected rural landscape



Policy Solution: DEP GWRA Report

- Sprawl leads to VMT & high GHG emissions
- Reduce VMT through compact development that supports walking, biking, carpooling, transit, etc.



Community response to “density”



Birth of Smart Housing Zones

Diverse task force created

Goal: to increase workforce housing in smart growth settings

Three primary barriers identified

1. Insufficient land zoned appropriately
2. Restrictive state regulations
3. Lack of predictability in the development process



Smart Housing:

**Affordable, easy on the environment,
near jobs and transportation choices**

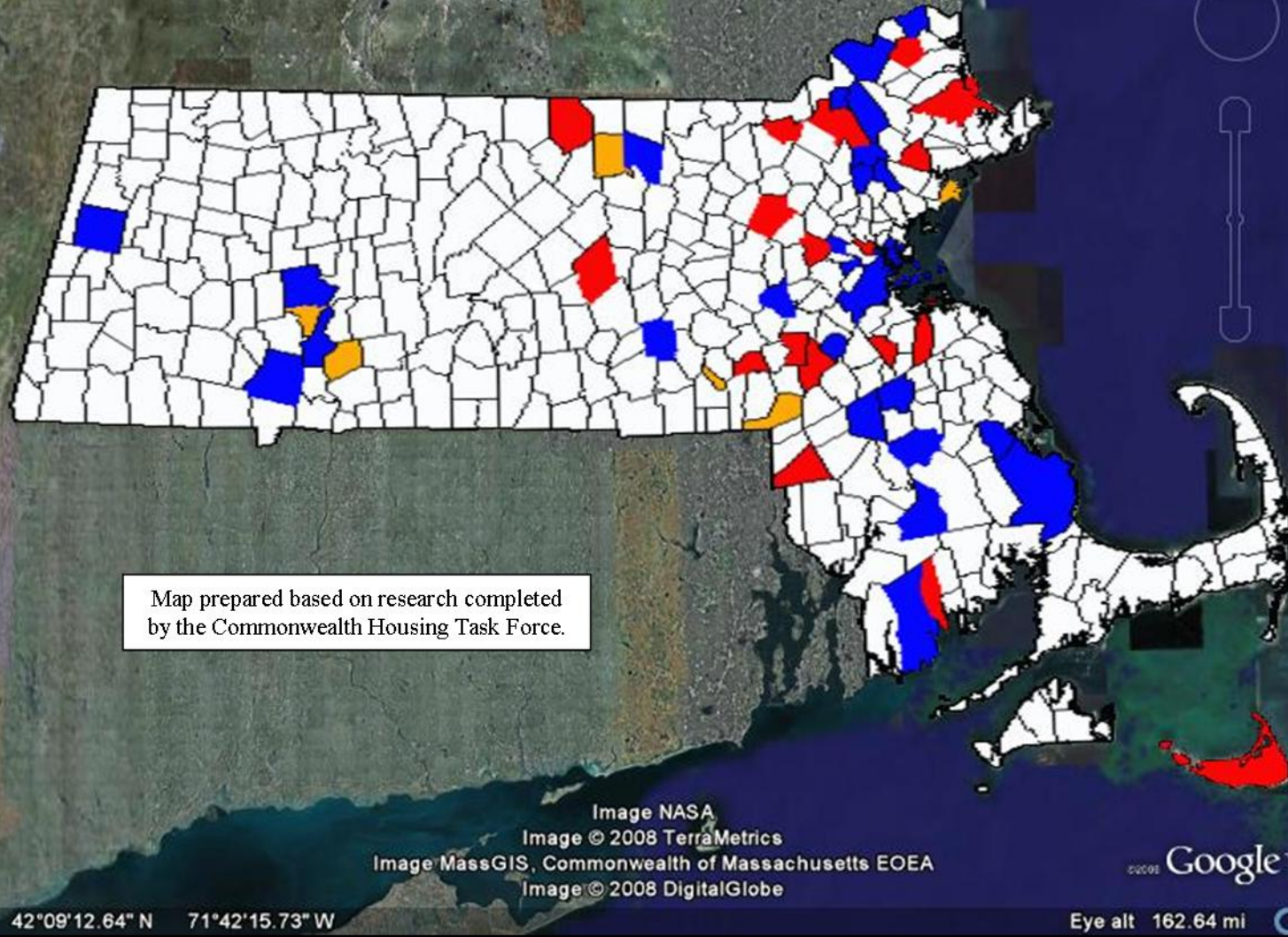
Implementation



OR



Smart Growth Zoning Approved or Under Consideration in Massachusetts



Legend

Approved 40R District



25 Communities –
8,929 Units

Filed with DHCD for
Letter of Eligibility



0 Communities –
0 Units

Applied for or
Received State
PDF Grant Funds



7 Communities –
1,750 to 2,250 Units
(estimated)

Meaningful
Consideration of 40R
Underway Locally



19 Communities

October 2008

Source: Municipal boundaries courtesy of MassGIS <<http://mass.gov/mgis/>>

Smart Housing Incentive Act

A3632



New incentive-based program for municipalities

- Planning and visioning grants
- \$1,000 Incentive payment for new zoned units
- \$4,000 Incentive payment when units are built
- Prioritized state funding and program access

Smart Housing Incentive Act

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Program requirements

- Higher density housing
- Mix of incomes
- Appropriate locations
- Water, energy efficient
- Walkable



Implementation and Next Steps

- Revenue neutral
 - Planning grants funded from existing state programs
 - Incentives funded by developer's fees and NJ Affordable Housing Trust Fund
- Referred to Assembly Housing Committee
- Senate introduction expected next week

Bottom Line

- We are not building the right type of housing in the right places in New Jersey in order to meet our economic, environmental and social goals.
- The Smart Housing Incentive Act can start to make a difference in how and where we grow and develop housing.

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