

Glossary of Terms

Agricultural Production Area: One of nine different management areas in the Pinelands Area. As an automatic sending area, land in Agricultural Production Areas is eligible for an allocation of Pinelands Development Credits.

Allocation: An official calculation done by the Pinelands Commission to determine the number of PDCs to which a parcel of land is entitled. The allocation is identified in a Letter of Interpretation (LOI).

Certificate of Filing: A document issued by the Pinelands Commission to an applicant for a development project indicating that a full and complete application has been submitted. This is required before many local and state agencies may hear, review or take action on a development application.

Comprehensive Management Plan (CMP): The Plan adopted by the Pinelands Commission to protect the Pinelands region. The Plan contains land use controls and development standards which municipalities reflect in their zoning ordinances. The nine Pinelands management areas and the Pinelands Development Credit program are part of the Pinelands CMP.

Deed Restriction: A legal document filed in a County's official property records, placing limits on the use of a property. In the PDC program, it normally extinguishes the right to build homes on or subdivide residential lots from a sending property but allows other uses, such as farming, forestry and low intensity recreation.

Density: The number of dwellings that can be placed on a unit of land. It is normally expressed as the number of dwelling units per acre of land.

Easement: See deed restriction.

Encumber: The act of burdening a Pinelands Development Credit with a financial liability, such as pledging a PDC as security or collateral for a loan.

Fair Market Value: For purposes of the Pinelands waiver program, the value of a parcel of land based on what a willing buyer will pay a willing seller in an arms length transaction, knowing the parcel needs but does not have a Waiver of Strict Compliance. The determination of fair market value will account for how much the parcel will contribute to the value of a larger, developable parcel.

Final Approval: Issuance of a construction permit, approval of a municipal zoning variance, application involving a Pinelands Waiver of Strict Compliance, final major subdivision or site plan approval, minor subdivision or site plan approval, or any type of municipal approval involving the need for redemption of PDCs. These

approvals do not take effect until the PDCs are redeemed, and the Pinelands Commission reviews the approval and issues a letter indicating that the municipal approval may take effect.

Letter of Interpretation (LOI): An official letter from the Pinelands Commission attesting to the number of PDCs that are allocated to a parcel of land.

Management Areas: Nine geographic areas designated in the Pinelands Comprehensive Management Plan. The Pinelands CMP contains separate land use policies for each of these management areas. Municipalities are required to reflect these policies in the zoning controls they establish for individual zoning districts. Of the nine management areas, three (the Preservation Area District, Special Agricultural Production Areas and Agricultural Production Areas) are automatic sending areas for Pinelands Development Credits and one (the Regional Growth Area) is an automatic receiving area. Other management areas (Forest Areas, Rural Development Areas, Towns, Villages, and Military/Federal Installation Areas) are not automatically eligible to participate in the PDC program but some individual properties in those areas may qualify for PDC sending or receiving opportunities if certain, unusual conditions exist.

Pinelands Commission: An independent state agency which prepares and implements the Pinelands Comprehensive Management Plan.

Pinelands Development Credit Bank: An independent state agency that helps people participate in the PDC program.

Pinelands Development Credit Certificate: A document issued by the Pinelands Development Credit Bank, which attests to the fact that PDCs are available for sale or use. It identifies the number of PDCs, the current owner, and the originating parcel of land from which the PDCs were severed. The certificate also includes sections that must be completed whenever the PDCs are sold, transferred, encumbered, or redeemed.

Pinelands Development Credits (PDCs): Transferable development rights that are allocated to certain land, or sending areas, in the Pinelands. These PDCs may be transferred to increase the amount of development permitted on other land, generally known as receiving areas. Each Pinelands Development Credit equals four transferable development rights.

Pinelands Municipal Review Officer: An individual designated by local ordinance to approve Pinelands related applications. In many cases it is the zoning officer, planning board secretary, planning and zoning administrator or community development director, etc. It can also be the township administrator or the municipal clerk. The land use office (planning, zoning, building permits), administration, or the

municipal clerk's office of the town where you plan to use the PDC can provide that information.

Preservation Area District: One of nine different management areas in the Pinelands Area. As an automatic sending area, land in the Preservation Area District is eligible for an allocation of Pinelands Development Credits.

Receiving Property: Land where PDCs may be redeemed to obtain an increase in the density of development. Land in Regional Growth Areas is automatically eligible to receive PDCs. In certain cases, some properties in other parts of the Pinelands may also be able to receive PDCs.

Redeem: The act of using Pinelands Development Credits to obtain density bonuses on receiving properties. Once redeemed, PDCs can never be used again.

Regional Growth Areas: One of nine different management areas in the Pinelands Area. As an automatic receiving area, lands in many Regional Growth Area zoning districts are eligible for density bonuses when PDCs are redeemed.

Registry: A permanent record of all Pinelands Development Credit Certificates issued, sold, conveyed, transferred, encumbered, redeemed, and retired. The PDC Bank maintains the registry.

Sending Property: Land which is eligible for a PDC allocation and from which PDCs may be severed. Land in three Pinelands management areas (the Preservation Area District, Special Agricultural Production Areas and Agricultural Production Areas) is automatically eligible for PDC allocations. Some properties in other Pinelands management areas may be eligible for a PDC allocation through a Waiver of Strict Compliance.

Severed: The act of officially "separating" PDCs from sending properties. This occurs after a deed restriction is recorded and a Pinelands Development Credit Certificate is issued.

Special Agricultural Production Area: One of nine different management areas in the Pinelands Area. As an automatic sending area, land in the Special Agricultural Production Area is eligible for an allocation of Pinelands Development Credits.

Title Search: A report issued by a title insurance or abstract company. In the PDC program, it ensures that landowners have a legal right to place a deed restriction on their properties. It must be based on a 60-year search of official property records and a 20-year search of liens and judgments.

Transferable Development Rights (TDR): One of many different property rights, transferable development rights can be removed from one property (known as the sending property) and used to increase the amount of development on another property (known as the receiving property). In the PDC program, each transferable development right is equivalent to one home or residential lot. Four transferable development rights equal one Pinelands Development Credit.

Undersized Lot: A property that does not conform to municipal zoning requirements because it is not large enough. In certain cases, a variance to allow development of these lots may be granted when PDCs are redeemed.

Variance: A formal approval that can be granted by a municipality to allow development or use of a property which doesn't meet the requirements of a municipal zoning ordinance. Variances can be granted only if certain tests contained in New Jersey's Municipal Land Use Law are met.

Waiver of Strict Compliance: A formal approval that can be granted by the Pinelands Commission to allow development or use of a property which does not meet the requirements of the Pinelands Comprehensive Management Plan. Waivers can be granted only if strict tests contained in New Jersey's Pinelands Protection Act are met. In some cases, properties that need variances to be developed may also need waivers of strict compliance.

Zoning District: A geographic area that is subject to municipal land use controls. Municipalities designate these areas and establish controls over types of land uses, density, and lot requirements in each zone. In the Pinelands, municipalities designate zoning districts so that they are consistent with the Pinelands management area designations in the CMP. A Pinelands management area may contain more than one zoning district.

Zoning Ordinance: Part of a duly adopted municipal code that establishes the type and amount of development that is permissible in specific zoning districts and which also establishes other development controls. In the Pinelands, zoning ordinances will specify how PDCs can be used to increase the amount of development permitted in various zoning districts. Zoning districts located in Regional Growth Areas will, for example, include density and/or lot size requirements that apply when PDCs are redeemed.