



State of New Jersey
DEPARTMENT OF STATE
OFFICE FOR PLANNING ADVOCACY
P.O. BOX 820
TRENTON NJ 08625-0820

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lieutenant Governor

GERRY SCHARFENBERGER, PH.D.
Director

**DRAFT JUSTIFICATION
FOR STATE PLANNING COMMISSION INITIATED
MAP AMENDMENT**

Proposed Map Amendment

The State Planning Commission has decided to initiate a map amendment to create a node in Bass River Township, Burlington County. This change is based on new information *alters the assumptions* that were the basis for adopting the Policy Map. **The map amendment would result in the creation of a manufacturing node on 65 acres, including part of Block 26, Lots 2, 2A, 2B, 2C, 7 and 8.**

Background

In 2008 the Permit Extension Act of 2008 was approved. Government approvals are defined in the Act to include center designations pursuant to CAFRA. The recent amendments to the Permit Extension Act do not result in previously lapsed coastal centers in CAFRA areas being reinstated. Section 4 of the Act, as amended, excludes DEP coastal centers designated pursuant to CAFRA unless they are in municipalities that submitted an application for plan endorsement to the Commission by March 15, 2007 and were in compliance with the Coastal Zone Management (CMZ) Rules at N.J.A.C. 7:7E-5B.6. See N.J.S.A. 40:55D-136.4. The proposed map amendment includes a portion of the expired Bass River Coastal Center.

The site is in Bass River's Highway Commercial zone which specifically permits boat building and repair.

The area has been included in Burlington County's Water Quality Management Plan as a "Future Wastewater Service Area by treatment plan." The map indicates that the treatment plant discharges to ground water.

The 2007 Land Use Land Cover shows that the Viking Yacht Center covers approximately 52 acres of disturbed land. There are nine structures currently built on this land. The proposed expansion will not extend beyond the existing footprint of disturbed land.

Current NJDEP landscape data indicates that approximately 47 acres have no signs of habitat. The other 18 acres with signs of habitat are broken down accordingly

- Rank 1 – 12 Acres
- Rank 3 – 6 Acres

The proposed change is located in a critical automotive and recreation corridor where Route 9 crosses underneath the Garden State Parkway. Currently the Viking Yacht Center is home to 250 deep-water slips and recreation facilities that support summertime recreation and boating activities. Adjacent to the slips and recreation, Viking Yachts offers support for boats and produces vessels. The Viking Yacht facility has been an established maritime center for more

than 50 years. To support the reinvigorated market demand for sportfishing vessels, Viking Yachts needs to expand their manufacturing facility by reconfiguring existing buildings and constructing five new buildings with approximately a total of 145,000 square feet and create an additional 450 jobs.

The State Development and Redevelopment Plan adopted on March 1, 2001, discusses Nodes within different Planning Areas. On page 9, “Within Planning Areas, the State Plan also recognizes two different types of Nodes—concentrations of employment and economic activity that are not organized in compact, mixed-use forms. These may be Commercial-Manufacturing Nodes or Heavy Industry-Transportation-Utility Nodes. Where appropriate, these places should be retrofitted over time to reduce automobile dependency, diversify land uses, and enhance linkages to communities.”

On page 229 the State Plan says, “New concentrations of commercial, light manufacturing or warehousing and distribution facilities and activities should be organized in a compact form and located in Centers and other appropriate areas in Metropolitan or Suburban Planning Areas or Centers in Fringe, Rural or Environmentally Sensitive Planning Areas as part of plans submitted to the State Planning Commission for Plan Endorsement.”

Justification for Consideration

Existing designation – PA 5 with a lapsed Coastal Center

New designation – PA 5 with a SPC Designated Node

The SPC has been advised that CAFRA regulations are restricting the expansion of an existing major regional employer with infrastructure within a PA 5 (see exhibit D). The enhancement of this existing manufacturing node is consistent Goal 3 of the State Plan, to promote “beneficial economic growth, development and renewal for all residents of New Jersey.” Enabling the expansion of this concentrated economic driver will benefit the region and the state.

A concentration of employment and economic activity was in place prior to and during the cross-acceptance process. During the cross-acceptance process, this area was a coastal center that was due to lapse in 2005. At the time of adoption of the Policy Map, the SPC choose not identify nodes through the cross acceptance process. Nodes were to be designated through the Plan Endorsement process. The assumption was that a reasonable and efficient process would be in place to re-establish centers that were due to expire to avoid them lapsing. That assumption has proven to be false, therefore creating a need for this new information to be addressed through a map amendment initiated by the SPC as the coastal center that was deemed by DEP to be consistent with coastal development regulations has lapsed.

The State Plan recognizes that not all development has taken place in concentrated, mixed-use forms. The existing development within the area subject to this proposed map amendment, as per the State Plan and the State Planning Rules, is best defined as a “node” and not a “center.”

In addition, the following information was considered by staff prior to making this recommendation:

1. Pursuant to Coastal Zone Management (CMZ) rules, any map amendment needs to be independently evaluated and found by the DEP to be consistent with the goals of the Coastal Area Management Program, the CMZ rules and CAFRA
2. The proposed map amendment includes a portion of the expired Bass River Coastal Center.
3. The Municipality and County have been made aware of this proposed amendment.
4. The Pinelands Commission has confirmed that the property in question is located within the Pinelands National Reserve. Bass River Township has conformed its zoning in both the State Pinelands Area and the National Reserve Area with the Pinelands Comprehensive Management Plan.

Exhibit A Map: Regional View of the Area

Exhibit B: Map, Site View, Aerial Photograph

Exhibit C: Map, Landscape Data, Version 3.1

Exhibit D: Letters from Viking's Consultant to Bass River Township, Burlington County & OPA

Exhibit A Map: Regional View of the Area

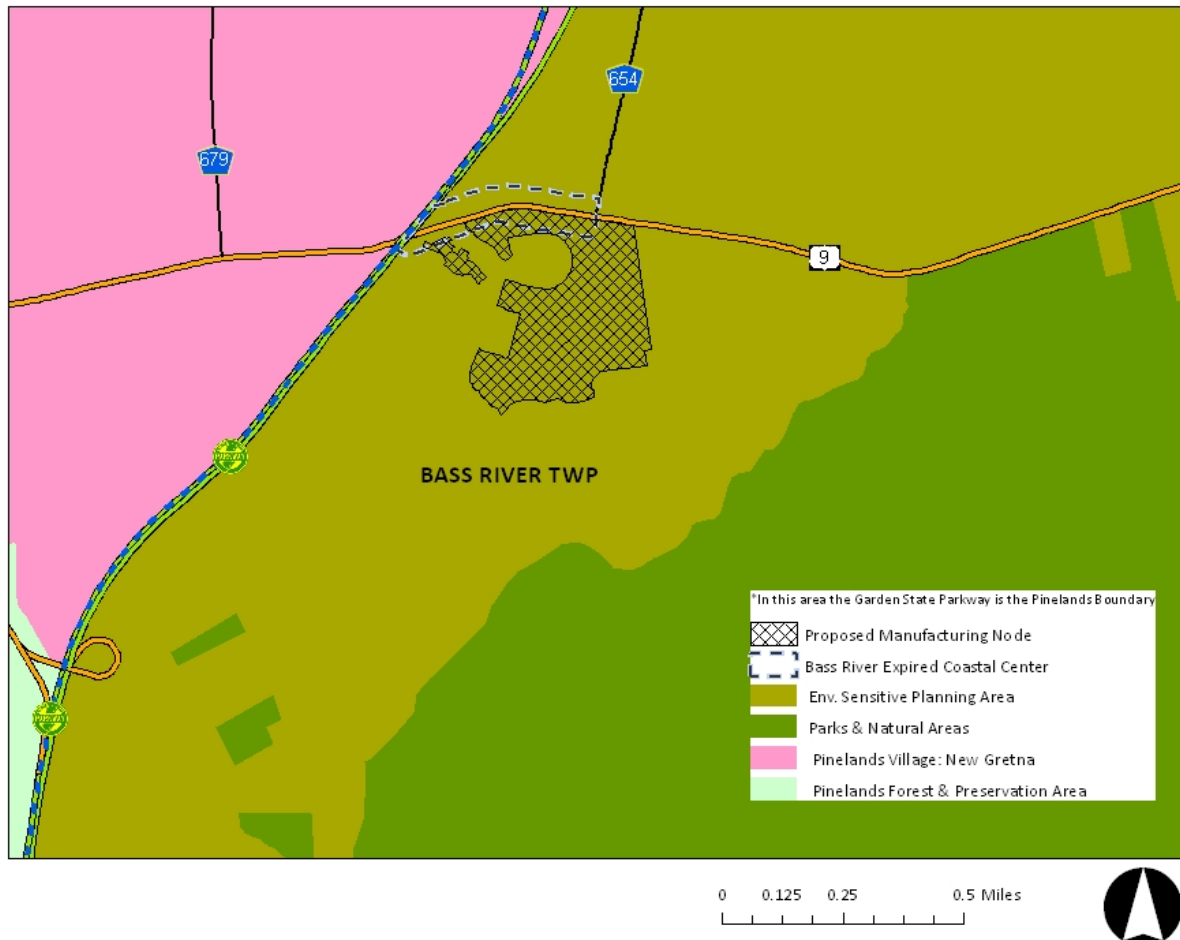


Exhibit B Map: Site View & Aerial Photograph

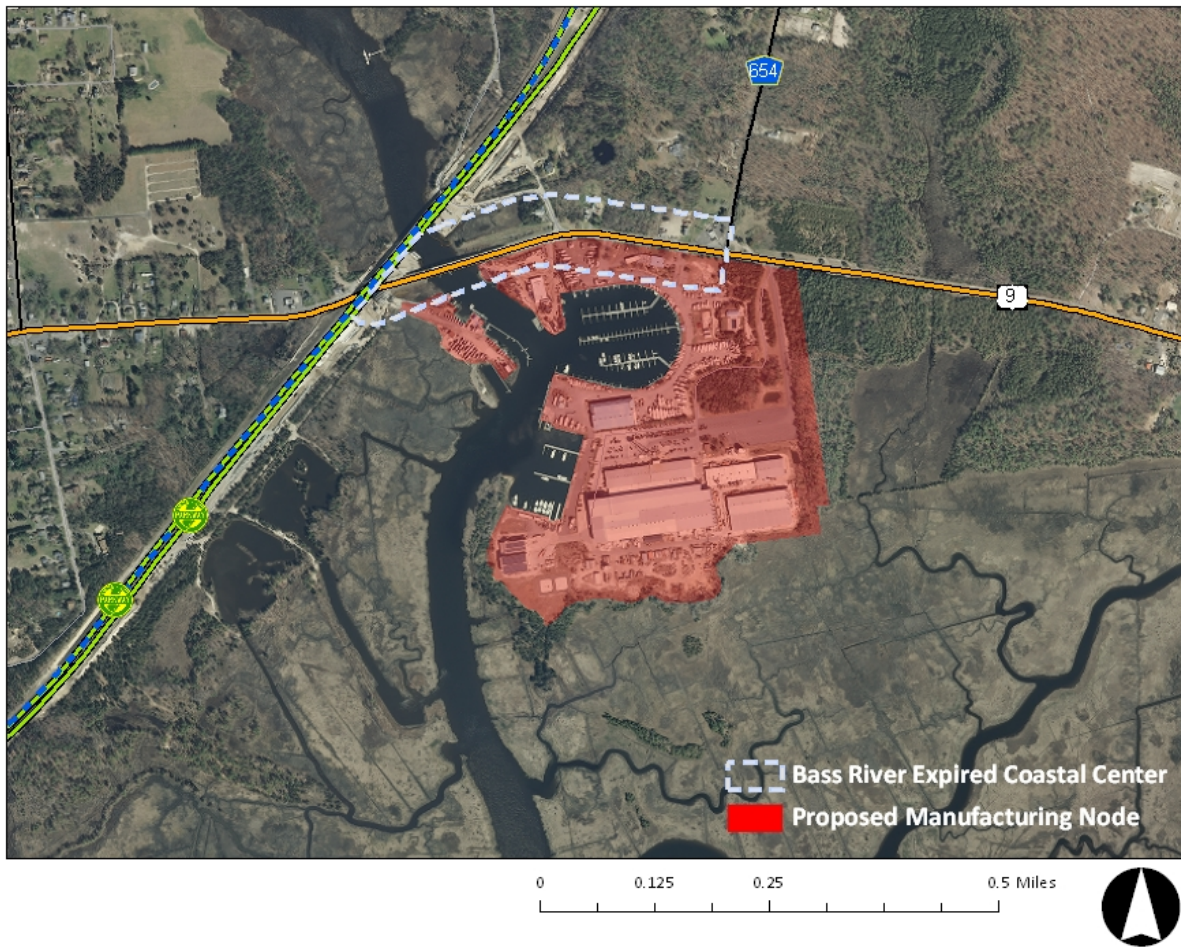
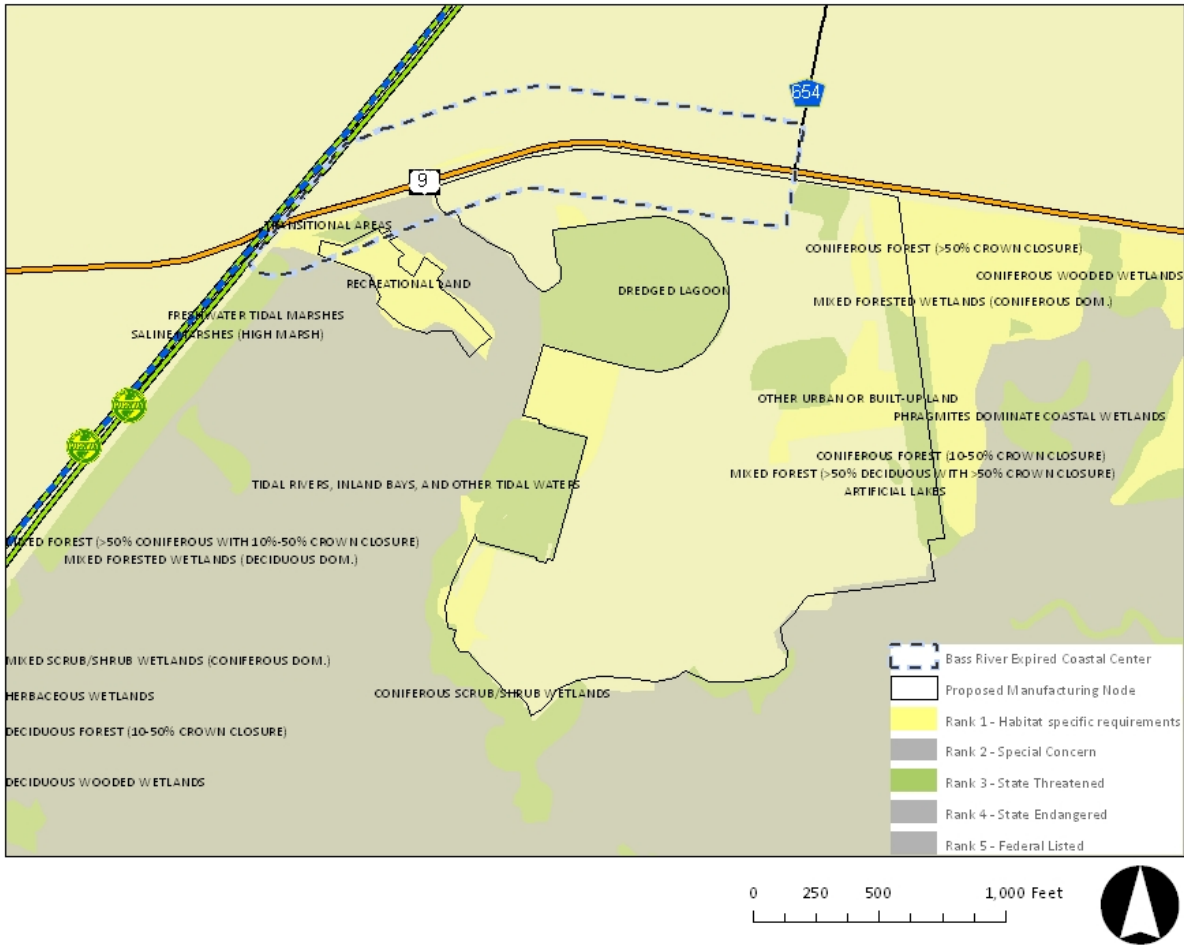


Exhibit C: Map, Landscape Data, Version 3.1





May 1, 2013

The Honorable Deborah Cope
Mayor of Bass River Township
P.O. Box 307
3 North Maple Avenue
New Gretna, N.J. 08224

RE: Viking Yacht Co. Facility Expansion
Township of Bass River, Burlington County, New Jersey

Dear Mayor Cope:

On behalf of Viking Yachts and in follow-up to correspondence on which you were copied, dated March 11, 2013, please accept this letter which outlines efforts with the NJ Office of Planning Advocacy to establish an appropriate planning designation for a portion of Bass River Township necessary to facilitate expansion of the Viking Yachts facility in New Gretna, New Jersey.

As you are aware, the Viking Yachts maritime center, located on the banks of the Bass River, has provided a wide range of recreational, service and manufacturing opportunities, and has become a major employer in the region over the last fifty years. Viking Yachts has reached its limit for facility expansion under the State's existing planning provisions and corresponding CAFRA impervious coverage limits. As part of the last facility upgrade approved by the NJ Department of Environmental Protection on June 20, 2006, only minor expansion was achievable due to the restrictive impervious coverage limits. Rerouting of infrastructure and trade-offs between impervious cover areas was the only means of completing these upgrades.

The State Plan Policy Map designates this manufacturing facility within a Planning Area 5 (Environmentally Sensitive) designation, which severely restricts impervious coverage and is inconsistent with the current and traditional use of this portion of Bass River Township. In order to meet the growing and immediate market demands for increased and diversified production at the Viking Yachts facility, a more significant expansion is now required which necessitates a new designation under the State Plan. In short, Viking Yachts has adequate area to expand, but lacks the appropriate State planning designation to do so even though expansion would consist primarily of infill development.

Recent discussions with the NJ Office of Planning Advocacy and NJ Department of Environmental Protection in furtherance of a suitable planning designation have advanced a mutual interest in establishing a "node", or concentration of facilities and activities that are not organized in a compact form. The "node" designation is different than a "center" in that centers are typically efficient and compact forms of development having mixed-use cores, residential neighborhoods and green spaces. In this case, the proposed "node" is anticipated to consist of an appropriately designated area, yet to be defined, along U.S. Highway Route 9 between the bridge spanning Bass River and County Route 654 (E. Greenbush Road), then extending south to incorporate the existing footprint of disturbance associated with the maritime center.

Given that Bass River Township has chosen not to engage in the State's plan endorsement process to establish "centers" within the municipality, the NJ Office of Planning Advocacy has indicated that it can establish the "node" through a State-initiated process, subject to acceptance by the Township, County and constructive public comment. Consistent with

N.J.A.C. 5:85 Subchapter 8, this avenue would require only minimal effort on the part of the Township, principally the hosting of a venue for the required public meeting. The NJ Office of Planning Advocacy would prepare the professional planning documents, including the mapping, reports and rationale, as well as coordinate and send the required public notifications. The NJ Office of Planning Advocacy would take the lead, as agent, in petitioning the State Planning Commission to amend the State Plan Policy Map by adopting the "node".

While the NJ Office of Planning Advocacy would initiate and take the lead on this amendment, it is recognized that input from Bass River Township is important to this effort. Viking Yachts is deeply connected and dedicated to producing and promoting the manufacture of New Jersey products in an environmentally responsible manner within the Township. Accordingly, it is important to Viking Yachts that the Township shares its common interest in the economy and environment by participating in this process.

Mayor Cope, on behalf of Viking Yachts, I respectfully ask for your support in this planning effort, especially to ensure that there is a level of comfort with these efforts as a means to provide for facility expansion without changing the character of our municipality.

I look forward to meeting with you to discuss this process and associated goals in greater detail, and appreciate the opportunity to work with you and the Township in this regard.

Sincerely,



Bill Healey
President

CC: Mr. Gerard Scharfenberger, Acting Director, NJOPA
Mr. Robert Healey, CEO, Viking Yachts
Mr. Chris Babek, Plant Engineering Manager, Viking Yachts
Mr. Peter L. Lomax, President, The Lomax Consulting Group



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May 1, 2013
Via UPS

MAY 6 2013 PM 2:43

Mr. Mark Remsa
Economic Development and Regional Planning Director
Burlington County
1900 Briggs Road
Mt. Laurel, N.J. 08054

RE: Viking Yachts Facility Expansion
Township of Bass River, Burlington County, New Jersey

Dear Mr. Remsa:

On behalf of Viking Yachts, please accept this letter which outlines efforts initiated with the NJ Office of Planning Advocacy to establish an appropriate planning designation for a portion of Bass River Township necessary to facilitate expansion of the Viking Yachts facility in New Gretna, New Jersey.

As you are aware, the Viking Yachts maritime center, located on the banks of the Bass River, has provided a wide range of recreational, service and manufacturing opportunities, and has become a major employer in the region over the last fifty years. Viking Yachts has reached its limit for facility expansion under the State's existing planning provisions and corresponding CAFRA impervious coverage limits. As part of the last facility upgrade approved by the NJ Department of Environmental Protection on June 20, 2006, only minor expansion was achievable due to the restrictive impervious coverage limits. Rerouting of infrastructure and trade-offs between impervious cover areas was the only means of completing these upgrades.

The State Plan Policy Map designates this manufacturing facility within a Planning Area 5 (Environmentally Sensitive) designation, which severely restricts impervious coverage and is inconsistent with the current and traditional use of this portion of Bass River Township. In order to meet the growing and immediate market demands for increased and diversified production at the Viking Yachts facility, a more significant expansion is now required which necessitates a new designation under the State Plan. In short, Viking Yachts has adequate area to expand, but lacks the appropriate State planning designation to do so even though expansion would consist primarily of infill development.

The Viking Yachts facility expansion will result in significant positive economic impact, including the creation of 450 new jobs and an associated surge in commerce contributing to the regional economy. The 60% expansion in the Viking Yachts workforce will generate positive regional economic impacts, estimated at \$7,488,000, through increased annual spending on goods and services by the newly hired. The increased production at the Viking Yachts facility will generate additional regional economic growth; leveraged investment will extend to allied construction and service industries which supporting Viking Yachts. An additional 350 new jobs at these manufacturing and supply partners will generate increased annual spending on goods and services within the regional economy by \$5,824,000.

In summary, the boost to the regional and state economy totals more than \$14,000,000.

Over 35 years of environmental excellence



Mr. Mark Remsa, Director
May 1, 2013
Page 2 of 2

Recent discussions with the NJ Office of Planning Advocacy and NJ Department of Environmental Protection in furtherance of a suitable planning designation have advanced a mutual interest in establishing a "node", or concentration of facilities and activities that are not organized in a compact form. The "node" designation is different than a "center" in that centers are typically efficient and compact forms of development having mixed-use cores, residential neighborhoods and green spaces. In this case, the proposed "node" is anticipated to consist of an appropriately designated area, yet to be defined, along U.S. Highway Route 9 between the bridge spanning Bass River and County Route 654 (E. Greenbush Road), then extending south to incorporate the existing footprint of disturbance associated with the maritime center.

Given that the Township chose not to engage in the State's plan endorsement process to establish "centers" within the municipality, the NJ Office of Planning Advocacy has indicated that it can establish the "node" through a State-initiated process, subject to acceptance by the County, Township and constructive public comment. Consistent with *N.J.A.C. 5:85 Subchapter 8*, this avenue would require only minimal effort on the part of the Township, principally the hosting of a venue for the required public meeting. The NJ Office of Planning Advocacy would prepare the professional planning documents, including the mapping, reports and rationale, as well as coordinate and send the required public notifications. The NJ Office of Planning Advocacy would take the lead, as agent, in petitioning the State Planning Commission to amend the State Plan Policy Map by adopting the "node".

While the NJ Office of Planning Advocacy would initiate and take the lead on this amendment, it is recognized that input from Burlington County, specifically your office, is important to this effort. Viking Yachts is deeply connected and dedicated to producing and promoting the manufacture of New Jersey products in an environmentally responsible manner within the Burlington County. Accordingly, it is important to Viking Yachts that the County shares its common interest in the economy and environment by participating in this process.

Mr. Remsa, on behalf of Viking Yachts, I respectfully ask for your support in this planning effort, especially to ensure that there is a level of comfort with these efforts as a means to provide for facility expansion without changing the character of the County or Township.

I look forward to discussing this process and associated goals with you and your staff in greater detail, and look forward to working with you and the County in this regard.

Sincerely,

THE LOMAX CONSULTING GROUP, LLC

Peter L. Lomax
President

PLL/mcs

cc: Mr. Gerard Scharfenberger, Acting Director, NJOPA
Mr. Bill Healey, President, Viking Yachts
Mr. Robert Healey, CEO, Viking Yachts
Mr. Chris Babek, Plant Engineering Manager, Viking Yachts



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March 11, 2013
Via UPS

Office of Planning Advocacy
P. O. Box 820
Trenton, NJ 08625-0820
Attn: Mr. Gerard Scharfenberger, Acting Director

MAR 20 2013 AM 9:23

RE: Viking Yachts Facility Expansion
Block: 26, Lots: 2, 2A, 2B, 2C, 7 and 8
Township of Bass River, Burlington County, New Jersey
TLCG File#: 12-253.1

Dear Mr. Scharfenberger:

On behalf of Vikings and in response to preliminary discussions with your office, please accept this request for assistance from the Office of Planning Advocacy to establish appropriate planning designations that will facilitate expansion of this facility in order to meet market demands for increased and diversified production at the Viking Yachts facility in New Gretna, New Jersey.

Despite the long-standing investment by Viking Yachts to establish its design, manufacturing, testing, commissioning and servicing center on the banks of the Bass River in Burlington County, land use planning and the associated Coastal Area Facility Review Act (CAFRA) regulations in the State do not recognize the unique and essential economic base provided by Viking Yachts. The facility is located in the CAFRA zone, and as such, is regulated under the New Jersey Department of Environmental Protection (NJDEP) Coastal Zone Management Rules. Impervious coverage constraints under Subchapter 5B of these Rules present a critical impediment to growth of this facility. The State Plan included this manufacturing facility within a Planning Area 5 (Environmentally Sensitive) designation, which limits Subchapter 5B impervious coverage to 3% of net land area.

It is particularly noteworthy that the Viking Yachts facility was an established maritime center decades before these coastal regulatory programs were promulgated. The growth of these facilities over the last fifty years required the assembly of critical infrastructure, essential work force training, transportation elements and engineered manufacturing solutions. The present-day facility is poised to meet new market opportunities from a design, sales and technology perspective, but is restricted in its ability to leverage its existing manufacturing infrastructure. In short, Viking Yachts has adequate area to expand, but lack the appropriate State planning designation to do so even though expansion would consist primarily of infill development.

Accordingly, enclosed please find a facility needs assessment and supporting information to advance appropriate planning designations of either a Coastal Metropolitan Planning Area or a CAFRA Urban Center, which will result in 80% or 90% impervious cover limits, respectively.

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In recognizing this facility, its existing land use/land cover and geographical location as part of the planning designation, a critical pathway for economic development will be established without compromising ecological or land use planning integrity of this region.

The Viking Yachts facility expansion project results in significant economic impact, including the creation of 450 new jobs and an associated surge in commerce contributing to the local, state and federal economy. It is anticipated that the increase in annual income tax revenue to New Jersey and the federal government linked with the manufacture and sale of these vessels will total \$561,600 and \$3,366,300, respectively. Further, the 60% expansion in the Viking Yachts workforce will generate positive regional economic impacts, estimated at \$7,488,000, through increased annual spending on goods and services by the newly hired. The increased production at the Viking Yachts facility will generate additional regional economic growth; leveraged investment will extend to allied construction and service industries which supporting Viking Yachts. An additional 350 new jobs at these manufacturing and supply partners will generate annual income tax revenue to New Jersey and the federal government totaling \$436,800 and \$2,618,200, respectively, and increase annual spending on goods and services within the regional economy by \$5,824,000.

In summary, the boost to the regional and state economy totals more than \$14,000,000.

Viking Yachts currently produces vessels from 42 to 82 feet in their sportfishing line. The existing facilities can not accommodate the manufacture of any larger vessels. However, by the end of 2013, the facility will need to accommodate the following production.

- A 92-foot sportfishing vessel, the largest in the company's history
- Up to a 100-foot motor yacht, the first built by Viking Yachts in many years

Expanded production is the result of a market demand for quality, American-made vessels that are proven performers utilizing the latest technologies and designed for operating efficiencies. This market resurgence is expected to return manufacturing to pre-2008 levels with the added requirements of new, larger models. In addition to the production space required to manufacture these models, large outdoor areas are essential for the storage of the production molds, unique to each model. Given the size and weight of these molds, the storage areas and associated drive aisles for equipment must be capable of load-bearing, and thus must be stabilized with surfaces categorized by the existing land use regulations as impervious.

The proposed staging of active expansion over the next five years begins with:

Stage 1

- Construction of a 35,000 sf building (2NX) between Buildings 3 and 4 to accommodate the larger molds
- Construction of a 15,000 sf building (2X) between Buildings 2 and 4 to accommodate additional molding area
- Stabilization of the ground/drive aisles in the yard to be used for additional storage for displaced items currently between Buildings 2, 3 and 4



Stage 2

- Construction of a 23,000 sf building (2S1) attached to the southeast corner of Building 2 to accommodate additional molds
- Expansion of the driveway approximately 80 feet to the south around Building 2S1

Stage 3

- Construction of a 47,000 sf building (2S2) for additional large vessel model production lines

Stage 4

- Construction of a 25,000 sf building (M7) dedicated to servicing, refinishing and upgrading older vessels

As part of the last facility upgrade (CAFRA Permit # 0301-04-007.1 CAF 040001, approved June 20, 2006), only minor expansion was achievable due to the impervious coverage limits. Rerouting of existing transportation infrastructure and trade-offs between impervious cover areas was the only means of completing these upgrades under the land use regulatory limits at that time. The professionalism and diligence exhibited by the NJDEP staff through the permitting of those upgrades was appreciated; however, without appropriate re-designation of the Planning Area or designation of a Plan Center, the Coastal Zone Management Rules constrain the NJDEP's ability to issue the required permits to allow Viking Yachts' expansion and economic growth for the region.

It is important to note that significant efforts have been expended to explore expansion of the Viking Yachts facilities utilizing adjacent properties; however, environmental constraints on those properties preclude their utility. Attached for your reference please find the "Regional Overview Map" and "Facility Expansion Map", prepared by The Lomax Consulting Group, dated 8-22-12 and 3-11-2013, respectively. The regional map identifies the Viking Yachts facility in relation to existing State Planning Areas and Center designations. The proximity of this facility to existing population centers and transportation infrastructure, both on land and water, is evident. The proposed planning designation(s) requested herein will recognize the Viking Yachts facilities as an established economic center in its own right. In addition, mapping of the existing facilities, currently built to the limits of CAFRA impervious coverage, is presented along with required expansion elements that illustrate a phased completion of the facilities to meet growing business demands.

As a New Jersey firm, Viking Yachts is deeply connected and dedicated to producing and promoting the manufacture of New Jersey products in an environmentally responsible manner, as evidenced by its recent projects, including a "state of the art" wastewater treatment and reuse system, a large solar installation and an on-site cogeneration facility. In addition to these energy conservation investments as part of its facility operations, Viking Yachts recently upgraded its manufacturing lines with the implementation of a "cutting edge" resin infusion processing to reduce air emissions.



Office of Planning Advocacy
March 11, 2013
Page 4 of 4

Mr. Scharfenberger, the support of your Office is necessary to aid in jointly recognizing, along with NJDEP, the "...the economic aspirations of the people of the coastal environments...", while concurrently advancing the economic recovery of the State and of Viking Yachts during these challenging, tenuous times. Please advise of the role that your Office will take and indicate the process/information required to best facilitate the expansion of production capability by the end of 2013. We look forward to working with you to the mutual benefit of Viking Yachts, the coastal region and the State of New Jersey.

Sincerely,
THE LOMAX CONSULTING GROUP, LLC

Peter L. Lomax
President

PLL:mcs

CC: Lt. Gov. Kim Guadagno
Mr. Dan Kennedy, Deputy Director
Mr. Karl Hartkopf, Planner
Ms. Deborah Buzby Cope, Mayor, Bass River Township
Mr. Bill Healy, President, Viking Yachts
Mr. Robert Healy, CEO, Viking Yachts
Mr. Chris Babek, Plant Engineering Manager, Viking Yachts

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