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Legislators Review Permit Extension Bill

By *Brianne Harrison*

TRENTON, NJ-The Smart Growth Coalition, a group of developers and business leaders who have drafted a collection of bills aimed at promoting smart growth in New Jersey, have introduced their first piece of legislation. The Permit Extension Act, which would extend state, county and local permits and approvals issued on projects after Jan. 1, 2006 until the end of 2012, has already been heavily amended by the state Assembly. The coalition is hopeful that the bill will fare better in the Senate, which will debate the act on Thursday.

The act, which is a response to the economic slowdown and mortgage crisis that have brought many projects to a halt, was a last-minute addition to the 12-bill packet authored by the coalition. "You have permits for projects that, had it not been for the softening demand for housing and commercial space and the credit crunch, would have been started," Ted Zangari, a lawyer with Sills, Cummis & Gross and the Coalition's lobbyist, tells GlobeSt.com. "These developers did everything right. Permits that can't be used today due to market forces beyond the developers' control should not be tossed in the garbage."

Under the current system, developers whose permits lapse would be forced to restart the entire permitting process. Zangari argues that this wastes time and is not financially feasible for many companies.

"It takes several years and an average of 157 permits and approvals to get a major project off the ground," explains Zangari. "I would argue that a number of projects would never be able to survive another round of approvals. They just can't afford another five years of carrying costs and going through the process. There's no compelling reason why permits for projects in most areas of the state should not be extended." Zangari does, however, make an exception to projects in environmentally sensitive areas, as conditions in those areas can change rapidly.

The act was first presented to the Assembly's Housing and Local Government committee, where it passed unanimously. According to Zangari, environmental groups, some of whom worry that the package of bills would give developers too much freedom, insisted on another review, this time by the Assembly Solid Waste and Environment committee.

In the course of its review on June 12, the act had several amendments added to it, most of which, says Zangari, are "unacceptable to coalition members." Besides protecting larger areas of the Pinelands and Highlands, changes include amending the time period from Jan. 1, 2006 through Dec. 31, 2012 to Jan. 1, 2008 through Dec. 31, 2010. Zangari argues that the 2012 date was chosen to give developers time to recover from the recession.

"We're not expecting the recession to last three and a half more years," he said, "but the day the recession is declared over, a developer doesn't stick a shovel in the ground. Developers need time to re-employ, they need to reapply for loans. This all takes time."

The coalition hopes that the bill will have more success in the Senate. "We're pinning our hopes on the senate version and hoping that becomes a common sense alternative with common sense

amendments," says Zangari. "Coalition members are agreeable to amendments. I think we all agree that environmentally sensitive areas should not be subjected to full permit extension, so there's room for some compromise at our end. We do not, however, agree with all the changes made by the Assembly Solid Waste and Environment committee last week."

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