## ASSEMBLY, No. 3761

# STATE OF NEW JERSEY

### 215th LEGISLATURE

INTRODUCED FEBRUARY 7, 2013

**Sponsored by:** 

Assemblyman JERRY GREEN
District 22 (Middlesex, Somerset and Union)
Assemblyman ROBERT D. CLIFTON
District 12 (Burlington, Middlesex, Monmouth and Ocean)

**Co-Sponsored by:** 

Assemblywoman Handlin, Senators Van Drew and Oroho

#### **SYNOPSIS**

Clarifies authorization for cluster developments under MLUL.

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/31/2013)

1 **AN ACT** concerning municipal land use approval, amending and supplementing P.L.1975, c.291 (C.40:55D-1 et seq.)

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 1. Section 2 of P.L.1975, c.291 (C.40:55D-2) is amended to read as follows:
  - 2. Purpose of the act. It is the intent and purpose of this act:
- a. To encourage municipal action to guide the appropriate use or development of all lands in this State, in a manner which will promote the public health, safety, morals, and general welfare;
- b. To secure safety from fire, flood, panic and other natural and man-made disasters;
  - c. To provide adequate light, air and open space;
  - d. To ensure that the development of individual municipalities does not conflict with the development and general welfare of neighboring municipalities, the county and the State as a whole;
  - e. To promote the establishment of appropriate population densities and concentrations that will contribute to the well-being of persons, neighborhoods, communities and regions and preservation of the environment;
  - f. To encourage the appropriate and efficient expenditure of public funds by the coordination of public development with land use policies;
  - g. To provide sufficient space in appropriate locations for a variety of agricultural, residential, recreational, commercial and industrial uses and open space, both public and private, according to their respective environmental requirements in order to meet the needs of all New Jersey citizens;
  - h. To encourage the location and design of transportation routes which will promote the free flow of traffic while discouraging location of such facilities and routes which result in congestion or blight;
- i. To promote a desirable visual environment through creative development techniques and good civic design and arrangement;
- j. To promote the conservation of historic sites and districts, open space, energy resources and valuable natural resources in the State and to prevent urban sprawl and degradation of the environment through improper use of land;
- 41 k. To encourage planned unit developments which incorporate 42 the best features of design and relate the type, design and layout of 43 residential, commercial, industrial and recreational development to 44 the particular site;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- 1 l. To encourage senior citizen community housing 2 construction;
- m. To encourage coordination of the various public and private procedures and activities shaping land development with a view of lessening the cost of such development and to the more efficient use of land;
  - n. To promote utilization of renewable energy resources; and
  - o. To promote the maximum practicable recovery and recycling of recyclable materials from municipal solid waste through the use of planning practices designed to incorporate the State Recycling Plan goals and to complement municipal recycling programs.
- p. To enable municipalities the flexibility to offer alternatives to traditional development, through the use of equitable and effective planning tools including clustering, transferring development rights, and lot-size averaging in order to concentrate development in areas where growth can best be accommodated and maximized while preserving agricultural lands, open space, and historic sites.
- 19 (cf: P.L.1987, c.102, s.25)

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- 21 2. Section 3 of P.L.1975, c.291 (C.40:55D-3) is amended to read as follows:
  - 3. For the purposes of this act, unless the context clearly indicates a different meaning:
- The term "shall" indicates a mandatory requirement, and the term "may" indicates a permissive action.
- "Administrative officer" means the clerk of the municipality, unless a different municipal official or officials are designated by ordinance or statute.
- "Agricultural restriction" means an "agricultural deed restriction
   for farmland preservation purposes" as defined in section 3 of
   P.L.1983, c.32 (C.4:1C-13).
- "Agricultural land" means "farmland" as defined pursuant to section 3 of P.L.1999, c.152 (C.13:8C-3).
- 35 "Applicant" means a developer submitting an application for development.
- "Application for development" means the application form and all accompanying documents required by ordinance for approval of a subdivision plat, site plan, planned development, cluster development, conditional use, zoning variance or direction of the issuance of a permit pursuant to section 25 or section 27 of P.L.1975, c.291 (C.40:55D-34 or C.40:55D-36).
- "Approving authority" means the planning board of the municipality, unless a different agency is designated by ordinance when acting pursuant to the authority of P.L.1975, c.291 (C.40:55D-1 et seq.).
- "Board of adjustment" means the board established pursuant to section 56 of P.L.1975, c.291 (C.40:55D-69).

1 "Building" means a combination of materials to form a 2 construction adapted to permanent, temporary, or continuous 3 occupancy and having a roof.

"Cable television company" means a cable television company as defined pursuant to section 3 of P.L.1972, c.186 (C.48:5A-3).

"Capital improvement" means a governmental acquisition of real property or major construction project.

"Circulation" means systems, structures and physical improvements for the movement of people, goods, water, air, sewage or power by such means as streets, highways, railways, waterways, towers, airways, pipes and conduits, and the handling of people and goods by such means as terminals, stations, warehouses, and other storage buildings or transshipment points.

"Cluster development" means a contiguous cluster or noncontiguous cluster that is not a planned development.

"Common open space" means an open space area within or related to a site designated as a development, and designed and intended for the use or enjoyment of residents and owners of the development. Common open space may contain such complementary structures and improvements as are necessary and appropriate for the use or enjoyment of residents and owners of the development.

"Conditional use" means a use permitted in a particular zoning district only upon a showing that such use in a specified location will comply with the conditions and standards for the location or operation of such use as contained in the zoning ordinance, and upon the issuance of an authorization therefor by the planning board.

"Conservation restriction" means a "conservation restriction" as defined in section 2 of P.L.1979, c.378 (C.13:8B-2).

"Contiguous cluster" means a contiguous area to be developed as a single entity according to a plan containing a section or sections to be developed for residential purposes, nonresidential purposes, or a combination thereof, at a greater concentration of density or intensity of land use than authorized within the section or sections under conventional development, in exchange for the permanent preservation of another section or other sections of the area as common or public open space, or for historic or agricultural purposes, or a combination thereof.

"Conventional" means development other than <u>cluster</u> <u>development or planned development</u>.

"County agriculture development board" or "CADB" means a county agriculture development board established by a county pursuant to the provisions of section 7 of P.L.1983, c.32 (C.4:1C-14).

"County master plan" means a composite of the master plan for the physical development of the county in which the municipality is located, with the accompanying maps, plats, charts and descriptive 1 and explanatory matter adopted by the county planning board 2 pursuant to R.S.40:27-2 and R.S.40:27-4.

"County planning board" means the county planning board, as defined in section 1 of P.L.1968, c.285 (C.40:27-6.1), of the county 4 in which the land or development is located.

(cf: P.L.2004, c.2, s.32)

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- 3. Section 3.1 of P.L.1975, c.291 (C.40:55D-4) is amended to read as follows:
  - 3.1. "Days" means calendar days.

"Density" means the permitted number of dwelling units per gross area of land [to be developed] that is the subject of an application for development, including noncontiguous land, if authorized by municipal ordinance or by a planned development.

"Developer" means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

"Development" means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation or enlargement of any building or other structure, or of any mining excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to [this act] P.L.1975, c.291 (C.40:55D-1 et seq.).

"Development potential" means the maximum number of dwelling units or square feet of nonresidential floor area that may be constructed on a specified lot or in a specified zone under the master plan and land use regulations in effect on the date of the adoption of the development transfer ordinance or on the date of the adoption of the ordinance authorizing noncontiguous cluster, and in accordance with recognized environmental constraints.

regulation" "Development means a zoning ordinance, subdivision ordinance, site plan ordinance, official map ordinance or other municipal regulation of the use and development of land, or amendment thereto adopted and filed pursuant to [this act] P.L.1975, c.291 (C.40:55D-1 et seq.).

"Development restriction" means an agricultural restriction, a conservation restriction, or a historic preservation restriction.

"Development transfer" or "development potential transfer" means the conveyance of development potential, or the permission for development, from one or more lots to one or more other lots by deed, easement, or other means as authorized by ordinance.

"Development transfer bank" means a development transfer bank established pursuant to section 22 of P.L.2004, c.2 (C.40:55D-158) or the State TDR Bank.

"Drainage" means the removal of surface water or groundwater from land by drains, grading or other means and includes control of runoff during and after construction or development to minimize erosion and sedimentation, to assure the adequacy of existing and proposed culverts and bridges, to induce water recharge into the ground where practical, to lessen nonpoint pollution, to maintain the integrity of stream channels for their biological functions as well as for drainage, and the means necessary for water supply preservation or prevention or alleviation of flooding.

"Environmental commission" means a municipal advisory body created pursuant to P.L.1968, c.245 (C.40:56A-1 et seq.).

"Erosion" means the detachment and movement of soil or rock fragments by water, wind, ice and gravity.

"Final approval" means the official action of the planning board taken on a preliminarily approved major subdivision or site plan, after all conditions, engineering plans and other requirements have been completed or fulfilled and the required improvements have been installed or guarantees properly posted for their completion, or approval conditioned upon the posting of such guarantees.

"Floor area ratio" means the sum of the area of all floors of buildings or structures compared to the total area of [the site] land that is the subject of an application for development, including noncontiguous land, if authorized by municipal ordinance or by a planned development.

"General development plan" means a comprehensive plan for the development of a planned development, as provided in section 4 of P.L.1987, c.129 (C.40:55D-45.2).

"Governing body" means the chief legislative body of the municipality. In municipalities having a board of public works, "governing body" means such board.

"Historic district" means one or more historic sites and intervening or surrounding property significantly affecting or affected by the quality and character of the historic site or sites.

"Historic preservation restriction" means a "historic preservation restriction" as defined in section 2 of P.L.1979, c.378 (C.13:8B-2).

"Historic site" means any real property, man-made structure, natural object or configuration or any portion or group of the foregoing of historical, archeological, cultural, scenic or architectural significance.

"Inherently beneficial use" means a use which is universally considered of value to the community because it fundamentally serves the public good and promotes the general welfare. Such a use includes, but is not limited to, a hospital, school, child care center, group home, or a wind, solar or photovoltaic energy facility or structure.

"Instrument" means the easement, credit, or other deed restriction used to record a development transfer.

1 "Interested party" means: (a) in a criminal or quasi-criminal 2 proceeding, any citizen of the State of New Jersey; and (b) in the 3 case of a civil proceeding in any court or in an administrative 4 proceeding before a municipal agency, any person, whether residing 5 within or without the municipality, whose right to use, acquire, or 6 enjoy property is or may be affected by any action taken under **I**this 7 act P.L.1975, c.291 (C.40:55D-1 et seq.), or whose rights to use, acquire, or enjoy property under [this act] P.L.1975, c.291 8 9 (C.40:55D-1 et seq.), or under any other law of this State or of the 10 United States have been denied, violated or infringed by an action 11 or a failure to act under [this act] P.L.1975, c.291 (C.40:55D-1 et 12 sea.).

"Land" includes improvements and fixtures on, above or below he surface.

"Local utility" means any sewerage authority created pursuant to the "sewerage authorities law," P.L.1946, c.138 (C.40:14A-1 et seq.); any utilities authority created pursuant to the "municipal and county utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.); or any utility, authority, commission, special district or other corporate entity not regulated by the Board of Regulatory Commissioners under Title 48 of the Revised Statutes that provides gas, electricity, heat, power, water or sewer service to a municipality or the residents thereof.

"Lot" means a designated parcel, tract or area of land established by a plat or otherwise, as permitted by law and to be used, developed or built upon as a unit.

(cf: P.L.2009, c.146, s.1)

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- 4. Section 3.2 of P.L.1975, c.291 (C.40:55D-5) is amended to read as follows:
- 3.2. "Maintenance guarantee" means any security which may be accepted by a municipality for the maintenance of any improvements required by this act, including but not limited to surety bonds, letters of credit under the circumstances specified in section 16 of P.L.1991, c.256 (C.40:55D-53.5), and cash.

"Major subdivision" means any subdivision not classified as a minor subdivision.

"Master plan" means a composite of one or more written or graphic proposals for the development of the municipality as set forth in and adopted pursuant to section 19 of P.L.1975, c.291 (C.40:55D-28).

"Mayor" means the chief executive of the municipality, whatever his official designation may be, except that in the case of municipalities governed by municipal council and municipal manager the term "mayor" shall not mean the "municipal manager" but shall mean the mayor of such municipality.

"Military facility" means any facility located within the State which is owned or operated by the federal government, and which is

used for the purposes of providing logistical, technical, material,
 training, and any other support to any branch of the United States
 military.

"Military facility commander" means the chief official, base commander or person in charge at a military facility.

"Minor site plan" means a development plan of one or more lots which (1) proposes new development within the scope of development specifically permitted by ordinance as a minor site plan; (2) does not involve planned development, any new street or extension of any off-tract improvement which is to be prorated pursuant to section 30 of P.L.1975, c.291 (C.40:55D-42); and (3) contains the information reasonably required in order to make an informed determination as to whether the requirements established by ordinance for approval of a minor site plan have been met.

"Minor subdivision" means a subdivision of land for the creation of a number of lots specifically permitted by ordinance as a minor subdivision; provided that such subdivision does not involve (1) a planned development, (2) any new street or (3) the extension of any off-tract improvement, the cost of which is to be prorated pursuant to section 30 of P.L.1975, c.291 (C.40:55D-42).

"Municipality" means any city, borough, town, township or village.

"Municipal agency" means a municipal planning board or board of adjustment, or a governing body of a municipality when acting pursuant to this act and any agency which is created by or responsible to one or more municipalities when such agency is acting pursuant to this act.

"Municipal resident" means a person who is domiciled in the municipality.

"Nonconforming lot" means a lot, the area, dimension or location of which was lawful prior to the adoption, revision or amendment of a zoning ordinance, but fails to conform to the requirements of the zoning district in which it is located by reason of such adoption, revision or amendment.

"Nonconforming structure" means a structure the size, dimension or location of which was lawful prior to the adoption, revision or amendment of a zoning ordinance, but which fails to conform to the requirements of the zoning district in which it is located by reasons of such adoption, revision or amendment.

"Nonconforming use" means a use or activity which was lawful prior to the adoption, revision or amendment of a zoning ordinance, but which fails to conform to the requirements of the zoning district in which it is located by reasons of such adoption, revision or amendment.

"Noncontiguous cluster" means noncontiguous areas to be developed as a single entity according to a plan containing an area, or a section or sections thereof, to be developed for residential purposes, nonresidential purposes, or a combination thereof, at a

- greater concentration of density or intensity of land use than
  authorized within the area, section, or sections, under conventional
  development, in exchange for the permanent preservation of another
  area, or a section or sections thereof, as common or public open
  space, or for historic or agricultural purposes, or a combination
  thereof.
  - "Office of Smart Growth" means the Office of State Planning established pursuant to section 6 of P.L.1985, c.398 (C.52:18A-201).
  - "Official county map" means the map, with changes and additions thereto, adopted and established, from time to time, by resolution of the board of chosen freeholders of the county pursuant to R.S.40:27-5.
  - "Official map" means a map adopted by ordinance pursuant to article 5 of P.L.1975, c.291.
  - "Offsite" means located outside the lot lines of the lot in question but within the property, of which the lot is a part, which is the subject of a development application or the closest half of the street or right-of-way abutting the property of which the lot is a part.
  - "Off-tract" means not located on the property which is the subject of a development application nor on the closest half of the abutting street or right-of-way.
  - "Onsite" means located on the lot in question and excluding any abutting street or right-of-way.
  - "On-tract" means located on the property which is the subject of a development application or on the closest half of an abutting street or right-of-way.
  - "Open-space" means any parcel or area of land or water essentially unimproved and set aside, dedicated, designated or reserved for public or private use or enjoyment or for the use and enjoyment of owners and occupants of land adjoining or neighboring such open space; provided that such areas may be improved with only those buildings, structures, streets and offstreet parking and other improvements that are designed to be incidental to the natural openness of the land or support its use for recreation and conservation purposes.
- 37 (cf: P.L.2005, c.41, s.2)

- 39 5. Section 3.3 of P.L.1975, c.291 (C.40:55D-6) is amended to 40 read as follows:
  - 3.3. "Party immediately concerned" means for purposes of notice any applicant for development, the owners of the subject property and all owners of property and government agencies entitled to notice under section 7.1 of P.L.1975, c.291 (C.40:55D-12).
- "Performance guarantee" means any security, which may be accepted by a municipality, including but not limited to surety bonds, letters of credit under the circumstances specified in section 16 of P.L.1991, c.256 (C.40:55D-53.5), and cash.

"Planned commercial development" means an area of a minimum contiguous or noncontiguous size as specified by ordinance to be developed according to a plan as a single entity containing one or more structures with appurtenant common areas to accommodate commercial or office uses or both and any residential and other uses incidental to the predominant use as may be permitted by ordinance.

"Planned development" means planned unit development, planned unit residential development, [residential] contiguous cluster or noncontiguous cluster, planned commercial development or planned industrial development.

"Planned industrial development" means an area of a minimum contiguous or noncontiguous size as specified by ordinance to be developed according to a plan as a single entity containing one or more structures with appurtenant common areas to accommodate industrial uses and any other uses incidental to the predominant use as may be permitted by ordinance.

"Planned unit development" means an area with a specified minimum contiguous or noncontiguous acreage of 10 acres or more to be developed as a single entity according to a plan, containing one or more [residential] contiguous clusters or noncontiguous clusters or planned unit residential developments and one or more public, quasi-public, commercial or industrial areas in such ranges of ratios of nonresidential uses to residential uses as shall be specified in the zoning ordinance.

"Planned unit residential development" means an area with a specified minimum contiguous or noncontiguous acreage of five acres or more to be developed as a single entity according to a plan containing one or more [residential] contiguous clusters or noncontiguous clusters, which may include appropriate commercial, or public or quasi-public uses all primarily for the benefit of the residential development.

"Planning board" means the municipal planning board established pursuant to section 14 of P.L.1975, c.291 (C.40:55D-23).

"Plat" means a map or maps of a subdivision or site plan.

"Preliminary approval" means the conferral of certain rights pursuant to sections 34, 36 and 37 of P.L.1975, c.291 (C.40:55D-46; C.40:55D-48; and C.40:55D-49) prior to final approval after specific elements of a development plan have been agreed upon by the planning board and the applicant.

"Preliminary floor plans and elevations" means architectural drawings prepared during early and introductory stages of the design of a project illustrating in a schematic form, its scope, scale and relationship to its site and immediate environs.

"Public areas" means (1) public parks, playgrounds, trails, paths and other recreational areas; (2) other public open spaces; (3) scenic and historic sites; and (4) sites for schools and other public buildings and structures.

"Public development proposal" means a master plan, capital improvement program or other proposal for land development adopted by the appropriate public body, or any amendment thereto.

"Public drainage way" means the land reserved or dedicated for the installation of storm water sewers or drainage ditches, or required along a natural stream or watercourse for preserving the biological as well as drainage function of the channel and providing for the flow of water to safeguard the public against flood damage, sedimentation and erosion and to assure the adequacy of existing and proposed culverts and bridges, to induce water recharge into the ground where practical, and to lessen nonpoint pollution.

"Public open space" means an open space area conveyed or otherwise dedicated to a municipality, municipal agency, board of education, State or county agency, or other public body for [recreational or conservational uses] recreation and conservation purposes.

"Public utility" means any public utility regulated by the Board of Regulatory Commissioners and defined pursuant to R.S.48:2-13.

"Quorum" means the majority of the full authorized membership of a municipal agency.

"Receiving zone" means an area or areas designated in a master plan and zoning ordinance, adopted pursuant to P.L.1975, c.291 (C.40:55D-1 et seq.), within which development may be increased, and which is otherwise consistent with the provisions of section 9 of P.L.2004, c.2 (C.40:55D-145).

["Residential cluster" means a contiguous or noncontiguous area to be developed as a single entity according to a plan containing residential housing units which have a common or public open space area as an appurtenance.]

"Recreation and conservation purposes" means "recreation and conservation purposes" as defined in section 3 of P.L.1999, c.152 (C.13:8C-3).

"Residential density" means the number of dwelling units per gross acre of residential land area including streets, easements and open space portions of a development.

"Resubdivision" means (1) the further division or relocation of lot lines of any lot or lots within a subdivision previously made and approved or recorded according to law or (2) the alteration of any streets or the establishment of any new streets within any subdivision previously made and approved or recorded according to law, but does not include conveyances so as to combine existing lots by deed or other instrument.

43 (cf: P.L.2004, c.2, s.35)

- 6. Section 19 of P.L.1975, c.291 (c.40:55D-28) is amended to read as follows:
  - 19. Preparation; contents; modification.

- The planning board may prepare and, after public hearing, adopt or amend a master plan or component parts thereof, to guide the use of lands within the municipality in a manner which protects public health and safety and promotes the general welfare.
- The master plan shall generally comprise a report or statement and land use and development proposals, with maps, diagrams and text, presenting, at least the following elements (1) and (2) and, where appropriate, the following elements (3) through (16):
- (1) A statement of objectives, principles, assumptions, policies and standards upon which the constituent proposals for the physical, economic and social development of the municipality are based;
  - (2) A land use plan element

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- (a) taking into account and stating its relationship to the statement provided for in paragraph (1) hereof, and other master plan elements provided for in paragraphs (3) through (14) hereof and natural conditions, including, but not necessarily limited to, topography, soil conditions, water supply, drainage, flood plain areas, marshes, and woodlands;
- (b) showing the existing and proposed location, extent and intensity of development of land to be used in the future for varying residential, commercial, industrial, agricultural, of recreational, open space, educational and other public and private purposes or combination of purposes including any provisions for cluster development; and stating the relationship thereof to the existing and any proposed zone plan and zoning ordinance; and
- (c) showing the existing and proposed location of any airports and the boundaries of any airport safety zones delineated pursuant to the "Air Safety and Zoning Act of 1983," P.L.1983, c.260 (C.6:1-80 et al.); and
- (d) including a statement of the standards of population density and development intensity recommended for the municipality;
- (3) A housing plan element pursuant to section 10 of P.L.1985, c.222 (C.52:27D-310), including, but not limited to, residential standards and proposals for the construction and improvement of housing;
- (4) A circulation plan element showing the location and types of facilities for all modes of transportation required for the efficient movement of people and goods into, about, and through the municipality, taking into account the functional highway classification system of the Federal Highway Administration and the types, locations, conditions and availability of existing and proposed transportation facilities, including air, water, road and rail;
- 44 (5) A utility service plan element analyzing the need for and showing the future general location of water supply and distribution 46 facilities, drainage and flood control facilities, sewerage and waste treatment, solid waste disposal and provision for other related utilities, and including any storm water management plan required

pursuant to the provisions of P.L.1981, c.32 (C.40:55D-93 et al.). If a municipality prepares a utility service plan element as a condition for adopting a development transfer ordinance pursuant to subsection c. of section 4 of P.L.2004, c.2 (C.40:55D-140), the plan element shall address the provision of utilities in the receiving zone as provided thereunder;

- (6) A community facilities plan element showing the existing and proposed location and type of educational or cultural facilities, historic sites, libraries, hospitals, firehouses, police stations and other related facilities, including their relation to the surrounding areas;
- (7) A recreation plan element showing a comprehensive system of areas and public sites for recreation;
- (8) A conservation plan element providing for the preservation, conservation, and utilization of natural resources, including, to the extent appropriate, energy, open space, water supply, forests, soil, marshes, wetlands, harbors, rivers and other waters, fisheries, endangered or threatened species wildlife and other resources, and which systemically analyzes the impact of each other component and element of the master plan on the present and future preservation, conservation and utilization of those resources;
- (9) An economic plan element considering all aspects of economic development and sustained economic vitality, including (a) a comparison of the types of employment expected to be provided by the economic development to be promoted with the characteristics of the labor pool resident in the municipality and nearby areas and (b) an analysis of the stability and diversity of the economic development to be promoted;
- (10) An historic preservation plan element: (a) indicating the location and significance of historic sites and historic districts; (b) identifying the standards used to assess worthiness for historic site or district identification; and (c) analyzing the impact of each component and element of the master plan on the preservation of historic sites and districts;
- (11) Appendices or separate reports containing the technical foundation for the master plan and its constituent elements;
- (12) A recycling plan element which incorporates the State Recycling Plan goals, including provisions for the collection, disposition and recycling of recyclable materials designated in the municipal recycling ordinance, and for the collection, disposition and recycling of recyclable materials within any development proposal for the construction of 50 or more units of single-family residential housing or 25 or more units of multi-family residential housing and any commercial or industrial development proposal for the utilization of 1,000 square feet or more of land;
- (13) A farmland preservation plan element, which shall include: an inventory of farm properties and a map illustrating significant areas of agricultural land; a statement showing that municipal

- ordinances support and promote agriculture as a business; and a plan for preserving as much farmland as possible in the short term by leveraging moneys made available by P.L.1999, c.152 (C.13:8C-1 et al.) through a variety of mechanisms including, but not limited to, utilizing option agreements, installment purchases, and encouraging donations of permanent development easements;
  - (14) A development transfer plan element which sets forth the public purposes, the locations of sending and receiving zones and the technical details of a development transfer program based on the provisions of section 5 of P.L.2004, c.2 (C.40:55D-141);
  - (15) An educational facilities plan element which incorporates the purposes and goals of the "long-range facilities plan" required to be submitted to the Commissioner of Education by a school district pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4); and
  - (16) A green buildings and environmental sustainability plan element, which shall provide for, encourage, and promote the efficient use of natural resources and the installation and usage of renewable energy systems; consider the impact of buildings on the local, regional and global environment; allow ecosystems to function naturally; conserve and reuse water; treat storm water onsite; and optimize climatic conditions through site orientation and design.
  - c. The master plan and its plan elements may be divided into subplans and subplan elements projected according to periods of time or staging sequences.
  - d. The master plan shall include a specific policy statement indicating the relationship of the proposed development of the municipality, as developed in the master plan to (1) the master plans of contiguous municipalities, (2) the master plan of the county in which the municipality is located, (3) the State Development and Redevelopment Plan adopted pursuant to the "State Planning Act," sections 1 through 12 of P.L.1985, c.398 (C.52:18A-196 et seq.) and (4) the district solid waste management plan required pursuant to the provisions of the "Solid Waste Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.) of the county in which the municipality is located.
  - In the case of a municipality situated within the Highlands Region, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), the master plan shall include a specific policy statement indicating the relationship of the proposed development of the municipality, as developed in the master plan, to the Highlands regional master plan adopted pursuant to section 8 of P.L.2004, c.120 (C.13:20-8).

43 (cf: P.L.2008, c.54, s.1)

45 7. Section 29 of P.L.1975, c.291 (C.40:55D-38) is amended to 46 read as follows:

- 29. Contents of ordinance. An ordinance requiring approval by the planning board of either subdivisions or site plans, or both, shall include the following:
  - a. Provisions, not inconsistent with other provisions of this act, for submission and processing of applications for development, including standards for preliminary and final approval and provisions for processing of final approval by stages or sections of development;
    - b. Provisions ensuring:

- (1) Consistency of the layout or arrangement of the subdivision or land development with the requirements of the zoning ordinance;
- (2) Streets in the subdivision or land development of sufficient width and suitable grade and suitably located to accommodate prospective traffic and to provide access for firefighting and emergency equipment to buildings and coordinated so as to compose a convenient system consistent with the official map, if any, and the circulation element of the master plan, if any, and so oriented as to permit, consistent with the reasonable utilization of land, the buildings constructed thereon to maximize solar gain; provided that no street of a width greater than 50 feet within the right-of-way lines shall be required unless said street constitutes an extension of an existing street of the greater width, or already has been shown on the master plan at the greater width, or already has been shown in greater width on the official map;
- (3) Adequate water supply, drainage, shade trees, sewerage facilities and other utilities necessary for essential services to residents and occupants;
- (4) Suitable size, shape and location for any area reserved for public use pursuant to section 32 of this act;
- (5) Reservation pursuant to section 31 of [this act] P.L.1975, c.291 (C.40:55D-43) of any open space to be set aside for use and benefit of the residents of a cluster development or a planned development, resulting from the application of standards of density or intensity of land use, contained in the zoning ordinance, pursuant to [subsection c. of] section 52 of [this act] P.L.1975, c.291 (C.40:55D-65);
- (6) Regulation of land designated as subject to flooding, pursuant to subsection e. of section 52 of [this act] P.L.1975, c.291 (C.40:55D-65), to avoid danger to life or property;
- (7) Protection and conservation of soil from erosion by wind or water or from excavation or grading;
- 42 (8) Conformity with standards promulgated by the 43 Commissioner of Transportation, pursuant to the "Air Safety and 44 [Hazardous] Zoning Act of 1983," P.L.1983, c.260 (C.6:1-80 et 45 seq.), for any airport hazard areas delineated under that act;
- 46 (9) Conformity with a municipal recycling ordinance required 47 pursuant to section 6 of P.L.1987, c.102 (C.13:1E-99.16);

1 (10) Conformity with the State highway access management 2 code adopted by the Commissioner of Transportation under section 3 of the "State Highway Access Management Act," P.L.1989, c.32 4 (C.27:7-91), with respect to any State highways within the 5 municipality;

- (11) Conformity with any access management code adopted by the county under R.S.27:16-1, with respect to any county roads within the municipality;
- (12) Conformity with any municipal access management code adopted under R.S.40:67-1, with respect to municipal streets;
- (13) Protection of potable water supply reservoirs from pollution or other degradation of water quality resulting from the development or other uses of surrounding land areas, which provisions shall be in accordance with any siting, performance, or other standards or guidelines adopted therefor by the Department of Environmental Protection;
- (14) Conformity with the public safety regulations concerning storm water detention facilities adopted pursuant to section 5 of P.L.1991, c.194 (C.40:55D-95.1) and reflected in storm water management plans and storm water management ordinances adopted pursuant to P.L.1981, c.32 (C.40:55D-93 et al.); and
- 22 (15) Conformity with the model ordinance promulgated by the 23 Department of Environmental Protection and Department of 24 Community Affairs pursuant to section 2 of P.L.1993, c.81 25 (C.13:1E-99.13a) regarding the inclusion of facilities for the 26 collection or storage of source separated recyclable materials in any 27 new multifamily housing development.
  - c. Provisions governing the standards for grading, improvement and construction of streets or drives and for any required walkways, curbs, gutters, streetlights, shade trees, fire hydrants and water, and drainage and sewerage facilities and other improvements as shall be found necessary, and provisions ensuring that such facilities shall be completed either prior to or subsequent to final approval of the subdivision or site plan by allowing the posting of performance bonds by the developer;
  - d. Provisions ensuring that when a municipal zoning ordinance is in effect, a subdivision or site plan shall conform to the applicable provisions of the zoning ordinance, and where there is no zoning ordinance, appropriate standards shall be specified in an ordinance pursuant to this article; and
  - e. Provisions ensuring performance in substantial accordance with the final development plan; provided that the planning board may permit a deviation from the final plan, if caused by change of conditions beyond the control of the developer since the date of final approval, and the deviation would not substantially alter the character of the development or substantially impair the intent and purpose of the master plan and zoning ordinance.
- 48 (cf: P.L.1993, c.81, s.1)

- 8. Section 29.1 of P.L.1975, c.291 (C.40:55D-39) is amended to read as follows:
- 29.1 Discretionary contents of ordinance. An ordinance requiring approval by the planning board of either subdivisions or site plans or both may include the following:

- a. Provisions for off-tract water, sewer, drainage, and street improvements which are necessitated by a subdivision or land development, subject to the provisions of section 30 of P.L.1975, c.291 (C.40:55D-42);
- b. Provisions for standards encouraging and promoting flexibility, and economy in layout and design through the use of planned [unit] development, [planned unit residential development and residential cluster development, or both; provided that such standards shall be appropriate to the type of development permitted; and provided further that the ordinance shall set forth the limits and extent of any special provisions applicable to [such] planned developments and to cluster developments, considering the availability of existing and proposed infrastructure and the environmental characteristics of any area proposed for development and any area proposed for protection as open space, agricultural land, or historic site, so that the manner in which such special provisions differ from the standards otherwise applicable to subdivisions or site plans can be determined;
  - c. Provisions for planned development:
  - (1) Authorizing the planning board to grant general development plan approval to provide the increased flexibility desirable to promote mutual agreement between the applicant and the planning board on the basic scheme of a planned development and setting forth any variations from the ordinary standards for preliminary and final approval;
  - (2) Requiring that any common open space resulting from the application of standards for density, or intensity of land use, be set aside for the use and benefit of the owners or residents in such development subject to section 31 of [this act] P.L.1975, c.291 (C.40:55D-43);
  - (3) Setting forth how the amount and location of any common open space shall be determined and how its improvement and maintenance for common open space use shall be secured subject to section 31 of [this act] P.L.1975, c.291 (C.40:55D-43);
  - (4) Authorizing the planning board to allow for a greater concentration of density, or intensity of land use, within a section or sections of development, whether it be earlier, later or simultaneous in the development, than in others, in order to realize the preservation of agricultural lands, open space, and historic sites, or otherwise advance the purposes of P.L.1975, c.291 (C.40:55D-1 et seq.);
- 47 (5) Setting forth any requirement that the approval by the planning board of a greater concentration of density or intensity of

- land use for any section to be developed be offset by a smaller concentration in any completed prior stage or by an appropriate reservation of public open space or common open space on the remaining land, or preservation of land for historic or agricultural purposes, by grant of development restriction, easement, or by covenant in favor of the municipality; provided that such reservation shall, as far as practicable, defer the precise location of common open space until an application for final approval is filed, so that flexibility of development can be maintained;
  - (6) Setting forth any requirements for timing of development among the various types of uses and subgroups thereunder and, in the case of planned unit development and planned unit residential development, whether some nonresidential uses are required to be built before, after or at the same time as the residential uses.
  - d. Provisions ensuring in the case of a development which proposes construction over a period of years, the protection of the interests of the public and of the residents, occupants and owners of the proposed development in the total completion of the development.
  - e. Provisions that require as a condition for local municipal approval the submission of proof that no taxes or assessments for local improvements are due or delinquent on the property for which any subdivision, site plan, or planned development application is made.
  - f. Provisions for the creation of a Site Plan Review Advisory Board for the purpose of reviewing all site plan applications and making recommendations to the planning board in regard thereto.
  - g. Provisions for standards governing outdoor advertising signs required to be permitted pursuant to P.L.1991, c.413 (C.27:5-5 et seq.) including, but not limited to, the location, placement, size and design thereof.
    - h. Provisions for cluster development:
  - (1) Authorizing the planning board flexibility to approve a subdivision or site plan or both through mutual agreement with an applicant to allow for the clustering of development within a section or sections of development at a greater concentration of density or intensity of land use than established for the zoning district, in order to achieve the goal of permanently protecting land as public open space or common open space, or for historic or agricultural purposes.
- 41 (2) Requiring the placement of a development restriction on any
  42 land identified for preservation in accordance with section 9 of P.L.
  43 c. (C. ) (pending before the Legislature as this bill).
- 44 (cf: P.L.2004, c.42, s.8)

9. (New section) a. An ordinance authorizing the planning board to approve planned developments, subdivisions, or site plans that allow for contiguous cluster or noncontiguous cluster shall provide for the permanent protection of land proposed to be preserved as public open space or common open space, as a historic site, or as agricultural land in accordance with the provisions set forth in this section.

- b. Land identified for preservation as public open space shall be conveyed or dedicated by conservation restriction. A municipality may use a conservation restriction template prepared by the Department of Environmental Protection for this purpose. The Department of Environmental Protection shall make available to municipalities a conservation restriction template.
- c. (1) Land identified for preservation as a historic site shall be conveyed or dedicated by historic preservation restriction. A municipality may use a historic preservation restriction template prepared by the New Jersey Historic Trust or obtain approval of the historic preservation restriction by the New Jersey Historic Trust. The New Jersey Historic Trust shall make available to municipalities a historic preservation restriction template.
- (2) A municipality accepting a historic preservation restriction that has provided for and maintains an active historic preservation commission, consistent with sections 21 through 26 of P.L.1985, c.516 (C.40:55D-107 et seq.), may authorize the commission to establish a mechanism for annual monitoring and enforcement of the historic preservation restriction consistent with The Secretary of the Interior's Standards for the Treatment of Historic Properties, Part 68 of title 36, Code of Federal Regulations.
- (3) A municipality accepting a historic preservation restriction that has not provided for or does not maintain an active historic preservation commission, consistent with sections 21 through 26 of P.L.1985, c.516 (C.40:55D-107 et seq.), or authorized the commission to establish a mechanism for annual monitoring and enforcement of the historic preservation restriction, may convey or authorize conveyance of the historic preservation restriction by municipal ordinance to a qualified public agency or non-profit preservation organization, as determined by the New Jersey Historic Trust, which has a commitment to administer, annually monitor, and enforce the terms of the historic preservation restriction consistent with The Secretary of the Interior's Standards for the Treatment of Historic Properties, Part 68 of title 36, Code of Federal Regulations.
- d. (1) Land identified for preservation as agricultural land shall be conveyed or dedicated by agricultural restriction. A municipality shall use an agricultural restriction template prepared by the State Agriculture Development Committee or obtain approval of the agricultural restriction by the State Agriculture Development Committee. The State Agriculture Development

- 1 Committee shall make available to municipalities an agricultural restriction template.
  - (2) An agricultural restriction may contain provisions:

- (a) to allow limited non-agricultural uses which the State Agriculture Development Committee finds compatible with agricultural use and production;
- (b) to allow future amendments to the area subject to the agricultural restriction in order to accommodate public improvements including but not limited to roadways, drainage facilities and other public infrastructure so long as the amendment results in only de minimis impact to the original area subject to the restriction;
- (c) to allow the inclusion of existing dwelling units or limited additional future housing opportunities that directly support the property's agricultural operations and are appropriate to the scale of the preserved farmland.
- (3) The State Agriculture Development Committee shall grant or deny approval of a proposed agricultural restriction within 60 days of receipt of a request therefore. If the State Agriculture Development Committee fails to act within this period, the failure shall be deemed to be an approval of the agricultural restriction.
- (4) Municipalities authorizing agricultural restrictions shall have an adopted "Right to Farm" ordinance consistent with the model Right to Farm ordinance adopted by the State Agriculture Development Committee pursuant to the "Right to Form Act," P.L.1983, c.31 (C.4:1C-1 et al.).
- (5) Agricultural land subject to an agricultural restriction approved by the State Agriculture Development Committee shall be provided the right to farm benefits under the "Right to Farm Act," P.L.1983, c.31 (C.4:1C-1 et al.) and other benefits that may be provided pursuant to the "Agriculture Retention and Development Act," P.L.1983, c.32 (C.4:1C-11 et seq.).
- e. Any development restriction shall be recorded in the office of the county recording officer prior to the start of construction.
  - f. Any development restriction shall be expressly enforceable by the municipality and the State of New Jersey and, if authorized by municipal ordinance, another public agency or non-profit conservation organization.
  - g. An ordinance authorizing the planning board to approve planned developments, subdivisions or site plans that allows for contiguous cluster or noncontiguous cluster may provide for:
  - (1) the assignment of bonus density or intensity of use, including, but not limited to, increased units, floor area ratio, height, or impervious cover in order to realize the preservation of agricultural lands, open space, and historic sites or otherwise advance the purposes of P.L.1975, c.291 (C.40:55D-1 et seq.);
  - (2) the conveyance of land that is subject to a preservation restriction to a separate person or entity.

- 1 h. An ordinance authorizing the planning board to approve 2 planned developments, subdivisions or site plans that allows for contiguous cluster may authorize the owners of contiguous properties to jointly submit an application for development.
  - An ordinance authorizing the planning board to approve planned developments, subdivisions or site plans that allows for noncontiguous cluster:
  - (1) shall not authorize use of the development transfer provisions set forth in the "State Transfer of Development Rights Act," P.L.2004, c.2 (C.40:55D-137 et seq.);
  - (2) may provide that areas to be developed are developed in phases, provided that the terms and conditions intended to protect the interests of the public and of the residents, occupants and owners of the proposed development in the total completion of the development are adequate;
- 16 (3) shall provide that any noncontiguous cluster program is 17 optional.

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- 10. Section 29.2 of P.L.1975, c.291 (C.40:55D-40) is amended to read as follows:
- 29.2 An ordinance requiring subdivision approval by the planning board pursuant to this article may also include:
- a. Provisions for minor subdivision approval pursuant to section 35 of this act; and
- b. Standards permitting lot-size averaging and encouraging and promoting flexibility, economy and environmental soundness in layout and design in accordance with which the planning board may approve the varying, within a conventional subdivision, of lot areas and dimensions, and yards and setbacks otherwise required by municipal development regulations [in such a way that the average lot areas and dimensions, yards and setbacks within the subdivision conform to the conventional norms of the municipal development regulations]; provided that the authorized density on the parcel or set of contiguous parcels is not exceeded; provided that such standards shall be appropriate to the type of development permitted. An ordinance authorizing the planning board to approve subdivisions with varying lot areas may set forth limitations, or

39 (cf: P.L.1975, c.291, s.29.2)

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11. Section 31 of P.L.1975, c.291 (C.40:55D-43) is amended to read as follows:

impose no limitation, upon the extent of variation in lot areas.

43 31. a. An ordinance pursuant to this article permitting planned 44 unit development, planned unit residential development or 45 [residential] cluster <u>development</u> may provide that the municipality 46 or other governmental agency may, at any time and from time to 47 time, accept the dedication of land or any interest therein for public 48 use and maintenance, but the ordinance shall not require, as a

condition of the approval of a planned development, that land proposed to be set aside for common open space be dedicated or made available to public use.

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An ordinance pursuant to this article providing for planned unit development, planned unit residential development, or [residential] cluster development shall require that the developer provide for an organization for the ownership and maintenance of any open space for the benefit of owners or residents of the development, if said open space is not dedicated to the municipality or other governmental agency or otherwise conveyed to or owned by a separate person or entity. Such organization shall not be dissolved and the organization, person, or entity shall not dispose of any open space, by sale or otherwise, except to an organization conceived and established to own and maintain the open space for the benefit of such development, and thereafter such organization shall not be dissolved or the organization, person, or entity dispose of any of its open space without first offering to dedicate the same to the municipality or municipalities wherein the land is located.

b. In the event that such organization, person, or entity shall fail to maintain the open space in reasonable order and condition, the municipal body or officer designated by ordinance to administer this subsection may serve written notice upon such organization, person, or entity or upon the owners of the development setting forth the manner in which the organization, person, or entity has failed to maintain the open space in reasonable condition, and said notice shall include a demand that such deficiencies of maintenance be cured within 35 days thereof, and shall state the date and place of a hearing thereon which shall be held within 15 days of the notice. At such hearing, the designated municipal body or officer, as the case may be, may modify the terms of the original notice as to deficiencies and may give a reasonable extension of time not to exceed 65 days within which they shall be cured. If the deficiencies set forth in the original notice or in the modification thereof shall not be cured within said 35 days or any permitted extension thereof, the municipality, in order to preserve the open space and maintain the same for a period of 1 year may enter upon and maintain such land. Said entry and maintenance shall not vest in the public any rights to use the open space except when the same is voluntarily dedicated to the public by the owners. Before the expiration of said year, the designated municipal body or officer, as the case may be, shall, upon its initiative or upon the request of the organization. person, or entity theretofore responsible for the maintenance of the open space, call a public hearing upon 15 days written notice to such organization, person, or entity and to the owners of the development, to be held by such municipal body or officer, at which hearing such organization, person, or entity and the owners of the development shall show cause why such maintenance by the municipality shall not, at the election of the municipality, continue

for a succeeding year. If the designated municipal body or officer, as the case may be, shall determine that such organization, person, or entity is ready and able to maintain said open space in reasonable condition, the municipality shall cease to maintain said open space at the end of said year. If the municipal body or officer, as the case may be, shall determine such organization, person, or entity is not ready and able to maintain said open space in a reasonable condition, the municipality may, in its discretion, continue to maintain said open space during the next succeeding year, subject to a similar hearing and determination, in each year thereafter. The decision of the municipal body or officer in any such case shall constitute a final administrative decision subject to judicial review.

If a municipal body or officer is not designated by ordinance to administer this subsection, the governing body shall have the same powers and be subject to the same restrictions as provided in this subsection.

c. The cost of such maintenance by the municipality shall be assessed pro rata against the properties within the development that have a right of enjoyment of the open space in accordance with assessed value at the time of imposition of the lien, and shall become a lien and tax on said properties and be added to and be a part of the taxes to be levied and assessed thereon, and enforced and collected with interest by the same officers and in the same manner as other taxes.

(cf: P.L.1975, c.291, s.31)

- 12. Section 38 of P.L.1975, c.291 (C.40:55D-50) is amended to read as follows:
  - 38. Final approval of site plans and major subdivisions.
- a. The planning board shall grant final approval if the detailed drawings, specifications and estimates of the application for final approval conform to the standards established by ordinance for final approval, the conditions of preliminary approval and, in the case of a major subdivision, the standards prescribed by [the "Map Filing Law," P.L.1960, c. 141 (C. 46:23-9.9 et seq.)] N.J.S.46:26B-1 et seq.; provided that in the case of a planned [unit development, planned unit residential] development [or residential cluster], the planning board may permit minimal deviations from the conditions of preliminary approval necessitated by change of conditions beyond the control of the developer since the date of preliminary approval without the developer being required to submit another application for development for preliminary approval.
  - b. Final approval shall be granted or denied within 45 days after submission of a complete application to the administrative officer, or within such further time as may be consented to by the applicant. Failure of the planning board to act within the period prescribed shall constitute final approval and a certificate of the administrative officer as to the failure of the planning board to act

shall be issued on request of the applicant, and it shall be sufficient in lieu of the written endorsement or other evidence of approval, herein required, and shall be so accepted by the county recording officer for purposes of filing subdivision plats.

Whenever review or approval of the application by the county planning board is required by section 5 of P.L.1968, c. 285 (C. 40:27-6.3), in the case of a subdivision, or section 8 of P.L.1968, c. 285 (C. 40:27-6.6), in the case of a site plan, the municipal planning board shall condition any approval that it grants upon timely receipt of a favorable report on the application by the county planning board or approval by the county planning board by its failure to report thereon within the required time period.

(cf: P.L.1975, c.291, s.38)

13. Section 49 of P.L.1975, c.291 (C.40:55D-62) is amended to read as follows:

49. Power to zone. a. The governing body may adopt or amend a zoning ordinance relating to the nature and extent of the uses of land and of buildings and structures thereon. Such ordinance shall be adopted after the planning board has adopted the land use plan element and the housing plan element of a master plan, and all of the provisions of such zoning ordinance or any amendment or revision thereto shall either be substantially consistent with the land use plan element and the housing plan element of the master plan or designed to effectuate such plan elements; provided that the governing body may adopt a zoning ordinance or amendment or revision thereto which in whole or part is inconsistent with or not designed to effectuate the land use plan element and the housing plan element, but only by affirmative vote of a majority of the full authorized membership of the governing body, with the reasons of the governing body for so acting set forth in a resolution and recorded in its minutes when adopting such a zoning ordinance; and provided further that, notwithstanding anything aforesaid, the governing body may adopt an interim zoning ordinance pursuant to subsection b. of section 77 of P.L.1975, c.291 (C.40:55D-90).

The zoning ordinance shall be drawn with reasonable consideration to the character of each district and its peculiar suitability for particular uses and to encourage the most appropriate use of land. The regulations in the zoning ordinance shall be uniform throughout each district for each class or kind of buildings or other structure or uses of land, including planned unit development, planned unit residential development and [residential] cluster development, but the regulations in one district may differ from those in other districts.

b. No zoning ordinance and no amendment or revision to any zoning ordinance shall be submitted to or adopted by initiative or referendum.

- c. The zoning ordinance shall provide for the regulation of any airport safety zones delineated under the "Air Safety and Zoning Act of 1983," P.L.1983, c.260 (C.6:1-80 et seq.), in conformity with standards promulgated by the Commissioner of Transportation.
- 5 The zoning ordinance shall provide for the regulation of land 6 adjacent to State highways in conformity with the State highway 7 access management code adopted by the Commissioner of 8 Transportation under section 3 of the "State Highway Access 9 Management Act," P.L.1989, c.32 (C.27:7-91), for the regulation of 10 land with access to county roads and highways in conformity with 11 any access management code adopted by the county under 12 R.S.27:16-1 and for the regulation of land with access to municipal 13 streets and highways in conformity with any municipal access 14 management code adopted under R.S.40:67-1. This subsection shall 15 not be construed as requiring a zoning ordinance to establish 16 minimum lot sizes or minimum frontage requirements for lots 17 adjacent to but restricted from access to a State highway. 18 (cf: P.L.1991, c.445, s.9)

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- 14. Section 52 of P.L.1975, c.291 (C.40:55D-65) is amended to read as follows:
  - 52. A zoning ordinance may:
- a. Limit and restrict buildings and structures to specified districts and regulate buildings and structures according to their type and the nature and extent of their use, and regulate the nature and extent of the use of land for trade, industry, residence, open space or other purposes.
- b. Regulate the bulk, height, number of stories, orientation, and size of buildings and the other structures; the percentage of lot or development area that may be occupied by structures; minimum or maximum lot sizes, or a combination thereof, and dimensions, including provisions concerning lot-size averaging; minimum improvable lot areas and cluster development, and for these purposes may specify minimum or maximum floor areas, or a combination thereof, floor area ratios and other ratios and regulatory techniques governing the intensity of land use and the provision of adequate light and air, including, but not limited to the potential for utilization of renewable energy sources. regulations may provide for the clustering of development between noncontiguous parcels and may, in order to provide equitable opportunities for the use of development potential on off-tract locations in addition to authorized on-site development, and, to encourage the flexibility of density, intensity of land uses, design and type, authorize a deviation in various clusters from the density, or intensity of use, established for the zoning district. The regulations by which the design, bulk and location of buildings are to be evaluated shall be set forth in the zoning ordinance and all standards and criteria for any feature of a cluster development shall

be set forth in such ordinance with sufficient certainty to provide
 reasonable criteria by which specific proposals for clustered
 development can be evaluated.

- 4 c. Provide districts for planned developments; provided that an 5 ordinance providing for approval of subdivisions and site plans by 6 the planning board has been adopted and incorporates therein the 7 provisions for such planned developments in a manner consistent 8 with article 6 of P.L.1975, c.291 (C.40:55D-37 et seq.). The zoning 9 ordinance shall establish standards governing the type and density, 10 or intensity of land use, in a planned development. Said standards 11 shall take into account that the density, or intensity of land use, 12 otherwise allowable may not be appropriate for a planned 13 development. The standards may vary the type and density, or 14 intensity of land use, otherwise applicable to the land within a 15 planned development in consideration of the amount, location and 16 proposed use of open space; the location and physical 17 characteristics of the site of the proposed planned development 18 considering the availability of existing and proposed infrastructure 19 and the environmental characteristics of the parcel that will be 20 developed and the open space, agricultural or historical resources to 21 be protected; and the location, design and type of dwelling units and 22 other uses. Such standards may provide for the clustering of 23 development between noncontiguous parcels and may, in order to 24 encourage the flexibility of density, intensity of land uses, design 25 and type, authorize a deviation in various clusters from the density, 26 or intensity of use, established for an entire planned development. 27 The standards and criteria by which the design, bulk and location of 28 buildings are to be evaluated shall be set forth in the zoning 29 ordinance and all standards and criteria for any feature of a planned 30 development shall be set forth in such ordinance with sufficient 31 certainty to provide reasonable criteria by which specific proposals 32 for planned development can be evaluated.
  - d. Establish, for particular uses or classes of uses, reasonable standards of performance and standards for the provision of adequate physical improvements including, but not limited to, off-street parking and loading areas, marginal access roads and roadways, other circulation facilities and water, sewerage and drainage facilities; provided that section 41 of P.L.1975, c.291 (C.40:55D-53) shall apply to such improvements.

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- e. Designate and regulate areas subject to flooding (1) pursuant to P.L.1972, c.185 (C.58:16A-55 et seq.) or (2) as otherwise necessary in the absence of appropriate flood hazard area designations pursuant to P.L.1962, c.19 (C.58:16A-50 et seq.) or floodway regulations pursuant to P.L.1972, c.185 or minimum standards for local flood fringe area regulation pursuant to P.L.1972, c.185.
- f. Provide for conditional uses pursuant to section 54 of P.L.1975, c.291 (C.40:55D-67).

- g. Provide for senior citizen community housing.
- h. Require as a condition for any approval which is required pursuant to such ordinance and the provisions of this chapter, that no taxes or assessments for local improvements are due or delinquent on the property for which any application is made.
- i. Provide for historic preservation pursuant to section 5 of P.L.1991, c.199 (C.40:55D-65.1).
  - j. Provide for sending and receiving zones for a development transfer program established pursuant to P.L.2004, c.2 (C.40:55D-137 et al.).
  - k. Provide for areas to be developed and areas to be preserved through cluster development or establish criteria for the establishment of such areas for cluster development.
  - l. Provide that parcels that are developed and parcels that are preserved through contiguous cluster or noncontiguous cluster may be consolidated for tax and stewardship purposes if they are in common ownership.

18 (cf: P.L.2004, c.2, s.39)

15. This act shall take effect immediately.

#### **STATEMENT**

This bill would amend the Municipal Land Use Law (MLUL) to provide municipalities with more effective, fair, and affordable tools to plan for livable neighborhoods and districts while preserving farmland, open space, and historic sites. The bill would expand upon the existing provisions of law that authorize cluster development and clarify a provision of law that authorizes a related planning tool, lot-size averaging. The bill is permissive, authorizing municipalities and landowners additional options for subdividing and developing land.

Under current law, clustering is a planning tool that allows municipalities to permit development of one or more areas in a more compact pattern than otherwise required in the zone, resulting in the preservation of open space in the remaining land area or areas. Two kinds of clustering are authorized in New Jersey today:

- "contiguous cluster," where a parcel or set of adjacent parcels are developed as a single entity that results in both development and preservation; and
- "noncontiguous cluster," where a set of non-adjacent parcels are developed in the same way.

In both contiguous and noncontiguous clustering, the combined development potential from the parcel or parcels is concentrated in growth areas, resulting in more intense development of the growth area than authorized under conventional zoning, and the remaining land is permanently preserved. Cluster development, as opposed to conventional development, allows municipalities and landowners to concentrate development in areas where they agree that it makes sense to target development. This can result in the establishment of close-knit communities and allow for the more efficient provision of infrastructure and local government services.

The bill amends the MLUL to make contiguous clustering and noncontiguous clustering more effective and usable planning tools. The bill responds, in part, to certain court decisions that have struck down municipal cluster development ordinances because of a lack of statutory authorization.

Current law authorizes the clustering of residential development as a technique to preserve open space. The bill expands upon this limited authorization by allowing municipalities to authorize the clustering of residential, nonresidential, and mixed-use development as a technique to preserve farmland, historic sites, open space, or a combination thereof.

Current law specifically authorizes cluster development solely within the context of planned developments, which, generally, concern larger-scale developments and which impose more requirements on both the applicant and the municipality. The bill authorizes municipalities to use clustering through either the provisions of a planned development or the zoning ordinance, therefore encouraging the more effective development of smaller-scale projects.

The bill authorizes municipalities to increase the development potential in areas targeted for cluster development by assigning density or intensity of use bonuses in order to create an incentive for landowners to use the cluster development option.

The bill clarifies when noncontiguous clustering may be used instead of a full transfer of development rights (TDR) program. Under noncontiguous clustering, municipalities would be authorized, but not required, to indicate "areas to be developed" and "areas to be preserved," or establish criteria for the selection of such areas, both of which provide greater control over how development would occur. A municipality may not, however, utilize noncontiguous clustering to access the formal "density transfer provisions" authorized by the TDR statute, which include the allocation of severable development credits to sending-area properties with the intent to create a market for their sale.

The bill clarifies that the MLUL authorizes "lot-size averaging" by inserting that term into a provision of the MLUL that authorizes municipal subdivision ordinances to include standards encouraging and promoting flexibility, economy, and environmental soundness in layout and design. This section permits a planning board to approve the varying, within a conventional subdivision, of lot areas and dimensions, and yards and setbacks otherwise required by municipal development regulations in accordance with those standards. The bill amends that section to afford planning boards

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greater discretion to approve subdivisions with varying lot areas, provided that the authorized density on the parcel or set of contiguous parcels is not exceeded. The bill also authorizes municipalities to adopt lot-size averaging provisions as part of their zoning ordinances.

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The bill provides that a municipality would include any provisions for cluster development in the land use plan element of its master plan. The bill authorizes municipal zoning ordinances to set forth ranges of permissible lot sizes, dimensions, and floor areas for development within a zone, rather than setting forth specific lot sizes, dimensions, and floor area ratios, thereby setting forth clear parameters for boards and applicants when considering applications involving clustering and lot-size averaging. The bill also authorizes municipalities to include in their zoning ordinances provisions for lot-size averaging, minimum improvable lot areas, and cluster development.