

New Jersey Pinelands Development Credits (PDC) Program

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Ingredients for a Successful TDR Program

- Clearly define the program's objectives.
- Clearly define TDR sending and receiving areas.
- Allocate TDRs to sending areas using an approach (whether it is based on land values or land characteristics) which is reasonable and simple.
- Locate receiving areas where there is pressure for development and where infrastructure and services can be efficiently provided.
- Provide more receiving opportunities than there are rights available for transfer.
- Target future infrastructure investments to the receiving areas.
- Establish receiving area densities carefully - the threshold above which TDRs will be needed is crucial.
- Adhere to TDR density bonuses - don't permit re-zonings and variances to undermine the program.
- Evaluate the economics of TDR use in receiving areas to ensure that the return to sending area will match expectations.
- Keep the program's operation as simple as possible.
- Aggressively market the program in sending and receiving areas.
- Be prepared to have the government serve as a middle man if property owners' interest in selling TDRs initially exceeds developers' interest in buying them.