

The Permit Extension Act: What it May Mean for Your Community

Triad Associates

Governor Corzine recently signed into law a bill that extends the life of permits and approvals granted by government: known as "The Permit Extension Act of 2008." According to this act, due to the current economic crisis, both the public and private sectors are unable to proceed with many projects already authorized by permits and approvals from the State. A substantial decrease in financing is causing developers to shelve their projects after proper permitting has been obtained. Because of the difficult and costly nature of obtaining permits, the State is allowing certain types of permits to be extended up to four years, until the economy improves and financing can be obtained.

Typical building permits that can be extended include planning board and zoning board of adjustment approvals for subdivisions, site plans and variances, wetlands permits, treatment works approvals, on-site wastewater disposal permits, stream encroachment permits, flood hazard area permits and highway access permits. According to the act:

"The construction industry and related trades are sustaining severe economic losses and the lapsing of government development approvals is exacerbating those losses. It is the purpose of this Act to prevent the wholesale abandonment of approvals due to the present unfavorable economic conditions by tolling the term of these approvals until such time as the economy improves, thereby preventing a waste of public and private resources."

It is noteworthy to mention that extensions may also be granted for plan endorsement and center designations pursuant to the State Planning Act. Therefore, if your municipality has a center designation that expired in January 2008, this Permit Extension Act may affect your designation.

Further, the following are also subject to the extensions: development applications granted by the Pinelands Commission, determinations of municipal and county plan conformance pursuant to the Pinelands Protection Act, permits issued and center designations awarded through the Coastal Area Facility Review Act and permits, approvals issued pursuant to the Highlands Water Protection and Planning Act, waterfront development permits issued pursuant to The Wetlands Act of 1970, permits issued pursuant to the Freshwater Wetlands Protection Act, applications for development granted through the Delaware and Raritan Canal State Park Law of 1974 and permits issued pursuant to the Hackensack Meadowlands Reclamation and Development Act.

Permits or approvals pursuant to the Pinelands Protection Act will not be extended if the extension results in a violation of federal law or any state rule or regulation. Approvals

issued under the Municipal Land Use Law for development involving a residential use will not be extended if the property was rezoned to industrial or commercial use prior to January 1, 2005.

The Permit Extension Act defines the period of economic emergency as beginning January 1, 2006 and continuing through December 31, 2012. It is important for municipal officials to work with their planners and administrative staff to evaluate the projects and designations that are impacted by this act, which takes effect immediately.

To determine the impact of the act on an individual development permit, the most appropriate first step would be to contact the permitting agency to determine the extent to which an extension may be granted. For questions about State Plan Center, contact the New Jersey Office of Smart Growth at (609) 292-7156. For CAFRA or Coastal Center Designations, contact the New Jersey Department of Environmental Protection at (609) 292-2885.

This is an important piece of legislation that may have sweeping impacts on your community. It is important to get your hands around it as soon as possible!

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