

TO: Members of the Senate Economic Growth Committee  
FROM: Dianne R. Brake, President  
DATE: November 24, 2008  
RE: Redevelopment: Amendments to the RAD, UTHTCA

Thank you for the opportunity to comment on the amendments to the laws that are before you today.

For the last 40 years, PlanSmart NJ has been promoting the redevelopment of blighted urban areas and the redevelopment of dysfunctional suburban areas. We define suburban dysfunction as land use patterns that are too low to provide affordable places to live and work, or to serve with public transit, yet too high to conserve natural resources or promote environmental protection. It is vital that new growth in New Jersey be directed away from open land and into improving the landscape in urban and suburban areas.

Although redevelopment allows economic growth that will reduce the impact on the environment, it has proved very difficult to produce. Even after agents of government have embraced the concept of Smart Growth, which has redevelopment as its core concept, they have failed to update their rules and regulations to promote it.

It is for this reason that PlanSmart NJ has joined forces with the Smart Growth Economic Development Coalition – with the strength of working in partnership with many other groups, we hope to root out the obstacles to redevelopment and promote amendments to those laws and rules that could do the most to promote it.

PlanSmart NJ supports the amendments to the RAD and UTHTCA laws in front of the committee today. We base this support on the experience of our broad range of members, who support redevelopment for many reasons – for a better economy, a better environment, more resource efficiency and more regional equity.

We know that besides the BEIP program, the Urban Transit Hub Tax Credit is the most significant tool to help commercial development in our biggest urban transit hubs to be competitively priced to lure what might otherwise be suburban development back into the cities. This new development will bolster the cities' ailing tax bases, promote access to public transit, and reduce pressure on open land to be converted into development in suburban and rural areas.

Whereas other states have Tax Increment Financing as a financial tool to support the construction of needed infrastructure to support new redevelopment, New Jersey has not. PlanSmart NJ also knows that without the amendments that are today under consideration, the current RAD program is too limited and difficult to use.

In particular, PlanSmart NJ advocates for the changes to the RAD in order to provide the Route 1 Corridor with a financial tool that will help to implement the proposed Bus Rapid Transit (BRT) system currently under

study by New Jersey Transit for the Corridor. The BRT has the support of businesses, residents and environmentalists in the region, but everyone recognizes that without tools such as the modified RAD, the BRT will never be fully implemented.

In today's economic climate, in which New Jersey is in deeper trouble than its neighbors because our laws and regulations are obstructive to economic growth, we need changes, such as those before you today, to encourage growth that is environmentally, fiscally, and equitably sound. Please adopt these amendments today. Thank you.