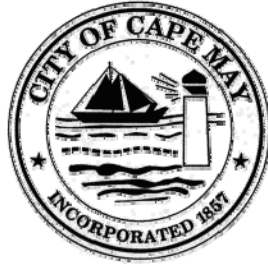


City of Cape May



Cape May County, New Jersey

PLAN ENDORSEMENT ASSESSMENT REPORT

October 5, 2010



TABLE OF CONTENTS

INTRODUCTION.....	3
LOCATION AND REGIONAL CONTEXT.....	5
DEMOGRAPHICS.....	7
COMMUNITY INVENTORY.....	29
COMMUNITY VISION & PUBLIC PARTICIPATION.....	42
STATUS OF MASTER PLAN AND OTHER RELEVANT PLANNING ACTIVITIES.....	43
STATEMENT OF PLANNING COORDINATION.....	47
STATE, FEDERAL & NON-PROFIT PROGRAMS, GRANTS AND CAPITAL PROJECTS.....	49
INTERNAL CONSISTENCY IN LOCAL PLANNING.....	51
SUSTAINABILITY STATEMENT.....	53
CONSISTENCY WITH STATE PLAN – GOALS, POLICIES & INDICATORS.....	54
CONSISTENCY WITH STATE PLAN – CENTER CRITERIA & POLICIES.....	68
CONSISTENCY WITH STATE PLAN – PLANNING AREA POLICY OBJECTIVES.....	71
STATE AGENCY ASSISTANCE.....	74
CONCLUSION.....	75

Plan Endorsement Assessment Report

Prepared For:

**City of Cape May
643 Washington Street
Cape May, NJ 08204**

Prepared By:



6684 Washington Avenue
Egg Harbor Township, NJ 08234
Phone 609.646.2950

Craig R. Hurless, PP
New Jersey Professional Planner License No. 005646

INTRODUCTION

The purpose of Plan Endorsement is to provide a process wherein a municipality's development and preservation plans are determined consistent with the goals and objectives of the State Development and Redevelopment Plan (SDRP).

The purpose of the SDRP is to:

Coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination (N.J.S.A. 52:18A-200(f)).

To achieve the purposes of The SDRP, the Plan creates a different planning area designation which provides areas for appropriate growth and preservation as follows:

- **Areas for Growth:** Metropolitan Planning areas (Planning Area 1), Suburban Planning Areas (Planning Area 2) and Designated Centers in any planning area.
- **Areas for Limited Growth:** Fringe Planning Areas (Planning Area 3), Rural Planning Areas (Planning Area 4), and Environmentally Sensitive Planning Areas (Planning Area 5). In these planning areas, planning should promote a balance of conservation and limited growth—environmental constraints affect development and preservation is encouraged in large contiguous tracts.
- **Areas for Conservation:** Fringe Planning Area (Planning Area 3), Rural Planning Areas (Planning Area 4), and Environmentally Sensitive Planning Areas (Planning Area 5).

The New Jersey State Planning Commission (SPC) approved the release of the Preliminary State Development and Redevelopment Plan (State Plan) and the Preliminary State Plan Policy Map On April 28, 2004. This action started the third round of Cross-acceptance.

The State of New Jersey is currently in the cross-acceptance process for the 2004 Preliminary State Plan, a process that has been ongoing for several years. Through cross-acceptance local government is asked to participate in the shaping of the goals, strategies and policies of the State Plan. The City of Cape May has participated in this process through Cape May County and Cape May County Planning Department, which is the negotiating entity for the County.

Cross-acceptance is a negotiating process between the state, counties, and municipalities and public that is meant to ensure that everyone has the opportunity to participate and shape the goals and policies of the State Plan. The State Plan and the State Plan Policy Map are intended to represent the input of these parties so that a State Plan can be created that makes sense for all of the state. Cross-acceptance concludes with written Statements of Agreements and Disagreements supported by each negotiating entity and the SPC and with the negotiated agreements being added to the Draft Final State Plan.

The SPC updated the cross acceptance guidelines for plan endorsement in 2007. Plan

endorsement is a voluntary review process designed to ensure the coordination of the state, counties, and municipalities and public planning efforts for achieving the goals and objectives in the State Plan. These guidelines set the standards by which municipal petition will be evaluated for consistency with the State Plan. Upon endorsement, municipalities are entitled to financial and technical incentives that can assist in implementation of the endorsed plans.

On September 8, 2009, the NJDEP published in the NJ Register notice of its acceptance of new and changed CAFRA center and core boundaries pursuant to N.J.A.C. 7:7E-5B.3. In 2004, the State Planning Commission adopted rules that set expiration dates for certain SPC designated centers and cores that were not approved through the plan endorsement process. These designations were set to expire on a specified schedule beginning on January 7, 2008.

On September 6, 2008, the Permit Extension Act of 2008 was signed into law. In accordance with the Permit Extension Act of 2008, the boundaries of State Planning Commission designated centers and cores were extended, except for those portions of the centers and cores located in environmentally sensitive areas. Cape May City is located in an environmentally sensitive area.

The expiration dates of designated centers and cores set forth by the State Planning Commission were modified by operation of law by enactment of the Permit Extension Act of 2008. The changes accepted by the NJDEP reflect the expiration of those State Planning Commission designated centers and cores that consisted entirely of environmentally sensitive areas. The changes also reflect the expiration of those portions of other centers that are environmentally sensitive area as defined by the Permit Extension Act. The NJDEP, for purposes of N.J.A.C. 7:7E-5B.3, is accepting the expiration of all or portions of these centers and the reversion of these areas to the underlying State Plan Planning Area designation. Accordingly, the Department has repealed all or portions of the CAFRA centers that correspond to these expired State Planning Commission centers. These areas have reverted to the Coastal Planning Area that corresponds to the underlying State Plan Planning Areas.

In this case the former Cape May City CAFRA Town has reverted back to the Coastal Environmentally Sensitive Planning Area (PA5). This change has effectively hindered CAFRA type applications as coverage allowances have been drastically reduced by this change and it is not appropriate based on the current development characteristics and planning for the future. The City seeks to reestablish the Town center designation.

The City previously received Center Designation from the NJ State Planning Commission which coincided with the CAFRA Centers which have recently expired. The majority of the City had been designated a Designated Town Center with some undeveloped areas designated PA5 Environmentally Sensitive Area.

In order to reinstitute the Center previously approved and continue to promote growth in these approved and designated areas while protecting the environmentally sensitive areas of the municipality, The City of Cape May must submit for and achieve Plan Endorsement from the Office of Smart Growth.

Efforts related to Plan Endorsement that have been recently completed by the City include Master Plan Reexamination, Affordable Housing Plan, and Floodplain Management Planning as well as many other planning efforts that are referenced within this document.

A relevant planning issue that may be addressed is the future development of East Cape May. Several residential projects are proposed in this environmentally sensitive area of Cape May and planning for future development has been made a priority by the City.

Assistance from state agencies includes the New Jersey Department of Environmental Protection (NJDEP) and New Jersey Department of Community Affairs Office of Smart Growth is anticipated to be necessary to implement the City's plans.

LOCATION AND REGIONAL CONTEXT

The City of Cape May is a 2.2 square mile community located at the southern end of New Jersey and Cape May County.

Cape May's southern shoreline is formed by wide, white sand beaches that border the Atlantic Ocean and the City is influenced by sensitive environmental features that are described below. Wetlands occur throughout all sections of the city and limit development on vacant lands, particularly near Cape May Harbor in the east end and bordering Cape Island Creek on the north end. Protection of fragile dunes is essential to protection of the valuable beach resources. Cape May considers itself to be America's first resort community. Settlement occurred in the early nineteenth century but few structures remain from that period. However, it is Cape May's extraordinary collection of late-nineteenth century Victorian architecture that has led to the City's designation as a National Historic Landmark. This designation was bestowed on the City of Cape May by the U.S. Department of the Interior in 1976. Currently, the City has over 600 Victorian buildings which are in use as accommodations, offices, retail shops, restaurants, and private residences. Summer remains Cape May's busiest season, with vacationers being attracted by a combination of its historic ambiance and its beachfront location. Although most of the New Jersey coast is occupied by resort communities, Cape May receives the second largest number of visitors, after Atlantic City. Unlike many other beachfront towns, a wide-range of activities have led to Cape May's emergence as a year-round resort.

Cape May benefits from its proximity to major population centers and visitor attractions in the Mid-Atlantic Region. It is approximately 50 miles south of Atlantic City, 80 miles southeast of Philadelphia, 150 miles south of New York City, 160 miles north of Baltimore, 194 miles north of Washington, DC and 300 miles north of Richmond, Virginia. In terms of vehicular access, Cape May is within a tank full of gasoline for 25% of the American public.

Both Route 9 and the Garden State Parkway terminate in Lower Township, near the Schellenger's Landing Bridge, which provides the main route for vehicular traffic approaching Cape May. A secondary street access is available via Seashore Road, through West Cape May.

The Cape May-Lewes Ferry, which provides service between the southern end of New Jersey and Lewes, Delaware, is located at the western end of the Cape May Canal. Buses connect the

ferry with Cape May's Transportation Center, which is located near the City's main shopping district, the Washington Street Mall. The Transportation Center is also serviced by the Cape May Seashore Railroad, which provides service between the City and Cape May Court House, via the historic Cold Spring Village. In addition, the Transportation Center is also serviced by frequent daily bus service by New Jersey Transit on a year round basis. This bus service connects with Atlantic City, Philadelphia, North Jersey destinations, New York City, as well as coastal resort towns in Cape May and Atlantic Counties.

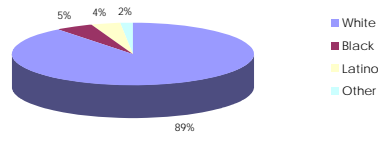
Cape May is separated from the New Jersey mainland by Cape May Harbor and the Cape Canal, which is part of the Intracoastal Waterway. This island is shared by the City of Cape May, the Boroughs of West Cape May and Cape May Point, and a portion of Lower Township. Cape May City shares municipal borders with the Borough of West Cape May and Lower Township. The eastern end of the city is occupied by a U.S. Coast Guard base, which occupies approximately 20% of the land area in the City.

DEMOGRAPHICS

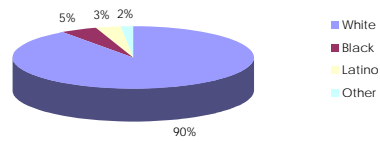
This section has been prepared to provide a summary background of local demographics and comparison to county and state demographics. This information was prepared in the “City of Cape May Master Plan Reexamination February 27, 2009 – Revised March 13, 2009”. Cape May’s unique characteristics as a summer resort with a full time resident population of 4,034 residents that continues to decline as the housing stock becomes more non-primary vacation housing is evident in the demographics. Based on the 2000 census data, the following table illustrates a comparison of the City to both the County and State data:

	Cape May City	Cape County	May	New Jersey
Land Area (sq mi)	2.29	259.00		7,417
Population	4,034	102,326		8,414,350
Households	1,821	42,148		3,064,645
Average Household Size	2.02	2.36		2.68
Housing Units	4,064	91,047		3,310,275
Home Ownership Rate	56.8%	74.2%		66%
Vacancy Rate	55.2%	53.7%		7.4%
Median Household Income	\$33,462	\$41,591		\$55,146
Per Capita Income	\$29,902	\$24,172		\$27,006
Poverty Rate	9.1%	8.6%		8.5%
Unemployment Rate (NJDOL 2004)	5.2%	6.9%		4.8%

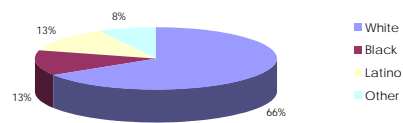
Municipality Racial/Ethnic Breakdown



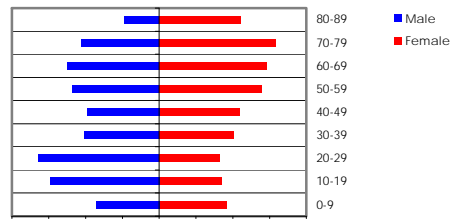
County Racial/Ethnic Breakdown



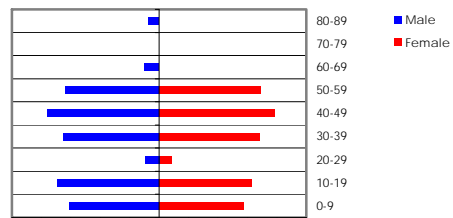
New Jersey Racial/Ethnic Breakdown



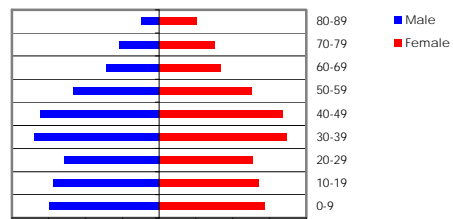
Municipality Age Distribution



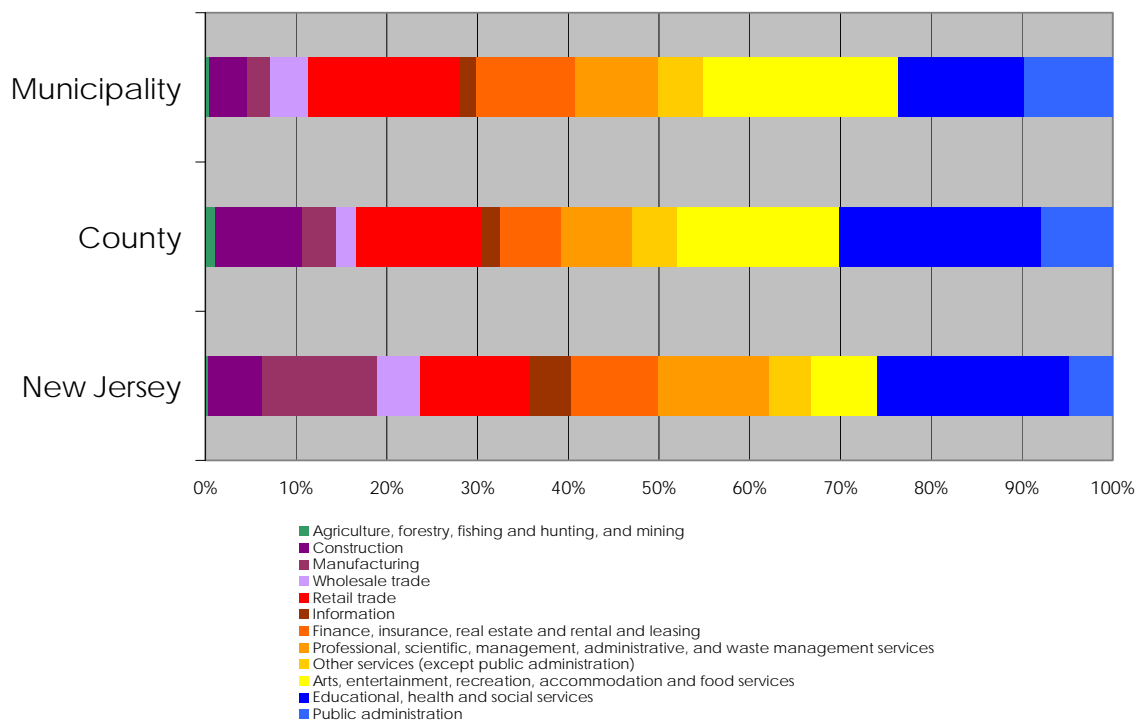
County Age Distribution



New Jersey Age Distribution



Workers by Industry



ANALYSIS OF CAPE MAY CITY DEMOGRAPHIC CHARACTERISTICS:

Population Trends:

Total population growth rates for Cape May City are depicted in Table No. 10 below. Total population for the municipality is 4,034 for the year 2000 which represents a reduction of 13.58% from the population of 4,668 in 1990. Cape May City's population shows a steady decrease which is most likely attributed to increased seasonal homeowner population and smaller household sizes. Preliminary population estimates as of July 1, 2009 have been released by the U.S. Census Bureau that indicates Cape May has a population of 3,699 which represents a loss of 9% from the 2000 population estimate.

**RATE OF POPULATION GROWTH
CITY OF CAPE MAY, NEW JERSEY**

YEAR	POPULATION	CHANGE (NO.)	CHANGE (%)
1950	3,607	-	-
1960	4,477	870	19.43
1970	4,392	-85	-1.94
1980	4,853	443	9.13
1990	4,668	-185	-3.96
2000	4,034	-634	-13.58

Source: www.capemaycountygov.net

Household Size:

Cape May City's average household size has decreased from 2.50 persons in 1990 to 2.02 persons in 2000 as summarized in Table No. 11 below.

**TABLE NO. 11
AVERAGE HOUSEHOLD SIZE
CITY OF CAPE MAY, NEW JERSEY**

YEAR	TOTAL POPULATION	NUMBER OF OCCUPIED HOUSING UNITS	HOUSEHOLD SIZE
1990	4,668	1,868	2.50
2000	4,034	1,821	2.02

Source: US Census Bureau; 1990, 2000

Age & Race Characteristics:

As indicated in the 2003 Master Plan, the age distribution of the population can have important implications for the housing plan. Communities with a relatively large proportion of children have a need for larger family units while those with high proportions of senior citizens may have a need for smaller units. The population of Cape May has aged between 1990 and 2000. The percentage of each age group under age 35 has decreased, and the percentage of each age group over 35 has increased. In 1990, more than 47% of the population was under 35 years of age, while in 2000, that percentage had changed to just over 37% of the population. The median age in 1990 was 37.2, compared to 37.6 for the County as a whole. In 2000, the median age had risen to 47.4 compared to 42.3 for the County.

Cape May City's age and gender characteristics are illustrated in Table No. 12 below. Racial composition of the municipality is summarized in Table No. 13.

TABLE NO. 12
AGE AND GENDER CHARACTERISTICS, 2000
CITY OF CAPE MAY, NEW JERSEY

AGE GROUP	MALE	FEMALE	TOTAL	PERCENT (%)
Under 5	86	81	167	4.1
5 – 9	86	102	188	4.7
10 – 14	110	88	198	4.9
15 – 19	187	81	268	6.6
20 – 24	227	74	301	7.5
25 – 29	101	91	192	4.8
30 – 34	94	97	191	4.7
35 – 44	203	212	415	10.3
45 -54	229	258	487	12.1
55 – 59	108	132	240	5.9
60 – 64	112	127	239	5.9
65 - 74	244	325	506	14.3
75+	200	372	572	14.2
Total	1,987	2,047	4,034	100
Median Age	39.8	52.9	47.4	

Source: [US](#) Census Bureau: 2000

TABLE NO. 13
RACIAL COMPOSITION, 2000
CITY OF CAPE MAY, NEW JERSEY

RACE	NUMBER	PERCENT (%)
White	3,684	91.3
Black or African American	121	5.3
Asian	16	0.4
Two or more races	61	1.5
Some other race	53	1.3
Total	4,034	100

Source: [US](#) Census Bureau: 2000

Income Level:

Household income levels are provided in Table No. 14. The median household income for 2000 is \$33,462. It should be noted that approximately 34% of household income levels are below \$25,000.

TABLE NO. 14
HOUSEHOLD INCOME, 2000
CITY OF CAPE MAY, NEW JERSEY

INCOME CATEGORY	HOUSEHOLDS	PERCENT (%)
<\$10,000	174	9.5%
\$10,000 - \$14,999	148	8.1%
\$15,000 - \$24,999	300	16.4%
\$25,000 - \$34,999	315	17.3%
\$35,000 - \$49,999	256	14.0%
\$50,000 - \$74,999	254	13.9%
\$75,000 - \$99,999	159	8.7%
\$100,00 - \$149,999	79	4.3%
\$150,000 - \$199,999	74	4.1%
\$200,000+	67	3.7%
Total	1,826	100%
Median Household Income	\$33,462	

Source: [US](#) Census Bureau: 2000

Employment Status, Trends & Characteristics of Residents:

Table No. 15 indicates the New Jersey Department of Labor covered by unemployment insurance employment differences between year 1990 and 2000. The number of covered jobs has decreased 17.8% over the ten year period.

**TABLE NO. 15
COVERED EMPLOYMENT
CITY OF CAPE MAY, NEW JERSEY**

YEAR	NUMBER OF JOBS
1990	
Private	985
Government	423
Total	1408
2000	
Private	882
Government	276
Total	1158

Source: State of New Jersey, Department of Labor, Office of Labor Planning & Analysis, Trends in Employment and Wages Covered by Unemployment Insurance (1997-1999).

Employment Characteristics and Occupation Patterns of the Community's Residents:

Tables No. 16 and No. 17 provide a summary of employment status within the City by gender and occupation type. Approximately 96% of Cape May City's labor force was employed in 2000.

**TABLE NO. 16
EMPLOYMENT STATUS OF PERSONS 16 AND OVER BY GENDER
CITY OF CAPE MAY, NEW JERSEY**

AGE GROUP	MALE	FEMALE	TOTAL
Armed Forces	442	49	491
Civilian Labor Force	729	765	1,494
Employed	702	661	1,363
Unemployed	27	104	131
Unemployment Rate: %	1.6	5.8	3.8
Not in Labor Force	498	970	1,468
Total	1,669	1,784	3,453
(Participation Rate:%)	42	37	39

Source: [US](#) Census Bureau: 2000

TABLE NO. 17
EMPLOYED PERSONS 16 AND OVER BY OCCUPATION
CITY OF CAPE MAY, NEW JERSEY

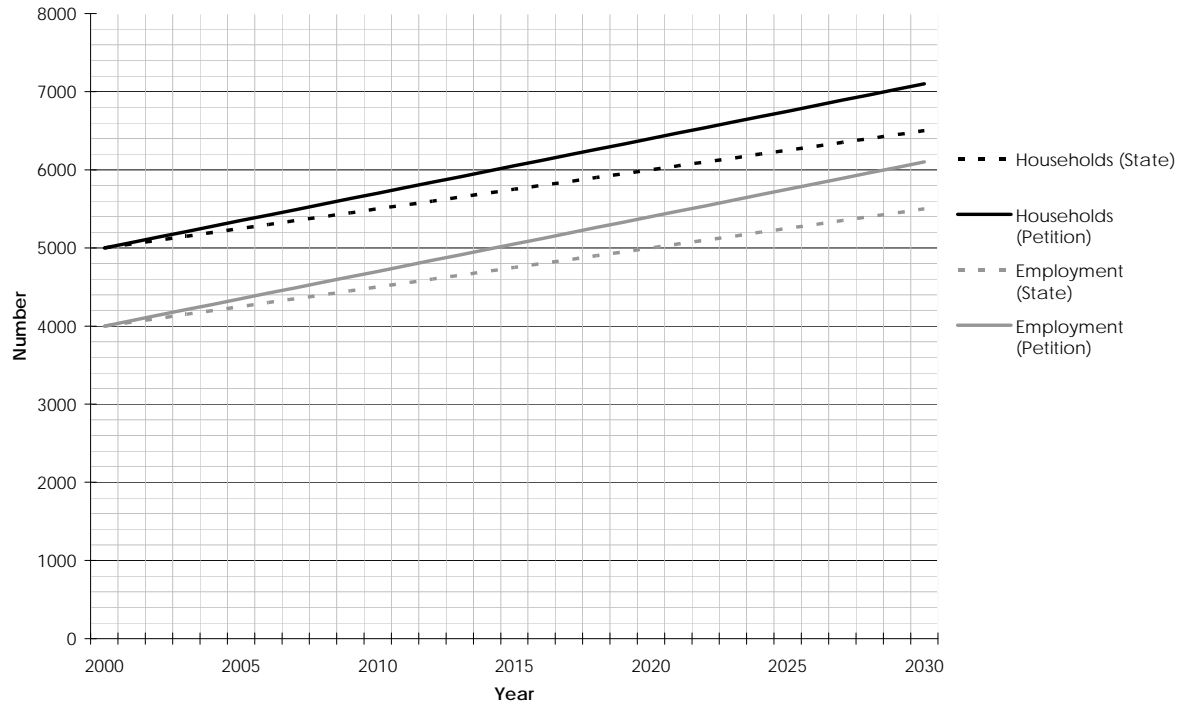
INDUSTRY	NUMBER	PERCENT
Management, professional and relates occupations	459	33.68
Service occupations	286	20.98
Sales and office occupations	454	33.31
Farming, fishing, and forestry occupations	12	0.88
Construction, extraction and maintenance occupations	81	5.94
Production, transportation, and material moving occupations	71	5.2
Total	1,363	100

Source: [US](#) Census Bureau: 2000

COAH PROJECTIONS

Cape May City has recently prepared its Housing Element and Fair Share Plan during its 2009 Master Plan Re-examination and has received COAH substantive certification in March 2009. During this process the City utilized the COAH Projections. The following chart details the COAH petition projection data versus the State Plan Projections:

Petition/COAH v. State Plan Projections



FAIR SHARE ANALYSIS AND DETERMINATION:

The following section is a summary of the fair share analysis and determination certified by COAH as found in the City's petition for substantive certification.

As indicated in the 2003 Master plan, Cape May's Housing Plan received COAH certification on July 9, 1997. The housing obligation determined for the municipality was 33 units. The precertified need was 91 units, of which 33 units were rehabilitated and 58 were inclusionary. Due to the lack of available land in Cape May for new construction, a vacant land credit of 58 units was granted by COAH, leaving Cape May with an affordable housing obligation of 33 units. Cape May, through the rehabilitation of existing units since 1990, has met its prior round and rehabilitation affordable housing obligation and, in fact, has 25 units in excess of its obligation. These figures are based upon COAH's Round II allocation, which technically expired in 1999. The COAH certification of Cape May's Housing Element expired on July 9, 2003. Cape

May must address the Third Round growth share (1999-2018) obligation and proposed the following:

Existing & Planned Infrastructure:

Cape May City is serviced by City wide public sewer and public water systems operated by Cape May City Sewer and Water Department. Public infrastructure services all existing development and has excess capacity to service all anticipated growth within the City. Cape May City has been proactive in dealing with potable water availability issues and also operates the first desalination water plant within New Jersey.

Anticipated Land Use Patterns and Zoning Type Demand:

There are no anticipated changes in zoning that would affect current land use patterns. It is estimated that the development patterns will continue similar to current rates and then slow as developable properties become scarce.

Municipal Economic Development Policies:

There are currently no existing or anticipated formal municipal policies that are directly impacting or constraining development within the City.

Development Constraints:

Cape May City is a seashore community bordered by the Atlantic Ocean, Cape Island Creek and Cape May Canal. State and Federal regulations pertaining to wetlands and waterfront development severely restrict potential development in many portions of the City. Much of the vacant land remaining is undeveloped for these reasons. As these restrictions have only become more restrictive, it is anticipated that most of the future development within the City will be infill or redevelopment of existing developed properties. The City has little or no control over environmental regulations that constrain growth within the municipality.

Status of State Planning Commission Plan Endorsement:

At the time of adoption of this plan, Cape May City is actively pursuing the re-establishment of the expired Cape May City Center Designation. A formal petition by the municipality is anticipated in the near future and is detailed in this document.

Municipal Household Projections:

The plan relies on the household projections for the municipality as provided in Appendix F of COAH's rules (NJAC 5:97). COAH's projections rely on the following assumptions:

Housing growth of a municipality should slow down as the municipality's physical growth capacity is being reached. In other words, a municipality is unlikely to sustain its

historical growth rates as measured between the 1993 and 2002 period in the following 16 years if it has already approached a high build-out level.

To capture this relationship between the anticipated housing growth rate between 2002 and 2018 and the 2002 build-out level, a regression model was developed to empirically estimate the implied historical growth rates that measure how build-out levels affect future growth rates. In this model, the dependent variable is the housing growth rate (a linear annual growth rate) between 1993 and 2006 for each of the 566 municipalities. The independent variable is the 1993 build-out level and was estimated by dividing the number of housing units in 1993 with the sum of the 2006 housing units and the number of potential housing units that could be built after 2002. This equation applies to municipalities that had a positive growth between 1993 and 2006. However, for a few declining communities, this equation may end up a build-out ratio over 100 percent when the amount of housing units lost between 1993 and 2006 is larger than the post-2002 growth capacity. In this case, the build-out level is estimated by changing the denominator in this equation to the sum of the 1993 housing units and the number of potential housing units that could be built after 2002.

Table No. 18 represents a summary of COAH's Third Round allocated housing growth for Cape May City based on the methodology above:

**TABLE NO. 18
HOUSING ALLOCATION MODEL
ALLOCATED GROWTH - HOUSING
CITY OF CAPE MAY, NEW JERSEY**

UNITS IN 2002	UNITS IN 2004	2018 UNITS BASED ON HISTORIC GROWTH	2018 UNITS BASED ON "S" CURVE	UNITS ALLOCATED 2018	NET CHANGES 2004-2018	ANNUAL RATE OF CHANGE 2004-2018 (%)
4,092	4,129	4,274	4,145	4,145	16	0.0%

Source: Exhibit A, Appendix F, Chapter 5:97

The plan relies on the employment projections for the municipality as provided in Appendix F of COAH's rules (NJAC 5:97). COAH's projections rely on the following assumptions:

Employment growth of a municipality should slow down as the municipality's nonresidential growth capacity (in terms of floor space) is being reached. In other words, a municipality is unlikely to sustain its historical growth rates as measured between the 1993 and 2002 period in the following 16 years if it is approaching 100 percent build-out.

To capture this relationship between the anticipated employment growth rate between 2002 and 2018 and the 2006 build-out level, a regression model was developed to empirically estimate the implied historical growth rates that measure how build-out levels affect future growth rates. In this model, the dependent variable is the employment

growth rate (a linear annual growth rate) between 1993 and 2006 for each of the 566 municipalities. The independent variable is the 1993 build-out level and was estimated by dividing the number of employment in 1993 with the sum of the 2006 employment and the anticipated increase in employment after 2002 based on all nonresidential land being developed. This equation applies to municipalities that had a positive growth between 1993 and 2006. However, for a few declining communities, this equation may end up as a build-out ratio over 100 percent if more employment was lost between 1993 and 2006 than the potential employment growth after 2002. In this case, the build-out level is estimated by changing the denominator in this equation to the sum of the 1993 employment and post-2002 potential employment that could be accommodated by a full development of all nonresidential land.

Table No. 19 is a summary of COAH's Third Round allocated employment growth for Cape May City:

**TABLE NO. 19
EMPLOYMENT ALLOCATION MODEL
ALLOCATED GROWTH - EMPLOYMENT
CITY OF CAPE MAY, NEW JERSEY**

Employment in 2002	Employment in 2004	2018 Employment Based On Historic Growth	2018 Employment Based On "S" Curve	Employment Allocated 2018	Net Changes 2004 - 2018	Annual Rate of Change 2004 to 2018
5,337	5,848	5,899	7,098	5,899	51	0.06%

Source: Exhibit B, Appendix F, Chapter 5:97

Mechanisms for Addressing Growth Share:

Mechanisms that a municipality may implement for addressing the fair share housing obligation are included in Chapter 5:97-6.1. Cape May proposes to address its growth share obligation as follows:

Inclusionary Zoning:

Inclusionary zoning is a municipality's zoning that provides sufficient incentives to produce affordable housing. Incentives include but are not limited to increased densities and reduced costs to the developer. Zoning must provide a realistic opportunity for the creation of affordable housing. Inclusionary zoning may apply to all or some zones or sites within the municipality.

The City of Cape May had previously adopted an affordable housing ordinance (Ordinance 142A-2008 Adopted March 18, 2008) prior to the adoption of COAH's Revised Third Round rules and was not submitted to or approved by COAH. This ordinance provided for an

inclusionary compensatory benefit that includes a density bonus above that normally permitted as indicated in Section 59-45 below:

A.

In order to provide a compensatory benefit for development that requires the construction of affordable housing units or a payment in lieu thereof pursuant to this article, the developer shall be permitted to construct one additional market-rate unit over what the Zoning Ordinance would otherwise permit for each affordable housing unit required and constructed by the developer; and one-half of a market-rate unit over what the Zoning Ordinance would otherwise permit for each whole affordable housing unit required in the case where the developer makes a payment in lieu of constructing the unit.

B.

For purposes of this section, the following shall apply:

(1)

The Zoning Ordinance for the zone in which the affordable housing units are to be constructed shall be relaxed so as to permit such additional units with as little deviation from the bulk regulations as possible.

(2)

For projects that span more than one zoning district, the affordable housing units may be concentrated in the district that allows the higher level of density.

(3)

Floor area ratio, building height and setback requirements must be satisfied, subject to the granting of variance relief.

(4)

The Planning Board shall have jurisdiction over all plans submitted which utilize the compensatory benefit provisions of this section, subject to the Board of Adjustment's jurisdiction with respect to variances requested under N.J.S.A. 40:55D-70(d), in which case the Board of Adjustment shall also have jurisdiction to approve the compensatory benefit plan.

The City desired to utilize this mechanism to address its affordable housing obligation. The City proposed to utilize a City wide inclusionary zoning benefit to address it's growth share. The following Table No. 20 illustrates the projected affordable housing units that could be generated by the proposed mechanism:

**TABLE NO. 20
INCLUSIONARY ZONING
PROJECTED AFFORDABLE UNITS
CITY OF CAPE MAY, NEW JERSEY**

ZONING DISTRICT	BASE DENSITY (unit/acre)	AVERAGE BASE DENSITY (unit/acre)	BUILDABLE VACANT LAND ESTIMATE* (acres)	MAX. BASE DENSITY UNITS	UNITS IN PARCELS ABOVE THRESHOLD (<5 Units or 16 Jobs)	COAH UNITS WITH INCLUSIONARY INCENTIVE (<5 Units or 16 Jobs)
R1, R1A	4.65 (SF)	4.65	6.1	28	5	1
R2	5.81 (SF)	5.81	4.13	24	5	1
R3	6.97 (SF) 8.71 (SEMI) 11.62 (TWO) 17.42 (ATT./MULTI)	11.18	1.43	24	5	1
R3A	6.97 (SF)	6.97	.23	1	0	0
R4	6.97 (SF) 8.71 (SEMI)	7.84	1.06	8	0	0
R5	29.04 (SF) 29.04 (SEMI) 29.04 (TWO)	29.04	0	0	0	0
RS	6.97 (SF) 8.71 (SEMI) 11.62 (TWO) 17.42 (ATT./MULTI)	11.18	0.97	10	0	0
RC	4.36 (SF)	4.36	0	0	0	0
C1	29.04 (AO)	29.04	0	0	0	0
C2	29.04 (AO) EST.	29.04	0.72	20	20	4
C3	3.87 (SF) 5.81 (SEMI) 7.26 (TWO) 17.42 (MULTI)	8.59	0	0	0	0
NC	17.42 (MULTI)	17.42	0	0	0	0
C5	0	0	0.85	0	0	0
C6	6.97 (SF) 8.71 (SEMI)	7.84	0	0	0	0
HO	0	0	0	0	0	0
Total						7

Source: Cape May City Zoning, Chapter 525 & *Cape May City Tax Assessor Records, Nov. 2008, Excludes parcels with environmental constraints and undersized lots.

Key: (SF) = Single family; (SEMI) = Semidetached Dwelling; (TWO) = Two family Dwelling; (ATT.) = Attached Dwelling; (MULTI) = Multifamily Dwelling; (AO) = Apartment Over Commercial

The proposed mechanism includes a compensatory benefit for development that requires the construction of affordable housing units or a payment in lieu thereof. All residential development consisting of less than five (5) residential units shall be exempt from providing affordable units or making a payment in lieu of. Non-residential development that results in the creation of fewer than 16 jobs is also exempt from providing affordable units or making a payment in lieu of. Utilizing these thresholds, a vacant land analysis was performed for the City

to determine the projected affordable units generated by this mechanism. Parcels that could yield development that would be over the thresholds were considered and units totaled. This analysis is summarized in Table No. 20 above and the proposed affordable units are seven (7).

Affordable Housing Trust Fund

To better enable Cape May to meet the low and moderate income housing need in the municipality, an affordable housing trust fund is proposed in accordance with N.J.A.C. 5:97-8. A development fee ordinance will be created that establishes a fee of one and one half (1 ½) percent of equalized assessed value for residential development and non-residential fee of two and one half (2 ½) percent of equalized assessed value. Payments in lieu of constructing affordable units on site where eligible shall also be collected. Use of the funds shall be included in a spending plan and may consist of (but not limited to) the following:

- Rehabilitation Program
- New Construction of Affordable Units and development costs
- Roads and Infrastructure directly serving affordable units
- Purchase of existing market rate or affordable housing for the purpose of maintaining or implementing affordability controls.
- Accessory apartment, market to affordable or partnership programs.
- Green building strategies designed to be cost saving for low and moderate income households.
- Maintenance and repair of affordable housing units.
- Affordability Assistance
- Administrative expenses

Market to Affordable Program

A market to affordable program includes units that are purchased or subsidized through an agreement with the property owner and sold or rented to low- and moderate-income households. The municipality shall provide a minimum of \$25,000 per unit to subsidize each moderate income unit and \$30,000 per unit to subsidize each low income unit with additional subsidy depending on market prices and rent within the municipality. Funding shall be provided through the development fee ordinance.

At the time they are offered for sale or rent, units may be new, pre-owned or vacant and must be in sound condition. The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income. The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a low-income unit shall be affordable to households earning no more than 40 percent of median income.

No more than ten (10) for-sale and ten (10) rental units may be used to address the City's obligation at this time.

Accessory Apartment Program

An accessory apartment program shall be established in accordance with N.J.A.C. 5:97-6.8 by ordinance to permit accessory apartments provided the units are affordable to low- and moderate-income households.

The municipality shall provide a minimum of \$20,000 per unit to subsidize the creation of each moderate-income accessory apartment or \$25,000 to subsidize the creation of each low-income accessory apartment. Subsidy may be used to fund actual construction costs and/or to provide compensation for reduced rental rates.

No more than 10, or an amount equal to 10 percent of the fair share obligation accessory apartments, whichever is greater, may be used to address the City's fair share obligation.

The following additional information was provided to COAH on September 2, 2009 in response to the submission of the above referenced information and proposed mechanisms. This information requested by COAH in the RRAI and the City provided this information as follows:

Rehabilitation Program:

Cape May has proposed a rehabilitation program consistent with N.J.A.C. 5:97-6.2. An Operating Manual for the Rehabilitation of Rehabilitation Units was also provided.

Cape May has provided for the required 2nd round rehabilitation requirement of 33 units. In fact, Cape May provided rehabilitation of a total of 84 low income rental units. 55 units are family rentals and 29 units are for elderly residents. Because these units were rehabilitated between 1994 and 1997, credits for the 25 rehab units above the requirement are not permitted in accordance with NJAC 5:97-4.5. The City was not seeking credit for these units; however, it is important to note that the City has provided low income rental units over and above the second round requirement.

Cape May City has a projected growth share rehab obligation component of eight units. Cape May has proposed a spending plan that allocates \$80,000 in development fees for rehabilitation units. The funding and scheduling has been previously submitted as part of Cape May's application materials. This provides for municipal rehabilitation investment for hard costs averaging a minimum of \$10,000 per unit. The spending plan provided funds more than half the rehab units required by the mid-point of substantive certification in accordance with NJAC 5:97-6.2(b)3. Cape May will also continue to seek grants from state and federal sources to fund or supplement funding of this program, as the City has been successful in the past.

Cape May's third round program is a municipal wide program as provided for in Cape May's Operating Manual for Rehabilitation Units. It is anticipated that the units rehabilitated would be units contained within the existing 84 low income rentals operated under the Cape May Housing Authority. It is our understanding that roof repairs (qualified major system) are required in the

near future and may be eligible under this program. Other qualified property owners interested in the rehabilitation program may also be included should the rehab of the Cape May Housing Authority units not fulfill the eight unit obligation. Cape May will solicit applications for these properties prior to administering the program as provided for in the Operating Manual.

Cape May City has contacted the Cape May City Housing Authority's administrator and has received a response indicating that he has no interest in serving as the City's Administrative Agent to administer the program. Cape May is actively seeking an Administrative Agent and anticipates contracting with an experienced administrator in the near future.

Analysis of potential opportunities to address Unmet Need:

Additional review and consideration of potential opportunities to address unmet need was requested. An analysis of further opportunities is detailed as follows:

Accessory Garages

Existing Cape May housing stock contains many dwellings with detached garages. Cape May has recognized that this development presents an opportunity for development of affordable units by converting these to accessory apartments and has included this mechanism to address the growth share. However, while this opportunity does exist to some extent, parking constraints on small lots severely limit the viability of adding units to further address unmet need. Cape May has proposed the maximum number of accessory apartments permitted.

Apartments over Retail

COAH has identified that there are existing retail and commercial establishments that are multistory and could be developed with accessory apartments above. Many of these establishments already contain apartments. The majority of these are located in the Mall area where parking problems are most prevalent. Providing parking to support any additional accessory units is problematic and unlikely based in the fact that there is little or no developable land left in this area and existing parking is substandard based on current zoning and existing uses. Cape May has little or no ability to provide additional opportunities to address unmet need for this type of development.

Lafayette Street

COAH has identified Lafayette Street as having underutilized lots that could accommodate redevelopment. The "underutilized" lots are all located on the west side of Lafayette Street and are within the R2(PW) and R3(PW) districts. The PW designation is Preserved Wetlands. These lots back up to Cape Island Creek. These lots are subject to wetlands and wetland buffers and although they appear underdeveloped, wetland buffer constraints may limit or prevent any further development.

Vacant Lands

PA has also performed a vacant land analysis of Cape May City owned land to verify there are no other opportunities to address unmet need. There are 140 total municipally owned lots. Seven are state, county or Board of Education owned. 74 are located in the S-1/S-2

Beach Strand/Dune Stabilization district which are located south of Beach Avenue and comprise the beach and dune portion of the City where there is no development potential. Twelve lots are located in the PW (preserved wetlands) district where much of the development is restricted by wetlands and buffers. 15 parcels contain City's buildings, parking lots, public travel ways and public parks where there is no further development feasible. 24 additional lots are located in areas that contain wetlands associated with Cape Island Creek and Wetlands associated with east Cape May. The remaining lots are located in uplands areas that are not impacted by wetlands, dunes or other environmental concerns. Six are of insufficient width or depth (3.5' – 30') and are undevelopable. One lots is 30' x 68' but landlocked with no street access and another is 39.5' x 90' irregularly shaped, located on a street curve and is unlikely to be able to be developed due to setback and clear sight issues. The City Master Plan details the City's plans and recommendations to acquire additional lands to accommodate existing City facilities that are deemed inadequate.

Additional Units proposed to address unmet need:

The City has proposed the following development and revised inclusionary development mechanism to address 58 units for second round unmet need:

A. East Cape May-Sewell Tract

The City has been involved in negotiations involving a new 85 unit development located at a site known as the Sewell Tract in East Cape May that includes 71 market rate units and 14 affordable units. This site is located in an environmentally sensitive area designated as PW or Preserved Wetlands on the zoning map. This development will have a 20% set-aside. Cape May proposes to address a portion of its unmet need with this development in accordance with NJAC 5:97-5.2(j). A copy of the settlement agreement resolution has been attached herewith.

B. Inclusionary Zoning Overlay:

The proposed amendment to inclusionary zoning provisions to address unmet need was addressed by the following adopted inclusionary zoning ordinance:

§ 59.43. Inclusionary Zoning

E. Affordable Housing Density Incentive.

1. For the purposes of addressing unmet need from the Round 2 Fair Share Plan which was based upon a 58 unit vacant land adjustment and a zero realistic development potential, the City has established a higher density incentive in which developers of residential housing units are provided enhanced incentives to afford them the opportunity to construct additional affordable housing units to compensate for the Round 2 unmet need.
2. The affordable housing density incentive shall be permitted for any residential development with a total lot area equal to or greater than 2 acres.

3. In lieu of the requirements for the set aside and density bonus as set forth in subsection C.(1), a developer shall have the option of selecting a set aside requirement of 25 percent and a density bonus of 50 percent for any residential development regardless of the number of units. For example:

Permitted Market Rate Units Under Existing Zoning	Additional Lots With 50 Percent Density Increase (1)	Total Maximum Number of Lots (1)	25 Percent Affordable Set-Aside Requirement Based on Total Maximum Number of Lots
10	5	15	3.75 (2)
20	10	30	7.5
36	18	54	13.5 (2)

Notes:

(1) If the density increase lot calculation or the total number of maximum lot calculation results in a fractional number - that number can be rounded up to the nearest whole number at 0.5 or greater and rounded down to the nearest whole number at 0.4 or less.

(2) Fractional Affordable Share - See §59-43 F

4. Residential units shall be permitted in the C-5 district under the affordable housing density incentive only and calculation of the number of permitted market rate residential units allowed for C-5 district shall be consistent with the R-3 district bulk and area requirements.

An analysis of potential development opportunities and estimates of potential affordable units has been included herewith in the Affordable Housing Zoning Analysis For Density Incentive dated September 1, 2009. It should be noted that the previously proposed overlay zoning did not provide for any affordable units in the C-5 district as no residential units were permitted.

Draft Inclusionary Zoning Ordinance:

A draft zoning ordinance titled “**ORDINANCE OF THE CITY OF CAPE MAY AMENDING CHAPTER 59, ARTICLE V, ENTITLED AFFORDABLE HOUSING**” was provided to address previous inconsistencies with PL 2008 c.46. Additional zoning overlay information was also included.

Market to Affordable Program:

A draft operating manual for the City's market to affordable mechanism titled "City of Cape May Market to Affordable Program Guidelines" and an affordable marketing plan (Region 6) developed consistent with UHAC was provided. Program allows for both for-sale and rental units.

As detailed previously, Cape May is actively seeking an Administrative Agent and anticipates contracting with an experienced administrator for this and all other programs in the near future.

Accessory Apartment Program:

An operating manual for accessory apartments titled "Operating Manual for the Administration of Accessory Apartments in the City of Cape May, NJ dated July 16, 2009" was provided.

As detailed previously, Cape May is actively seeking an Administrative Agent and anticipates contracting with an experienced administrator for this and all other programs in the near future.

Very Low Income Units:

Two (2) very low income units have been previously proposed consistent with P.L. 2008 c.46 and included in the spending plan. These two units are proposed to be addressed by the accessory apartment program. Fifty percent (one unit) of the very low income units will be provided as a family unit.

Intent to Bond:

The City has provided a Draft Resolution of Intent to Bond with its previous submission to COAH. As required, the City of Cape May will provide an adopted resolution of intent to bond within 45 days of substantive certification.

Additional Information:

COAH's Pre-Mediation Report indicates an actual growth share of 14.2 units based on residential units and 7.4 units for non-residential growth. Cape May contends that the actual growth share number may be lower based on residential demolitions and rebuilds.

Residential Demolitions

The City has previously submitted copies of building permits and corresponding demolition

permits to demonstrate that numerous residential structures are demolished every year to create modern residential units. Based on the New Jersey Department of Community Affairs *Construction Reporter*, the following table illustrates that this trend continues:

Housing Units Demolished vs. New Housing Units							
Year	2004	2005	2006	2007	2008	2009*	Total
Housing Units Demolished	8	8	13	12	9	0	50
Housing Units Authorized by Building permits	30	17	6	19	10	1	83
Net	22	9	-7	7	1	1	33

*Thru March 31, 2009.

This trend continues to be the norm within Cape May as existing residences are demolished to make way for new modern residential units. Between January 1, 2004 and March 31, 2009, a total of 83 housing units were constructed and 50 units were demolished for a total of 33 net units.

While it is understood that all the demolitions and rebuilds will not qualify as an allowable exclusion, many of these cases will and the City will continue to compile data as demolitions of residential units are replaced with new residential units. Ownership patterns will be reviewed and exemptions in accordance with NJAC 5:97-2.5(a)1.v. will be computed on an ongoing basis.

Cape May participated in the COAH mediation process as an objection was filed, and ultimately received Substantive Certification on October 6, 2009. The final accepted plan is detailed in the COAH Compliance Report dated September 25, 2009 provided in the Appendix. All necessary ordinances for implementation have been adopted.

COMMUNITY INVENTORY

Maps have been included in the appendix to this report to detail community inventories. A complete listing of maps has been provided in the appendix. These maps, GIS data and all other relevant information will be presented during the Community Visioning stage of Plan Endorsement to engage citizens in an informed dialogue about the future of their community.

The Community Inventory information summary is detailed below:

General Information

- State Plan Policy Map Planning Area boundaries and area
Environmentally Sensitive PA5 (1054.83 acres)
Federal Park PA7 (408 acres)
State Park PA8 (2.3 acres)
- Municipal boundaries and area
2.29 Square Miles (1465.13 acres)
- Regional boundaries (e.g. Pinelands, Highlands) and area
CAFRA (100%- 2.29 Sq. Miles)
- Potential growth area designations, e.g. redevelopment areas, TDR receiving areas, Transit Village
None Existing or Proposed
- Zoning
A digital zoning map in .pdf format has been provided for use in the Opportunities & Constraints Analysis
- Municipal Tax Assessment
Information provided by the City Tax Assesor's Office indicates the total value of commercial properties at \$602,981,100, the number of households (class 2 properties) at 3,410 units and acreage of vacant lands per the municipal tax assessment is 127.57 acres.

Cape May City has a municipal boundary area of 2.29 square miles or 1465.13 acres not including waterways. All of Cape May City is located within the NJDEP Coastal Area Facilities Review Act area. Based on the State Plan Policy Planning Area Map, the city contains three different planning areas. The majority of the city (1054.83 acres) is located within the Environmentally Sensitive PA5 area. The Coast Guard base which is located at the northeasterly portion of the City nearest the Cape May Harbor is designated Federal Park PA7 and contains 408 acres. The remaining area comprised of several park areas are designated State Park PA8

planning area and have a total area of 2.3 acres. Through this Plan endorsement process, the City seeks to reinstate the Town Center designation that was formerly adopted and later expired.

Cape May has no existing redevelopment areas, TDR receiving areas or transit villages. No future redevelopment areas, TDR receiving areas or transit villages are proposed or anticipated at this time.

A digital zoning map in .pdf format has been included for use in developing the Opportunities and Constraints Analysis. All other required maps have been included in the appendix. Detailed mapping will be provided for the Community Visioning process to aid citizens in planning and determining the future of the municipality.

Natural Features

The majority of Cape May is designated in the New Jersey State Development and Redevelopment Plan as an Environmentally Sensitive Planning Area (PA5). The vast majority of undeveloped land in Cape May is environmentally constrained by floodplain, wetlands or both. These environmentally sensitive lands, and the wildlife habitats that they support, are very much a part of what makes Cape May an attractive area to live and vacation. The Coast Guard Base is designated Federal Park and contains the Coast Guard TRACEN Cape May Facility and some undeveloped environmentally sensitive areas.

Cape May's southern shoreline is formed by wide, white sand beaches that border the Atlantic Ocean and the City is influenced by sensitive environmental features that are described below. Wetlands occur throughout all sections of the city and limit development on vacant lands, particularly near Cape May Harbor in the east end and bordering Cape Island Creek on the north end. Protection of fragile dunes is essential to protection of the valuable beach resources.

Floodplain

The low-lying barrier island is, not surprisingly, located almost entirely in the one hundred year floodplain. It is susceptible to flooding from the Atlantic Ocean, Cape Island Creek and the Cape May Canal. Zoning regulations require that the lowest floor level of any building be not less than ten and one-half feet above mean sea level to minimize property damage.

Wetlands & Habitat for Threatened and Endangered Species

A substantial portion of the eastern half of Cape May is preserved wetlands. There is great concern regarding the potential development of these wetlands in East Cape May. This is the last concentration of undeveloped land in Cape May. Much of this land is zoned residential and only the state's wetland protection policies have so far prevented development. A large residential subdivision plan has been filed but it has been in litigation with the State over the extent of the wetlands for a number of years. The City is now proposing to acquire this land, which would assure its permanent protection. A clustered development of approximately 78 residential units is also anticipated.

Wetlands not only store water and help to control runoff and flooding, they support numerous wildlife habitats, some of them threatened or endangered species.

Cape May is an integral part of the Atlantic Flyway. Millions of birds migrate each fall to warmer climates and stop, rest and feed in Cape May to fortify themselves to continue the journey southward. This presents a unique opportunity to observe numerous species each autumn and again in the spring, and many tourists come to the area to observe the migrating birds. The habitats that support these birds are not only important environmentally, but economically as the migrating birds draw numerous tourists to the area. As an example, the Cape May area is home to the World Series of Birding every spring.

The Cape May Environmental Commission has advocated a proactive policy regarding wetlands. They have suggested acquisition of all environmentally sensitive wetlands within the City Limits, and the protection of the east Cape May wetlands will go a long way towards advancing that goal. The adoption of a 300-foot wetland buffer has also been recommended, provided that it conforms to State guidelines. Cape May continues to rely on state regulations governing wetlands for establishment of appropriate wetland buffers.

Parks

There are numerous parks within the city and include, Rotary Park, Lafayette Street Playground, Physick Estate Park, Fisherman's Memorial and Harborview Park. A recreation and open space inventory has been provided in the appendix for a complete listing. Park facilities are discussed in detail in the following section "Community Facilities"

Farmland

The City contains no farmland.

Historic & Cultural

Cape May considers itself to be America's first resort community. Settlement occurred in the early nineteenth century but few structures remain from that period. However, it is Cape May's extraordinary collection of late-nineteenth century Victorian architecture that has led to the City's designation as a National Historic Landmark. This designation was bestowed on the City of Cape May by the U.S. Department of the Interior in 1976. The City of Cape May has received a National Historic Landmark designation which applies to buildings, sites and districts, sites and districts that meet the Secretary of the Interior's standards for such designation. Certified Local Government (CLG) designation was established by the National Historic Preservation Act of 1966 and is administered by the National Park Service through the state's Historic Preservation Offices. In New Jersey, Cape May is the only city having the landmark designation, while there are many cities with the CLG status. CLG status enables Cape May to support historic preservation programs through an eligibility to apply for matching funds grants.

Landmark status was granted because Cape May is a living document of architectural styles in a seaside resort. While Cape May is noted for its concentration of structures built during the "Victorian Period," this city, like most American cities, was built and rebuilt over many architectural periods. Throughout the city, there are significant styles from all periods.

A key structure is a unique architectural structure on an importance example of an architectural period of style. Noted examples are The Mainstay Inn, The Abbey, the Physick House or the

properties at 1105 New Jersey Ave. or 1120 New York Ave. Contributing Structures are those whose architecture enhances the neighborhood where they are located but the style is not unique, such as the group of houses on the north side of New York Ave. between Madison and Trenton Aves. (the 1000 and 1100 blocks).

Sites earn a key or contributing designation by survey. Site designations are a result of a survey of the Landmark District. A survey team reviews each site in the district, applying the Secretary of the Interior standards for identification and evaluation and the State Historic Preservation Office guidelines for Architectural Survey. After the standards are applied, the corresponding designation is given.

The Historic Preservation Commission was established to protect the City's National Historic Landmark Status. Along with their other significant responsibilities the HPC accepts and reviews exterior changes to our historic structures. HPC applications play a vital role in protecting our historic resources.

The HPC is a seven-member commission of the City of Cape May, established under the Municipal Land Use Law of New Jersey and appointed by City Council. The board is charged with working with and advising the City Council, The Planning Board, the Zoning Board of Adjustment and the Construction Official. The HPC's responsibilities include considering the appropriateness of new development, external modifications to existing structures and any demolition within the Historic District. It also conducts surveys of buildings and sites within the Historic Landmark District and recommends the designation of Historic Districts, buildings and sites to the Cape May City Council.

Currently, the City has over 600 Victorian buildings which are in use as accommodations, offices, retail shops, restaurants, and private residences. Summer remains Cape May's busiest season, with vacationers being attracted by a combination of its historic ambiance and its beachfront location. Although most of the New Jersey coast is occupied by resort communities, Cape May receives the second largest number of visitors, after Atlantic City. Unlike many other beachfront towns, a wide-range of activities have led to Cape May's emergence as a year-round resort.

Shade Trees

The City recognizes the importance of protecting existing vegetation and replacing vegetation that is removed when land is developed. Cape May has a landscaping ordinance that requires up to 60% of a lot be left in vegetation and tree replacement for larger trees that are removed. The City participates in Tree City USA and has also adopted a "Community Forestry Management Plan" authored by the Shade Tree Commission with the intent of increasing the community's understanding of the urban forest and increasing the public's appreciation of trees on public and private land that benefit the entire community.

Beaches

Cape May's beaches are vital to both the environmental and physical protection of the City, as well as being one of its most valuable economic resources. The beaches are the first line of protection from storms approaching from the sea. Like all coastal communities, Cape May

recognizes the fragility of dunes and has invested heavily in beach replenishment projects in cooperation with the U.S. Army Corps of Engineers. Currently, the City has a 50 year agreement (1990 – 2040) with the U.S. Army Corps of Engineers, as well as the New Jersey Department of Environmental Protection for beach replenishment. It has also adopted special land use controls designed to limit further encroachments along the beach strand.

Community Facilities

An inventory of community facilities

- Schools (private and public)
Cape May Elementary, 921 Lafayette Street
- Nursing homes
No Licensed Facilities
Victorian Towers (Senior Housing Complex but not licensed nursing home)
- Daycare centers
Pelican Place, 643 Washington Street (20)
- Shelters/halfway houses/treatment centers
None
- Youth and recreation centers
City of Cape May Recreation Dept.
- Government buildings and public services
Cape May City Hall
Cape May Fire Department
Cape May Convention Hall
Emlen Physick Estate (Mid-Atlantic Center for the Arts)
Washington Street Mall Information Booth (Mid-Atlantic Center for the Arts)
Franklin Street School (Center for Community Arts)
The former Welcome Center (Cape May Stage)
The Nature Center (New Jersey Audubon Society)
The Marine Research Facility (Rutgers University)
The Transportation Center/Welcome Center (Chamber of Commerce of Greater Cape May)
United States Coast Guard Base

A report on community facilities has recently been prepared and indicated in the Master Plan Reexamination and is updated and detailed as follows:

The City of Cape May faces an unusual challenge. Its year-round population is just under 3,800 people and yet it must provide a full range of municipal services to meet the needs of hundreds of thousands of seasonal visitors. The City has accomplished this mission through aggressive use

of grant funding (facilitated by its former designation as a “Center” in the State Plan); through a cooperative police service agreement with the adjacent municipalities of West Cape May and Cape May Point; and through innovative approaches to difficult problems, such its construction of the first water desalination plant in the Northeastern United States to provide an adequate supply of drinking water.

The City Government principally operates out of its City Hall, an older building at 643 Washington Street that was originally constructed as the local high school. As such, the building’s design is inefficient for use as a modern government office building and it does not have adequate space to house all City functions. Police headquarters and most City administrative offices are located in City Hall, but the Recreation Department operates out of cramped quarters in Convention Hall and the offices of the Public Works Department are located at a separate complex, on Canning House Lane. The former high school auditorium serves as a meeting room for City Council, the Planning and Zoning Boards, and other official municipal meetings, but its balcony separates sections of City Hall’s second floor. It must be used as a passageway between various second floor offices. The Patrol Division and Detective Division of the Police Department are housed in a leased portion of the West Cape May Municipal Building.

Nonetheless, the current City Hall has the advantage of being centrally located at the edge of the downtown area. Further, it is located near a concentration of other public facilities, including the Fire Department building at Washington and Franklin Streets, The Colonial House, and the former Franklin Street School. A City-owned parking lot connects these facilities. A community-group has been given a multi-year lease on the Franklin Street School and is attempting to raise sufficient funds to renovate that building and to establish a Center for Community Arts. The Recreation Department continues to use the school’s gym for its activities. The Fire Department building—contains a public meeting room, equipment storage, bunk area (male only), office spaces including emergency management office space as well as a small fire museum. Expansion of the Fire Department building may be required for a better utilization of existing space. The expansion could facilitate additional floor space that could be utilized for uses such as meeting area, training area, female bunk area and office area. Alternative sites are limited due to the built-up character of the City.

The City continually seeks opportunities for future options, including the potential redevelopment of this entire complex of public buildings in the half-block bounded by Lafayette, Franklin and Washington Streets. This area of approximately two acres is shown in the accompanying aerial photograph. Other structures within the area include the headquarters of the Cape May Historical Society and two properties not now owned by the city: Alexander’s Inn and the Macedonia Baptist Church. A number of the buildings in this area are historic and deserve careful future study. Alternative sites for a new City Hall were explored by the City and it was determined that they were not feasible at this time due to prohibitive acquisition costs and environmental constraints.

The City’s Recreation Department serves a number of users, both in the city and in surrounding communities, through fee-based programs. Discounts are offered to City residents, but all activities of the Recreation Department programs are self-sufficient and the department receives no budget from the City, though the City does provide for park maintenance and special events. The Recreation Department’s year-round programs include youth sports, youth dance, adult

softball leagues, senior citizen swim program, youth soccer, aerobics, a swim team and an independent Little League program. Direct Users (individuals in unstructured programs) include those who avail themselves of open programs in the Elementary and Franklin School gymnasiums, and with swimming programs at the pool at the Elementary School and on the Coast Guard Base for children, families, and senior citizens.

An expanded program is offered to seasonal users. These activities are geared toward families and include a summer day camp and the children's playhouse. Special events, crafts festivals, and other attractions are conducted throughout the year. A "Concerts in the Park" series is held Wednesdays through Sundays at 8:00PM in the Rotary Park on Lyle Lane behind the Washington Street Mall. Trips are also offered to local attractions such as the Cape May Nature Center, The Wetlands Institute, the Cape May Point State Park, and the Cape May County Zoo at Cape May Court House. Special events, including parades, craft shows, art shows, concerts, beach volleyball, a sand sculpture contest and movies on the beach are provided.

Because city-owned recreational land in Cape May is limited, the Department makes use of other nearby facilities. Athletic fields in Lower Township and at the Cape May Elementary School are used once school is out for summer recess. The swimming pool and fields at the Coast Guard Base are made available when they do not conflict with base activities. County softball fields and outings to the County Zoo are also utilized in the department's activities. There is no official relationship with the privately operated attractions such as the Cape May Environmental Center or the Cape May Bird Observatory.

There is a defined need to acquire lands and consolidate ownership of the areas bordered by St. John Street, Lafayette and the Cape May Elementary School to facilitate an upgrade in active recreation. Playground equipment and playing field equipment needs to be upgraded.

Cape May City Council has recently authorized the faculty and senior students in Temple's Department of Landscape Architecture and Horticulture to coordinate with the Cape May citizenry on a comprehensive project entitled, "Cape May Coastal City: Planning and Designing a Cultural Landscape Network". The focus is on improving several of the City parks, creating a nature reserve in the eastern end of town, and preparing a "Pedestrian City Trail". The City Council's goal is to integrate the parks more fully and sustainably into this walkable and vibrant destination City. In addition, the "Pedestrian City Trail" is to connect and educate residents and visitors to the City's rich cultural and natural heritage while forging a path towards a sustainable future.

Utilizing this planning and design effort, the City has prepared an application dated July 29, 2010 for NJDEP Green Acres funding in the amount of \$3.2 million for property acquisition in the aforementioned area bordered by St. John Street, Lafayette and the Cape May Elementary School.

The City continues to seek other available areas for open space planning and improvement. This and other planning efforts have identified potential sites. For example, the "Cape May Coastal City: Planning and Designing a Cultural Landscape Network" identifies the green area along Cape May Avenue as a potential area for planned open space improvement.

Cape May has recognized the power of arts, history and culture in transforming the landscape of the community. The City has adopted a program of public-private partnerships that have infused a progressive growth of Cape May's annual economy into a ten and a half month economy as opposed to the average 12 week season typical in most seashore resort communities.

This program facilitates the leasing of City-owned property on a long term basis for \$1.00 per year with non-profit organizations being responsible for the renovations, operations, and maintenance of the properties. This ensures that the City maintains a nurturing environment by providing the essential physical infrastructure so that fledgling, local, non-profit cultural, arts and historical organizations can flourish while benefiting the taxpayer by reducing costs associated with maintenance of the properties.

Currently, the City has eight (8) such agreements involving City-owned property and they are listed as follows:

- Emlen Physick Estate with Mid-Atlantic Center for the Arts
- Washington Street Mall Information Booth with the Mid-Atlantic Center for the Arts
- Franklin Street School with the Center for Community Arts
- The former Welcome Center with Cape May Stage
- The Nature Center with the New Jersey Audubon Society
- The Marine Research Facility with Rutgers University
- The Transportation Center/Welcome Center with the Chamber of Commerce of Greater Cape May
- Cape May Tennis Club Inc.

Through these public-private initiatives, tremendous opportunities have been presented and pursued to unify the business and residential segments of the City to achieve civic, social, cultural, arts, financial and tourism goals of the entire community. These partnerships have created employment opportunities that maintain the City's population base and solidify its economic viability. These non-profit organizations are staffed by a bank of volunteers who plan, develop and implement the vast array of programs, services and activities that are offered on a year round basis to residents and tourists alike. Without these partnerships, the comprehensive schedule of arts, history, cultural, social, environmental, educational, and recreational programs, services and activities could not be possibly funded and staffed by the City of Cape May without the dedication and commitment of these volunteers.

The City should maintain these private-public relationships and strive to investigate other opportunities that may present themselves in the future.

The City of Cape May also recognizes the importance of the convention hall facility's role in providing comprehensive services not only for residents, part time residents and tourists, but also for business and civic groups, musicians, theatre and community groups, and non-profit entities. A consensus building approach was implemented to recognize the needs of the entire community and establish design criteria for replacing the 1964 structure, identified in the 2003 Master Plan as being in need of replacement.

A Public Question was voted on November 4th, 2008. The binding referendum was for the approval of the bond ordinance and permit financing for a new Convention Hall facility in the amount not to exceed \$10,500,000 with the final cost as well as the size, design, features, content and location of the convention hall facility to be determined based upon the input received at public forums. For this Question, 76% of the electorate voted and the question was passed with 66% of the total votes. City Council pledged an “open and transparent” process by holding five town meetings to allow public input on location, uses, design and construction as well as cost.

Based upon input from the general public, the proposed convention hall will house the same uses and programs as the existing hall and will serve primarily as a community center. The new multipurpose state of the art hall will continue to host events that include roller skating, craft shows, general exhibitions, dances for children, teens and adults, concerts, theatrical performances, special events, Jazz Festival, MAC Music Festival and the Kiwanis Pancake Breakfast. In addition the hall will allow the City to explore new cultural events and exhibits to be hosted therein.

The proposed new hall is anticipated to be fully operational during the 2012 summer season. The proposed new convention hall will be located at the site of the existing hall and will require demolition of the existing hall.

Cape May’s greatest recreational asset is its beach strand, which attracts thousands of visitors to the community on a year-round basis. The exact acreage of the beach is difficult to determine, because it varies based upon both tidal conditions and erosion. Nonetheless, the City offers its visitors more than two and a half linear miles of a broad white sand beach. This area is exclusive of those portions of the beach that are protected as part of the dune stabilization effort or for which access is restricted because it occurs within the limits of the U.S. Coast Guard base. The City has entered into a 50- year contract with the State and the Army Corps of Engineers to replenish the beach on a biennial basis, thus safeguarding this principal resource. The beach is protected during summer months by lifeguards and the Beach Patrol has sand wheelchairs available to promote handicapped access. Ocean rescue is facilitated by two wave runners, and twenty lifeboats.

Accessible improvements (ADA) include a \$382,000 grant for construction of new access ramps from the street to the beach promenade. Improvements were completed at four (4) beaches. located at Grant Street, Gurney Street, Trenton Avenue and Wilmington Avenue. A second phase grant in the amount of \$271,913 was received to then extend the ramps to the high-water mark at the beach and provide accessible showers, decks, and tables. Ultimately, a total of ten (10) beaches are targeted for accessible improvements.

Beyond the beach, the City’s recreational assets are somewhat limited. The largest single tract of City-owned recreational land is approximately 9.5 acres of contiguous land that extends east of Madison Avenue, generally between Washington Street and Michigan Avenue. This site contains the historic and architecturally significant Emlen Physick Estate at 1048 Washington Street, which has been leased to the Mid-Atlantic Center for the Arts. In addition to conducting tours of the Physick Estate, the Mid-Atlantic Center conducts a number of other year-round tourist-based

activities, including its operation of the Cape May Lighthouse and the World War II era coastal observation tower (both of which are located outside of the city limits). A portion of this 9.5-acre site is also leased to a private tennis club. Active city-managed recreational use is limited to approximately three acres, which is developed as Kiwanis Park. This Madison Avenue park features a tot lot and an attractive sitting area with a Gazebo and small pond. The entire 9.5 area tract is shown on the aerial photograph below.

Cape May is separated from the New Jersey mainland by Cape May Harbor and the Cape Canal, which is part of the Intracoastal Waterway. This island is shared by the City of Cape May, the Boroughs of West Cape May and Cape May Point, and a portion of Lower Township. Cape May City shares municipal borders with the Borough of West Cape May and Lower Township. The eastern end of the city is occupied by a U.S. Coast Guard base, which occupies approximately 20% of the land area in the City.

Infrastructure

An inventory of municipal infrastructure has been prepared and is summarized as follows:

- County roads
 - Lafayette Street/West Perry Street (County Route 633)
 - Beach Avenue (County Route 604)
 - Delaware Avenue (County Route 640)
 - Texas/Pittsburgh Avenues (County Route 622)
 - Madison Avenue (County Route 635)
 - Broadway (County Route 626 -Sunset to Beach)
 - Mt. Vernon Avenue-Broadway to Cove (County Route 627)
- Highways
 - None
- Railways
 - NJ Transit Corporation – Cape May Branch Seashore Lines (Lafayette St. & Elmira Street)
- Sewer service areas
 - All developed Lands Are within the Sewer Service Area
 - Portion of East Cape May (undeveloped) excluded.
 - (See Map in appendix)
- Water supply franchises
 - Cape May Sewer & Water Department
 - Cape May Desalination Plant (Canning House Road)
- High tension wires (if any)
 - None

- Energy substations
Venice Avenue & Elmira Street

The City of Cape May is a 2.2 square mile community located at the southern end of New Jersey and Cape May County. Cape May benefits from its proximity to major population centers and visitor attractions in the Mid-Atlantic Region. It is approximately 50 miles south of Atlantic City, 80 miles southeast of Philadelphia and 150 miles south of New York City.

Both US State Route 9 and the Garden State Parkway terminate in Lower Township, near the Schellenger's Landing Bridge, which provides the main route for vehicular traffic approaching Cape May. A secondary street access is available via Seashore Road, through West Cape May. County roadways include Lafayette Street/West Perry Street (CR 633), Texas/Pittsburgh Avenues (CR 622), Beach Avenue (CR 604), Delaware Avenue (CR 640), Madison Avenue (County Route 635), Broadway (CR 626) and Mt. Vernon Avenue (CR 627).

The Cape May-Lewes Ferry, which provides service between the southern end of New Jersey and Lewes, Delaware, is located at the western end of the Cape May Canal. Buses connect the ferry with Cape May's Transportation Center, which is located near the City's main shopping district, the Washington Street Mall. The Transportation Center is also serviced by the Cape May Seashore Railroad, which provides service between the City and Cape May Court House, via the historic Cold Spring Village. In addition, the Transportation Center is also serviced by frequent daily bus service by New Jersey Transit on a year round basis. This bus service connects with Atlantic City, Philadelphia, North Jersey destinations, New York City, as well as coastal resort towns in Cape May and Atlantic Counties.

Cape May is separated from the New Jersey mainland by Cape May Harbor and the Cape Canal, which is part of the Intracoastal Waterway. This island is shared by the City of Cape May, the Boroughs of West Cape May and Cape May Point, and a portion of Lower Township. Cape May City shares municipal borders with the Borough of West Cape May and Lower Township. The eastern end of the city is occupied by a U.S. Coast Guard base, which occupies approximately 20% of the land area in the City.

All developed land within the City is located within the sewer service area. No development exists within the City that is serviced by septic systems. Cape May City provides water service to the municipality and other adjoining municipalities.

Underutilized Land

An inventory of underutilized land within Cape May has been prepared utilizing NJDEP iMAP Information and community resource information. A summary of underutilized land is detailed below.

- Redevelopment and rehabilitation areas
None existing or anticipated

- Hazardous sites –(NJDEP iMAP Information):

Known Contaminated Sites (See Map):

Cape May Gulf (Yacht & Washington Avenues)
 Rosemans Boatyard (1 Rosemans Lane)
 PNC Bank (930 Washington Street)
 349 Congress Street
 The Beach Shack f.n.a. Coachmans Motor Inn (205-211 Beach Avenue)

Groundwater Contamination Areas (CEA) (See map)

Filling Station (615 Lafayette Street – “Oyster Bay Restaurant”)
 McManus Auto Service Station (701 Washington Street – “Sturdy Savings Bank”)
 PNC Bank (940 Washington Street)
 Riggins Oil Cape May Gulf (Yacht & Washington Avenues)

Well Head Protection Areas (See map)

Cape May Marina

Other (Not Mapped):

JCP&L Coal Gassification Plant (St. John Street & Lafayette Street)
 Underground Storage Tank @ Municipal Yard (Canning House Lane))

An inventory of underutilized land has been developed. There are currently no redevelopment and rehabilitation areas within the city and based on the current conditions of the city, none are proposed or anticipated at this time.

All known hazardous sites, groundwater contamination sites and well head protection areas were inventoried based on NJDEP iMap information and local knowledge. These are listed above. The majority of these sites contain existing development and are not underutilized from a land use perspective.

There are two exceptions. The area designated as the Riggins Oil Cape May Gulf site is located at the corner of Yacht Avenue and Washington Street. Opposite of the existing gas station is an undeveloped site known as Block 1160, Lot 53. This site is located within the NC Neighborhood Commercial Zoning District and may be suitable for commercial development. The site is also located at the gateway to the City.

The second underutilized site is the area listed as the JCP&L Coal Gassification Plant. This site is located at the vicinity of St. John Street & Lafayette Street and is currently being remediated. As identified in the Master Plan Reexamination, there is a defined need to acquire lands and consolidate ownership of the areas bordered by St. John Street, Lafayette and the Cape May Elementary School to facilitate an upgrade in active recreation. The City is proactively addressing this need.

Cape May City Council has recently authorized the faculty and senior students in Temple's Department of Landscape Architecture and Horticulture to coordinate with the Cape May citizenry on a comprehensive project entitled, "Cape May Coastal City: Planning and Designing a Cultural Landscape Network". The focus is on improving several of the City parks, creating a nature reserve in the eastern end of town, and preparing a "Pedestrian City Trail". This project included design of a park at this location.

Utilizing this planning and design effort, the City has prepared an application dated July 29, 2010 for NJDEP Green Acres funding in the amount of \$3.2 million for property acquisition in the aforementioned area including the JCP&L Coal Gassification Plant area bordered by St. John Street, Lafayette and the Cape May Elementary School. Successful grant acquisition will facilitate the City in fully utilizing this parcel and achieving its stated master plan open space and recreational goals.

COMMUNITY VISION & PUBLIC PARTICIPATION

As demonstrated throughout this report, Cape May has actively planned and prepared community visioning activities. Resulting planning and documents resulting from these activities are consistent with and support the State Plan vision. Specific references to the State Plan goals and policies are included in the Goal Analysis section of this report. The City's efforts in planning and preparing this Assessment Report for Plan Endorsement has resulted in culmination of all other planning efforts including public forums, workshops, public meetings and other activities that were advertised and open to the public. It has been a goal for all planning activities to gain a consensus of the public to plan the community's future.

Desired community visioning for Cape May is to include input from the greatest number of residents, to specifically address their views for the future and develop specific goals and objectives to guide the City in decision making for the future.

Workshop meetings for community visioning and public participation for the preparation of this report were held at the City of Cape May City Hall on the following dates:

June 9, 2008
June 16, 2008
August 5, 2010
August 26, 2010
September 9, 2010

It should be noted that the Plan Endorsement process was paused in 2008 so that relevant planning activities including Master Plan Reexamination, Housing Element and Fair Share Plan, COAH Substantive Certification, Floodplain Management Plan and other visioning plans and designs could be completed in a comprehensive manner.

This Plan Endorsement Assessment Report was endorsed by the City Council on October 5, 2010.

All meetings were advertised in accordance with the Open Public Meetings Act of 1975 and noticing was provided and advertised in the City's designated official newspaper. All meeting minutes and agendas have been provided in the Appendix.

Public participation was encouraged and all meetings were open to public input and participation.

This report has been prepared to guide the visioning process and provide a reality check needed to create a sustainable vision. The City anticipates working with OSG and other relevant agencies to facilitate a successful visioning process and the Vision Statement will be incorporated into the next master plan update.

STATUS OF MASTER PLAN AND OTHER RELEVANT PLANNING ACTIVITIES

The City of Cape May has been progressive in planning for the City's future. The planning endorsement process was temporarily halted in 2009 so that comprehensive planning projects could be completed. These projects included completion of the Master Plan Reexamination, Substantive Certification from the Council on Affordable Housing, and completion of the City Floodplain Management Plan. The following planning events and documents are comprehensive planning processes that were utilized in all planning activities and will be utilized throughout the plan endorsement process:

1. Master Plan Reexamination last dated March 13, 2009 was adopted in March of 2009.
2. City of Cape May, Cape May County, NJ, Housing Element & Fair Share Plan, March 2009
3. Substantive Certification by Council on Affordable Housing on October 14, 2009.
4. Floodplain Management Plan, Cape May Flood Plan, 2009
5. Creation of the Revitalization Committee responsible for Convention Hall, Washington Mall, and parking and traffic planning efforts.
6. Rhodeside and Harwell Vision Plan - Vision Plan for the City of Cape May, New Jersey, October 2007
7. Cape May Coastal City: Planning and Designing a Cultural Landscape Network by Temple University School of Environmental Design Cape May Coastal City: Planning & Designing a Cultural Landscape Network, Fall 2009- Spring 2010
8. Partnership agreement between City of Cape May and Temple University School of Tourism and Hospitality Management (September 1, 2009 to January 31, 2011) which provides the following deliverables: Development of a long-range plan for marketing and promoting tourism to ensure that Cape May is a desired premier tourist destination; Creation of a sustainable framework for Cape May to monitor visitor profiles, track visitor satisfaction, and evaluate advertising effectiveness; Creation of a business plan for the new Convention Hall; Provision of a management plan for the new Convention Hall, including a newly-created department incorporating the current Department of Civic Affairs and Recreation; and Provision of management training for a multi-purpose venue.
9. City of Cape May Historic Preservation Commission Design Standards, Fall 2002
10. Environmental Resource Inventory Mapping for Cape May City, New Jersey 2007

Not only has Cape May City prepared comprehensive planning documents, but they have demonstrated that implementation of these plans is also a priority. Numerous ordinances have been passed that implement policies and goals of the planning efforts. Recent adoption of all necessary ordinances to comply with the COAH Substantive Certification, zoning changes at the NC zone and Sewell Point area, adoption of the states stormwater regulations, and establishment of a business improvement district are examples of Cape May's proactive approach.

With the passage of Resolution 232-10-09, the Cape May City Council authorized the faculty and senior students in Temple's Department of Landscape Architecture and Horticulture to coordinate with the Cape May citizenry on a comprehensive project entitled, "Cape May Coastal City: Planning and Designing a Cultural Landscape Network". The focus is on improving several of the City parks, creating a nature reserve in the eastern end of town, and preparing a

“Pedestrian City Trail”. The City Council’s goal is to integrate the parks more fully and sustainably into this walkable and vibrant destination City. In addition, the “Pedestrian City Trail” is to connect and educate residents and visitors to the City’s rich cultural and natural heritage while forging a path towards a sustainable future.

Cape May has also planned proactively for shared services uses within the city. As full-time resident population has and continues to trend downward, school services ultimately could be impacted. As consolidation and shared services have become a new trend, it remains a possibility that the Cape May Elementary School could be consolidated with other school districts and eliminated. As stated throughout this report, the City depends on the school facility due to the many shared services that are held there. Therefore, the City has made it a goal within the Master Plan to maintain control of the property should this scenario ever take place.

RECENT AND UPCOMING DEVELOPMENT ACTIVITIES

This section has been prepared to document all major development activities that have occurred recently or are in the pipeline in the planning or approval process or under construction. The City of Cape May Zoning Board of Adjustment and Planning Board yearly reports 2003 – 2009 have been included in the appendix. Location, type, and status information is contained therein.

Planning Board

A summary of recent Planning Board activities include numerous site plans, minor subdivisions and major subdivisions. Most commercial development has included site plan applications with expansions to existing commercial properties or demolitions of existing commercial sites and proposed new commercial development. Several of the largest examples of these include:

- Frank Investments, 2009 – Demolition of an existing theater and new construction of retail with 6 apartments above.
- Palace Hotel, 2009 – Renovations to existing Hotel
- Cape Jetty, LLC, 2010 – Demolition of existing motel and new construction of 35 unit hotel with subdivision for one residential dwelling.
- Adis, Inc, 2010 – Expansion of existing hotel

Numerous minor subdivision applications have been approved by the Board. Although the City is primarily developed, oversized lots throughout the City within the residential districts have been subdivided to achieve maximize development under permitted. These typically result in two lot subdivisions with one existing dwelling and one lot for future single family development.

As the City is primarily developed, the Planning Board does not approve many major subdivisions. The following major subdivisions have been approved between 2003 to date:

- Kocis/Osprey Landing, 2004, Subdivision and site plan for 28 attached residential units at existing marina – under construction
- Kocis/Osprey Landing, 2005, Amended subdivision and site plan for 6 additional attached residential units at existing marina – under construction
- Pella, LLC, 2006, Subdivision to create 15 residential lots – not under construction

It should be noted that the Pella, LLC development indicated above and future Sewell Point residential development, where 78 residential units are proposed focus the majority of anticipated residential units in the east Cape May section. As noted throughout this report, this area contains environmentally sensitive lands and therefore development in this area is only appropriate where no adverse impacts are anticipated. Planning efforts for this area have been documented in this report.

Zoning Board of Adjustment

A summary of recent Zoning Board activities include numerous variance applications typically for expansions to nonconforming structures or uses on nonconforming lots. Many existing lots within the City are undersized based on existing zoning regulations. The Zoning Board has dealt

with numerous pre-existing nonconforming lots with existing development, in which the applicant proposes expansion or alterations that require variances. Site plan applications have not been prevalent with this Board as most fall within the jurisdiction of the Planning Board.

Status

The status of development of approved projects appears to have been slowed by the current economic conditions. Although most of the smaller approved projects have been completed or are under construction, the larger projects have been slowed from being completed or even started. Future economic conditions will dictate the rate of completion of these larger projects.

Extension of public improvements including sewer and water service is only anticipated in the east Cape May section for the above referenced developments. The remainder of anticipated development is located in areas currently serviced.

Private development with measures for green design has not been prevalent to date. However, it remains a goal and objective of both Boards and is encouraged for all projects as appropriate. As green design standards are recommended and included in the Reexamination of the Master Plan, it is anticipated that more projects will incorporate green design techniques.

Consistency with State Plan

A review of all approved projects has been made to determine Consistency with the State Plan. No specific development has been determined to be inconsistent with these goals. All development projects appear consistent with State Plan goals and policies as well as the policy objectives and delineation criteria of the existing/proposed centers or planning areas within which they are located. Further analysis of anticipated development is provided in the analysis section of each state plan goal.

STATEMENT OF PLANNING COORDINATION

The City has an excellent record in its coordination with state, regional and county agencies; adjacent municipalities; and the private and non-profit sectors in its planning efforts. Consistency with the Cape May County Master Plan, as well as the State Plan and state regulations was recently verified in the 2009 Master Plan Reexamination. Existing land uses and zoning were also determined to be compatible in municipal border areas, including consideration of externalities and impacts on both sides of each border during the reexamination process. No inconsistencies with the State Plan have been determined and no inconsistencies are proposed with the implementation of the recommendations contained within the numerous planning activities that have been completed.

A specific example of planning coordination is the Lafayette Street Park open space project. Cape May City Council has recently authorized the faculty and senior students in Temple's Department of Landscape Architecture and Horticulture to coordinate with the Cape May citizenry on a comprehensive project entitled, "Cape May Coastal City: Planning and Designing a Cultural Landscape Network". The focus is on improving several of the City parks, creating a nature reserve in the eastern end of town, and preparing a "Pedestrian City Trail". The City Council's goal is to integrate the parks more fully and sustainably into this walkable and vibrant destination City. In addition, the "Pedestrian City Trail" is to connect and educate residents and visitors to the City's rich cultural and natural heritage while forging a path towards a sustainable future.

Utilizing this planning and design effort, the City has prepared an application dated July 29, 2010 for NJDEP Green Acres funding in the amount of \$3.2 million for property acquisition in the aforementioned area bordered by St. John Street, Lafayette and the Cape May Elementary School.

This planning effort involved many interlocal as well as external entities. Endorsement letters from Cape May County Planning Department, New Jersey Audubon Society, Cape May City School District, Cape May Planning Board, City Director of Civic Affairs and Environmental Commission of the City of Cape May supporting the City's NJDEP Green Acres application for the Lafayette Street Open Space project have been provided in the appendix demonstrating the City's coordinated planning effort.

Another example of planning coordination is the City's implementation of many program of public-private partnerships that have infused a progressive growth of Cape May's annual economy into a ten and a half month economy as opposed to the average 12 week season typical in most seashore resort communities. This program facilitates the leasing of City-owned property on a long term basis for \$1.00 per year with non-profit organizations being responsible for the renovations, operations, and maintenance of the properties. This ensures that the City maintains a nurturing environment by providing the essential physical infrastructure so that fledgling, local, non-profit cultural, arts and historical organizations can flourish while benefiting the taxpayer by reducing costs associated with maintenance of the properties.

Currently, the City has eight (8) such agreements involving City-owned property and they are listed as follows:

- Emlen Physick Estate with Mid-Atlantic Center for the Arts
- Washington Street Mall Information Booth with the Mid-Atlantic Center for the Arts
- Franklin Street School with the Center for Community Arts
- The former Welcome Center with Cape May Stage
- The Nature Center with the New Jersey Audubon Society
- The Marine Research Facility with Rutgers University
- The Transportation Center/Welcome Center with the Chamber of Commerce of Greater Cape May
- Cape May Tennis Club Inc.

These partnerships have created employment opportunities that maintain the City's population base and solidify its economic viability. These non-profit organizations are staffed by a bank of volunteers who plan, develop and implement the vast array of programs, services and activities that are offered on a year round basis to residents and tourists alike. Without these partnerships, the comprehensive schedule of arts, history, cultural, social, environmental, educational, and recreational programs, services and activities could not be possibly funded and staffed by the City of Cape May without the dedication and commitment of these volunteers.

Other specific examples noted throughout this report include interlocal agreements and coordination with other adjoining municipalities such as Lower Township and West Cape May. This has led to protection of Harbor resources, interlocal emergency services and Establishment of a Schellenger's Landing Town Center in cooperation with Township of Lower. Rebuilding of Delaware Avenue roadway and beaches through the joint efforts of City, County, and U.S. Army Corps of Engineers. The City will continue to develop these joint planning opportunities to share services and create a more efficient means of providing services.

STATE, FEDERAL & NON-PROFIT PROGRAMS, GRANTS AND CAPITAL PROJECTS

This section has been prepared to briefly describe all relevant projects and/or funding involving state resources. The following is a summary of successful programs, grants and capital projects:

Program Name	Project Name	Agency	Brief Description	Geographic area covered	Project amount (\$)	Project start date	Project finish date
Park/Open Space	Sewell Point Preservation	NJDEP Green Acres, Cape May County	Preservation of environmentally sensitive lands	Sewell Point	\$4,400,000 (\$2M County grant, \$2.2M Green Acres Grant, & \$200K City Open Space Fund)	2002	2002
Community	Convention Hall	CRDA	New Convention Hall to replace existing	Convention Hall Site Beach Avenue	\$1,100,000	2004	2012
Park/Open Space	Gateway Project	Cape May County, Municipal	City entryway beautification	Schellenger Landing Area	\$280,000 (\$252,000 County Grant, \$28,000 City Funds)	2006	2010
Park/Open Space	Harborview Park	Cape May County	Renovations and beautification of park	Harbor frontage	\$102,109	2007	2007
Park/Open Space	Rotary Park	Cape May County, Municipal	Renovations and beautification of park	Rotary Park	\$100,000 (\$89,900 County, \$10,100 Municipal)	2008	2008
Water/Sewer	Phase I Inflow & Infiltration Sewer Project	USDA	Rehabilitation/Replacement of existing sewer infrastructure	City wide	\$2,000,000	2005	2005
Water/Sewer	Phase II Inflow & Infiltration Sewer Project	USDA	Rehabilitation/Replacement of existing sewer infrastructure	City Wide	\$1,500,000	2006	2006
Water/Sewer	Phase III Inflow & Infiltration Sewer Project	USDA	Rehabilitation/Replacement of existing sewer infrastructure	City Wide	\$2,000,000	2007	2007
Water/Sewer	Phase IV New Columbia Ave. Water Tank	USDA	New water Tank	Columbia Avenue	\$2,100,000	2008	2008
Beach	Beach Replenishment	Municipal	Beach Sand Replenishment project	Beachfront	\$194,707.50	2000	To date 2010

Program Name	Project Name	Agency	Brief Description	Geographic area covered	Project amount (\$)	Project start date	Project finish date
Beach	ADA Ramp Projects Phase I	Municipal, NJDEP	ADA accessible beach improvements, various beaches	Beachfront	\$500,000 (\$382,231 grant)	2008	2009
Beach	ADA Ramp Projects Phase II	Municipal, NJDEP	ADA accessible beach improvements, various beaches	Beachfront	\$400,000 (\$271,913 grant)	2009	2010
Roads	2001 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Elmira Street	\$105,000	2001	2002
Roads	2003 NJDOT Municipal Road Program	NJDOT	Roadway & Bike path improvements	Pittsburg Avenue Bike Path	\$140,000	2003	2004
Roads	2004 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Bank Street	\$120,000	2004	2005
Roads	2005 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Washington Street	\$145,000	2005	2006
Roads	2006 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Washington Street	\$140,000	2006	2007
Roads	2007/2008 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Washington Street	\$135,000	2007	2008
Roads	2007/2008 NJDOT Municipal Road Program	NJDOT	Roadway & Bike path improvements	NJ Avenue Bike Path	\$80,000	2007	2008
Roads	2008 NJDOT Municipal Road Program	NJDOT	Roadway improvements	First Avenue	\$143,000	2008	2009
Roads	2010 NJDOT Municipal Road Program	NJDOT	Roadway improvements	Cape May Avenue	\$140,000	2010	-
Other	ADA improvements for polling places	Cape May County	ADA Improvements	Various	\$19,268.25	2009	2009
Energy	Solar Improvements DPW Bldg.		Solar Energy Project	DPW building	\$168,912		
Energy	Solar Improvements Lifeguard HQ		Solar Energy Project	Lifeguard HQ	\$168,912		
Open Space/Recreation	Lafayette Street Open Space Project	NJDEP Green Acres	Acquisition of land and development of future park	Lafayette Street and St. John Street	\$3,200,000 Requested*	2010	

*Grant application pending

INTERNAL CONSISTENCY IN LOCAL PLANNING

This section has been prepared to detail the consistency between the existing municipal inventory, growth projections, community visioning, the master plan and zoning, land use regulations, and other ordinances.

The City of Cape May adopted its Master Plan Reexamination in March 2009. Data and information including growth projections, build out analysis, job information, needs inventory and other helpful planning data were updated at this time.

Community visioning has been continuously evaluated in the City. Most recent examples are the Vision Plan for the City of Cape May, New Jersey was prepared in October 2007 and Cape May Coastal City: Planning & Designing a Cultural Landscape Network was prepared during the Fall 2009- Spring 2010 timeframe.

The vision and plan are being implemented through ordinances adopted and incorporated into the Code of the City of Cape May. Zoning recommendations within the Master Plan Reexamination have been implemented, including expansion of the Neighborhood Commercial zone to incorporate non-conforming properties in the R-5 Residential District and expansion of the C-1 commercial district to include additional parcels within the R-3 residential district which contained commercial development. An overlay district has been implemented with use, bulk and area regulations to direct and control development at the proposed Sewell Point Development. Clustering provisions have been included to allow for approximately 78 units with preservation of sensitive environmental lands.

The vision and planning has been made consistent with the many vision and planning efforts and resulting documents recently prepared to aid the City in this process. These efforts and documents include, but are not limited to:

- Master Plan Reexamination, February 27, 2009 (Revised March 13, 2009)
- Code of the City of Cape May
- City of Cape May Historic Preservation Commission Design Standards, Fall 2002
- Vision Plan for the City of Cape May, New Jersey, October 2007
- Cape May Coastal City: Planning & Designing a Cultural Landscape Network, Fall 2009- Spring 2010
- Environmental Resource Inventory Mapping for Cape may City, New Jersey 2007
- Cape May Flood Plan, 2009
- City of Cape May, Cape May County, NJ, Housing Element & Fair Share Plan
- Cape May City Beach Management Plan
- Temple partnerships - School of Tourism and Hospitality Management and School of Environmental Design
- City's Inflow and Infiltration Program
- City's Water Conservation and Recycling Programs
- Stormwater Management Regulations
- Recreation and Health Activities and Services

No significant inconsistencies have been encountered through the analysis.

SUSTAINABILITY STATEMENT

Cape May's past and future planning and sustainability actions have and will always recognize the City's geographic and social importance within the region. Cape May considers itself to be America's first resort community with vacationers being attracted by a combination of its historic ambiance and its beachfront location.

Planning regulations encourage and protect the City's reliance on tourism. Proper planning along the City's Atlantic Ocean beachfront has encouraged development of commercial businesses including hotel, motel and bed and breakfast establishments that promote tourism and created a stable economic base.

Cape May's extraordinary collection of late-nineteenth century Victorian architecture that has led to the City's designation as a National Historic Landmark. Establishment of the Historic Preservation Commission, creation of the historic district and continuing review and protection of historic properties demonstrates the City's recognition of proactive planning to support and maintain the City's historic and cultural standing, while similarly promoting both economic and social sustainability.

Protection of natural resources has been accomplished by establishment of a 50 year beach replenishment program with the Army Corps of Engineers as well as proper planning and zoning to protect the City's sensitive environmental features that include wetlands that occur throughout all sections of the city and particularly near Cape May Harbor in the east end. Dune protection and flood prevention measures have been established through the Flood Management Plan and beach replenishment program. These planning programs are essential to protection of the valuable beach and natural resources. Adoption of the NJDEP Stormwater Rules also demonstrates the City's desire to adequately protect its adjoining water resources.

Promotion of tourism by protection and promotion of its historic and cultural assets, natural resources and commercial base will lead to a continued sustainable community environment that will benefit all residents and visitors alike.

CONSISTENCY WITH STATE PLAN - GOALS, POLICIES & INDICATORS

This section contains template tables for the 8 Goals & Strategies of the State Plan, aligned with relevant Policies and Indicators. Content in these tables are quoted directly from the State Plan. Each table was reviewed and an analysis was prepared describing in detail how the report is consistent with the particular Goal and related Policies and how it supports the State's efforts to achieve its targets for relevant indicators.

GOAL	POLICIES	INDICATORS
<p>Goal 1: Revitalize the State's Cities and Towns</p> <p>STRATEGY: Protect, preserve and develop the valuable human and economic assets in cities, towns and other urban areas. Plan to improve their livability and sustainability by investing public resources in accordance with current plans which are consistent with the provisions of the State Plan. Leverage private investments in jobs and housing; provide comprehensive public services at lower costs and higher quality; and improve the natural and built environment. Incorporate ecological design through mechanisms such as solar access for heating and power generation. Level the playing field in such areas as financing services, infrastructure and regulation. Reduce the barriers which limit mobility and access of city residents, particularly the poor and minorities, to jobs, housing, services and open space within the region. Build on the assets of cities and towns such as their labor force, available land and buildings, strategic location and diverse populations.</p>	<p>Policy on Urban Revitalization - Prepare strategic revitalization plans, neighborhood empowerment plans and urban complex strategic revitalization plans that promote revitalization, economic development and infrastructure investments, coordinate revitalization planning among organizations and governments, support housing programs and adaptive reuse, improve access to waterfront areas, public open space and parks, and develop human resources with investments in public health, education, work force readiness and public safety in cities and towns.</p>	<p>Key Indicator 5. Progress in socioeconomic revitalization for the 68 municipalities eligible for Urban Coordinating Council assistance</p> <p>Indicator 6. Percent of jobs located in Urban Coordinating Council municipalities</p> <p>Indicator 23. Percent of building permits issued in Urban Coordinating Council municipalities</p> <p>Indicator 27. Number of Neighborhood Empowerment Plans approved by the Urban Coordinating Council</p>

Analysis

The City is not a UCC municipality and therefore can not meet the key indicators. However, the City recognizes these goals as valuable and consistent with the City's planning and visioning goals and therefore follows and pursues these goals whenever possible. Cape Mays efforts related to these goals are illustrated under Goal 3.

The City seeks the reestablishment of the expired town which was established under the former Center designation process. All existing and anticipated future development is focused within the proposed center boundary. The City's zoning plan promotes its business districts in proximity to its residential areas so that they are supportive of one another. Public transportation exists and is supportive of both residential and commercial business uses.

Open space preservation has been demonstrated as a necessity for preserving natural resources that include the beach, wetlands and park areas and therefore promoting tourism and sustaining

commercial assets. Business sustainability is demonstrated by Washington Street Mall Management Corporation and establishment of the Business Improvement District in 2008.

GOAL	POLICIES	INDICATORS
<p>Goal 2: Conserve the State's Natural Resources and Systems</p> <p>STRATEGY: Conserve the state's natural resources and systems as capital assets of the public by promoting ecologically sound development and redevelopment in the Metropolitan and Suburban Planning Areas, accommodating environmentally designed development and redevelopment in Centers in the Fringe, Rural and Environmentally Sensitive Planning Areas, and by restoring the integrity of natural systems in areas where they have been degraded or damaged. Plan, design, invest in and manage the development and redevelopment of Centers and the use of land, water, soil, plant and animal resources to maintain biodiversity and the viability of ecological systems. Maximize the ability of natural systems to control runoff and flooding, and to improve air and water quality and supply.</p>	<p>Policy on Water Resources - Protect and enhance water resources through coordinated planning efforts aimed at reducing sources of pollution and other adverse effects of development, encouraging designs in hazard-free areas that will protect the natural function of stream and wetland systems, and optimizing sustainable resource use.</p> <p>Policy on Open Lands and Natural Systems - Protect biological diversity through preservation and restoration of contiguous open spaces and connecting corridors; manage public land and provide incentives for private land management to protect scenic qualities, forests and water resources; and manage the character and nature of development for the protection of wildlife habitat, critical slope areas, water resources, and for the provision of adequate public access to a variety of recreational opportunities.</p> <p>Policy on Coastal Resources - Acknowledge the statutory treatment of the coastal area under federal and state legislation, coordinate efforts to establish a comprehensive coastal management program with local planning efforts, undertake a regional capacity analysis, protect vital ecological areas and promote recreational opportunities.</p> <p>Policy on Special Resource Areas - Recognize an area or region with unique characteristics or resources of statewide importance and establish a receptive environment for regional planning efforts. The Highlands region has been recognized as the first Special Resource Area in New Jersey.</p>	<p>Key Indicator 2. The amount of land permanently dedicated to open space and farmland preservation</p> <p>Key Indicator 3. Percent of New Jersey's streams that support aquatic life</p> <p>Indicator 11. Conversion of wetlands for development</p> <p>Indicator 26. Percent of land in New Jersey covered by adopted watershed management plans</p>

Analysis

This report has demonstrated Natural Resource Conservation is essential to the City of Cape May's viability and consistency with the State Plan goals. Examples of conservation and protection include the Beach Replenishment Program which includes a Beach Management Plan, wildlife protection which includes control of canine and feral cat populations. An Environmental Inventory Resource Mapping has been prepared and protections of wetlands provisions have been adopted. Preservation and protection of Water Resources have been addressed and include development of the De-Sal Plant, adoption of the NJDEP Stormwater Management Rules and development and promotion of municipal water conservation efforts. Floodplain Management planning has been completed to identify areas of concern and mitigate potential losses from flooding or other dangers.

Preservation of open space and environmentally sensitive lands has been demonstrated by successful acquisition of NJDEP Green Acre grants for the Sewell Point. Existing planning documents address the importance of open space acquisition and preservation as well as protection of natural resources. No farmland exists within the City. There are no special Resource Areas within the City.

GOAL	POLICIES	INDICATORS
<p>Goal 3: Promote Beneficial Economic Growth, Development and Renewal for All Residents of New Jersey</p> <p>STRATEGY: Promote socially and ecologically beneficial economic growth, development and renewal and improve both the quality of life and the standard of living of New Jersey residents, particularly the poor and minorities, through partnerships and collaborative planning with the private sector. Capitalize on the state's strengths—its entrepreneurship, skilled labor, cultural diversity, diversified economy and environment, strategic location and logistical excellence—and make the state more competitive through infrastructure and public services cost savings and regulatory streamlining resulting from comprehensive and coordinated planning. Retain and expand businesses, and encourage new, environmentally sustainable businesses in Centers and areas with infrastructure. Encourage economic growth in locations and ways that are both fiscally and environmentally sound. Promote the food and agricultural industry throughout New Jersey through coordinated planning, regulations, investments and incentive programs—both in Centers to retain and encourage new businesses and in the Environs to preserve large contiguous areas of farmland.</p>	<p>Policy on Economic Development - Promote beneficial economic growth and improve the quality of life and standard of living for New Jersey residents by building upon strategic economic and geographic positions, targeting areas of critical capital spending to retain and expand existing businesses, fostering modern techniques to enhance the existing economic base, encouraging the development of new enterprises, advancing the growth of green businesses, elevating work force skills, and encouraging sustainable economic growth in locations and ways that are fiscally and ecologically sound.</p> <p>Policy on Agriculture - Promote and preserve the agricultural industry and retain farmland by coordinating planning and innovative land conservation techniques to protect agricultural viability while accommodating beneficial development and economic growth necessary to enhance agricultural vitality and by educating residents on the benefits and the special needs of agriculture.</p> <p>Policy on Equity - It is the position of the State Planning Commission that the State Plan should neither be used in a manner that places an inequitable burden on any one group of citizens nor should it be used as a justification for public actions that have the effect of diminishing equity. It is also the position of the Commission that the achievement, protection and maintenance of equity be a major objective in public policy decisions as public and private sector agencies at all levels adopt plans and policies aimed at becoming consistent with the State Plan.</p>	<p>Key Indicator 1. New development, population and employment located in the Metropolitan and Suburban Planning Areas or within Centers in the Fringe, Rural and Environmentally Sensitive Planning Areas</p> <p>Indicator 1. Average annual disposable income among New Jerseyans</p> <p>Indicator 2. Unemployment</p> <p>Indicator 3. Conversion of farmland for development</p> <p>Indicator 5. Agricultural output</p> <p>Indicator 7. Economic output per unit of energy consumed</p> <p>Indicator 21. Municipalities with median household incomes of less than \$30,000 per year (in 1990 dollars)</p> <p>Indicator 22. Number of census tracts with more than 40% of the population living under the poverty level</p>

Analysis

This report has demonstrated that Economic Development & Growth will be continually promoted and focused within proposed Town center boundary. Examples include establishment of the Business Improvement District – Washington Street Mall Management Company Inc (WSMMC). Business Improvement Districts (BIDs) are a type of assessment district in which business owners choose to be assessed a fee, which is collected on their behalf by the City of Cape May, for use in promoting and improving the business area. The WSMMC was formed in 2008 by passage of Cape May City Ordinance 165-2008.

The WSMMC is comprised of 96 self-assessed businesses, mostly retail business owners, but some members are realtors and a few non-profits also comprise the membership. All members have businesses or offices within the three blocks (300-500) of the pedestrian concourse known as the Washington Street Mall. A BID provides a business area with the resources to develop marketing campaigns, increase awareness and lobbying efforts, secure additional funding and

enhance public improvement and beautification projects in partnership with the City. An organized business community can work more effectively to create positive change and increase support for businesses in the area. In Cape May, BIDs work closely with elected officials and city staff to voice collective concerns, monitor business regulations and obtain funding and support for their business development projects.

The WSMMC is a Business Improvement District which:

- Serves the business community that encompasses the Washington Street Mall Business Improvement District (“District”).
- Assists the City in promoting economic growth and employment within the District and will provide administrative and other services to benefit the businesses, employees, residents and consumers in the District.
- Provides within the District seasonal decorations, flowers and other plantings.

Source: <http://www.washingtonstreetmall.com/bid-projects>

The City also supports and promotes the Chamber of Commerce of Greater Cape May. The Chamber of Commerce of Greater Cape May promotes business within Cape May. It maintains a web site which provides assistance in planning visits to the Nation's first seashore resort. It also publishes the annual Victorian Cape May Visitors Guide, which includes hotels, motels, bed & breakfasts, guest houses, Victorian apartments, suites and condominiums, restaurants, shopping, services, real estate, calendar of events, map of the city and other relevant business information.

Source: <http://www.capemaychamber.com/>

The City also has established a Tourism Commission pursuant to N.J.S.A. 40:54C-1 to promote tourism within the City of Cape May. It is funded through an additional assessment imposed on mercantile licenses as well as from permitted sources in accordance with N.J.S.A. 40:54C-7. The Commission disburses funds from the assessments for the purpose of publicizing and promoting the City of Cape May to attract tourism.

With the following mission statement it's goals are consistent with the goals of the State Plan: Promote and develop tourism in Cape May to increase and improve revenues to ensure prosperity and quality of life for Cape May's visitors, residents, and businesses. Guide government in decision making to enhance a friendlier, hospitable experience “A Nice Place to Live is a Nice Place to Visit”. Work towards making Cape May the Ideal Destination Place

The planning and design of a new Convention Hall as described within this report is another example of the City's actions being consistent with the goals of the state plan.

The City has no policies on agriculture and farmland. This is not applicable as the City is a Coastal Community and no farmland exists.

GOAL	POLICIES	INDICATORS
<p>Goal 4: Protect the Environment, Prevent and Clean Up Pollution</p> <p>STRATEGY: Develop standards of performance and create incentives to prevent and reduce pollution and toxic emissions at the source, in order to conserve resources and protect public health. Promote the development of businesses that provide goods and services that eliminate pollution and toxic emissions or reduce resource depletion. Actively pursue public/private partnerships, the latest technology and strict enforcement to prevent toxic emissions and clean up polluted air, land and water without shifting pollutants from one medium to another; from one geographic location to another; or from one generation to another. Promote ecologically designed development and redevelopment in the Metropolitan and Suburban Planning Areas and accommodate ecologically designed development in Centers in the Fringe, Rural and Environmentally Sensitive Planning Areas, to reduce automobile usage; land, water and energy consumption; and to minimize impacts on public health and biological systems, water and air quality. Plant and maintain trees and native vegetation. Reduce waste and reuse and recycle materials through demanufacturing and remanufacturing</p>	<p>Policy on Air Resources - Reduce air pollution by promoting development patterns that reduce both mobile and stationary sources of pollution, promoting the use of alternative modes of transportation, and supporting clean, renewable fuels and efficient transportation systems.</p> <p>Policy on Energy Resources - Ensure adequate energy resources through conservation, facility modernization, renewable energy and cogeneration; to continue economic growth while protecting the environment; and to modify energy consumption patterns to capitalize on renewable, domestic energy supplies rather than virgin extraction and imports.</p> <p>Policy Waste Management, Recycling and Brownfields- Promote recycling and source reduction through product design and materials management and by coordinating and supporting legislative, planning and facility development efforts regarding solid and hazardous waste treatment, storage and disposal. Capitalize on opportunities provided by brownfield sites through coordinated planning, strategic marketing and priority redevelopment of these sites.</p>	<p>Indicator 4. Percent of brownfield sites redeveloped</p> <p>Indicator 7. Economic output per unit of energy consumed</p> <p>Indicator 8. The generation of solid waste on a per capita and per job basis</p> <p>Indicator 9. Number of unhealthful days annually caused by ground-level ozone, particulate matter and carbon monoxide</p> <p>Indicator 10. Greenhouse gas emissions</p> <p>Indicator 13. Changes in toxic chemical use and waste generation (non-product output or NPO) by New Jersey's manufacturing sector</p> <p>Indicator 15. Vehicle miles traveled per capita</p>

Analysis

This report has demonstrated that the goal to protect the environment and clean up pollution has been met. Reduction in air pollution is achieved by extensive planning and implementation of recommendations in the Traffic Plan contained within the Master Plan Reexamination. Examples include promoting the use of alternative vehicles by completing bicycle and pedestrian path projects. Promotion of public transportation within the city has also been demonstrated.

Conservation and preservation of Energy Resources has also been demonstrated. The Recycling and Solid Waste Element of the Master Plan was recently updated during the 2009 Reexamination and it is consistent with the State Plan goals.

The City strives to comply with the New Jersey Statewide Mandatory Separation and Recycling Act. The City maintains a central recycling facility at 830 Canning House Lane to encourage recycling and facilitate higher recycling rates. The recycling plan is also compliant with the County recycling plan.

A Conservation Element of the Master Plan was added for the first time at the 2009 reexamination. Environmental protection and conservation policies, recommendations and goals were adopted that include preservation of the sensitive lands in East Cape May where the Sewell Point development has been proposed, protection of natural resources including continued beach replenishment, and water conservation techniques including continued use of the reverse osmosis desalination plant.

The Plan also includes recommendations, policies and goals for energy conservation including promotion of alternative energy sources that include the proposed USCG wind turbine generator project. Certification of the City through the Sustainable Communities program is also recommended.

Alternative energy projects within the City have been developed and include solar projects at the Lifeguard headquarters and the Public Works Department. The Coast Guard Wind Turbine project has been proposed and endorsed by City Council.

The City of Cape May has adopted and promotes awareness of the City's "Required Water Conservation Ordinance" No. 1025-94. The primary components of this ordinance provide for conservation of water resources. The City completed the Reverse Osmosis (RO) Water treatment Facility in 1998. The treatment of removing salt from the City's water wells to produce potable drinking water to our customers and surrounding neighbors has been a very successful endeavor. The City has the first facility in our State and surrounding region achieves this service and infrastructure.

The aforementioned Lafayette Street Open Space Project which is located at the JCP&L gasification site is also an example of the City's approach to capitalization on opportunities provided by brownfield sites through coordinated planning, strategic marketing and priority redevelopment of sites. The Green Acres Acquisition of this project would result in the ability to acquire these lands after remediation and allow for development of recreational open space that has been planned and designed in the "Cape May Coastal City: Planning and Designing a Cultural Landscape Network by Temple University School of Environmental Design Cape May Coastal City: Planning & Designing a Cultural Landscape Network, Fall 2009- Spring 2010".

GOAL	POLICIES	INDICATORS
<p>Goal 5: Provide Adequate Public Facilities and Services at a Reasonable Cost</p> <p>STRATEGY: Provide infrastructure and related services more efficiently by supporting investments based on comprehensive planning and by providing financial incentives for jurisdictions that cooperate in supplying public infrastructure and shared services. Encourage the use of infrastructure needs assessments and life-cycle costing. Reduce demands for infrastructure investment by using public and private markets to manage peak demands, applying alternative management and financing approaches, using resource conserving technologies and information systems to provide and manage public facilities and services, and purchasing land and easements to prevent development, protect flood plains and sustain agriculture where appropriate.</p>	<p>Policy on Infrastructure Investments - Provide infrastructure and related services more efficiently by investing in infrastructure to guide growth, managing demand and supply, restoring systems in distressed areas, maintaining existing infrastructure investments, designing multi-use school facilities to serve as centers of community, creating more compact settlement patterns in appropriate locations in suburban and rural areas, and timing and sequencing the maintenance of capital facilities service levels with development throughout the state.</p> <p>Policy on Transportation - Improve transportation systems by coordinating transportation and land-use planning; integrating transportation systems; developing and enhancing alternative modes of transportation; improving management structures and techniques; and utilizing transportation as an economic development tool.</p>	<p>Key Indicator 4. Meet present and prospective needs for public infrastructure systems</p> <p>Indicator 14. The percent of all trips to work made by carpool, public transportation, bicycle, walking or working at home</p> <p>Indicator 16. Number of pedestrian fatalities in vehicular accidents on state roads</p> <p>Indicator 17. Increase in transit ridership</p> <p>Indicator 18. Percent of potable water supplies that meet all standards</p> <p>Indicator 19. Percent of development on individual septic systems</p>

Analysis

This report has demonstrated the promotion of providing adequate public facilities and services at a reasonable cost. Use of shared services and multi-use facilities has been a proven asset to the community.

The City has adopted a program of public-private partnerships that have infused a progressive growth of Cape May's annual economy into a ten and a half month economy as opposed to the average 12 week season typical in most seashore resort communities.

This program facilitates the leasing of City-owned property on a long term basis for \$1.00 per year with non-profit organizations being responsible for the renovations, operations, and maintenance of the properties. This ensures that the City maintains a nurturing environment by providing the essential physical infrastructure so that fledgling, local, non-profit cultural, arts and historical organizations can flourish while benefiting the taxpayer by reducing costs associated with maintenance of the properties.

Currently, the City has eight (8) such agreements involving City-owned property and they are listed as follows:

- Emlen Physick Estate with Mid-Atlantic Center for the Arts
- Washington Street Mall Information Booth with the Mid-Atlantic Center for the Arts
- Franklin Street School with the Center for Community Arts
- The former Welcome Center with Cape May Stage

- The Nature Center with the New Jersey Audubon Society
- The Marine Research Facility with Rutgers University
- The Transportation Center/Welcome Center with the Chamber of Commerce of Greater Cape May
- Cape May Tennis Club Inc.

Planning the development of the new Convention Hall has been made with the recognition that this facility should serve a dual role as both a Convention Hall and Community Center. The City of Cape May also recognizes the importance of the convention hall facility's role in providing comprehensive services not only for residents, part time residents and tourists, but also for business and civic groups, musicians, theatre and community groups, and non-profit entities. A consensus building approach was implemented to recognize the needs of the entire community and establish design criteria for replacing the 1964 structure, identified in the 2003 Master Plan as being in need of replacement.

The Transportation Plan Element of the Master Plan Reexamination was implemented to coordinate transportation and land-use planning. Developing and enhancing alternative modes of transportation has been implemented in the plan and bicycle path projects have been completed. Recognition that transportation should be utilized as an economic development tool is demonstrated as the recommendations for efficient parking and circulation are necessary for sustainability of business within the City.

Another example of shared services is the Cape May Beach Patrol's Junior Lifeguard Program. This program was established in 1992 and is open to both Cape May and outside residents. The goals of the program are to promote water safety, first aid techniques, build self-confidence and help prepare interested youths for work as lifeguards. This program trains future lifeguards that are employed throughout the state.

As illustrated in the inventory of community facilities, the Cape May Elementary School is utilized not only as a school, but as a community center. The school houses a branch of the County library, serves as a meeting place for large municipal meetings as well as for small groups and many community programs are held at the facility.

The City's Recreation Department serves a number of users, both in the city and in surrounding communities, through fee-based programs. Discounts are offered to City residents, but all activities of the Recreation Department programs are self-sufficient and the department receives no budget from the City, though the City does provide for park maintenance and special events. The Recreation Department's year-round programs include youth sports, youth dance, adult softball leagues, youth soccer, aerobics, a swim team and an independent Little League program. Direct Users (individuals in unstructured programs) include those who avail themselves of open programs in the Elementary and Franklin School gymnasiums, and with swimming programs at the pool at the Elementary School and on the Coast Guard Base for children, families, and senior citizens.

An expanded program is offered to seasonal users. These activities are geared toward families and include a summer day camp and the children's playhouse. Special events, crafts festivals,

and other attractions are conducted throughout the year. A “Concerts in the Park” series is held Wednesdays through Sundays at 8:00PM in the Rotary Park on Lyle Lane behind the Washington Street Mall. Trips are also offered to local attractions such as the Cape May Nature Center, The Wetlands Institute, the Cape May Point State Park, and the Cape May County Zoo at Cape May Court House. Special events, including parades, craft shows, art shows, concerts, beach volleyball, a sand sculpture contest and movies on the beach are provided.

Because city-owned recreational land in Cape May is limited, the Department makes use of other nearby facilities. Athletic fields in Lower Township and at the Cape May Elementary School are used once school is out for summer recess. The swimming pool and fields at the Coast Guard Base are made available when they do not conflict with base activities. County softball fields and outings to the County Zoo are also utilized in the department’s activities. There is no official relationship with the privately operated attractions such as the Cape May Environmental Center or the Cape May Bird Observatory.

Cape May City also has Police and Rescue Interlocal Agreements in place with the Boroughs of West Cape May and Cape May Point.

Adequate infrastructure facilities have also been put in place to serve development. This is demonstrated in that all development within the City is served by public water and sewer and no development is served by individual septic systems. The reverse osmosis water system is another example of adequate and shared services in that this system provides potable water for Cape May City and adjoining municipalities.

GOAL	POLICIES	INDICATORS
<p>GOAL 6: Provide Adequate Housing at a Reasonable Cost</p> <p>STRATEGY: Provide adequate housing at a reasonable cost through public/private partnerships that create and maintain a broad choice of attractive, affordable, ecologically designed housing, particularly for those most in need. Create and maintain housing in the Metropolitan and Suburban Planning Areas and in Centers in the Fringe, Rural and Environmentally Sensitive Planning Areas, at densities which support transit and reduce commuting time and costs, and at locations easily accessible, preferably on foot, to employment, retail, services, cultural, civic and recreational opportunities. Support regional and community-based housing initiatives and remove unnecessary regulatory and financial barriers to the delivery of housing at appropriate locations.</p>	<p>Policy on Housing - Preserve and expand the supply of safe, decent and reasonably priced housing by balancing land uses, housing types and housing costs and by improving access between jobs and housing. Promote low- and moderate-income and affordable housing through code enforcement, housing subsidies, community-wide housing approaches and coordinated efforts with the New Jersey Council on Affordable Housing.</p> <p>Policy on Design - Mix uses and activities as closely and as thoroughly as possible; develop, adopt and implement design guidelines; create spatially defined, visually appealing and functionally efficient places in ways that establish an identity; design circulation systems to promote connectivity; maintain an appropriate scale in the built environment; and redesign areas of sprawl.</p>	<p>Indicator 20. Percent of New Jersey households paying more than 30% of their pre-tax household income towards housing</p> <p>Indicator 24. Annual production of affordable housing units</p>

Analysis

The City has made a concerted effort to provide adequate housing at a reasonable cost within the City. In March 2009, the City of Cape May adopted its Housing Element & Fair Share Plan. Substantive Certification was approved by the Council on Affordable Housing on October 14, 2009. Council has since adopted all necessary ordinances to implement the Housing and Fair Share Plan and incorporate these provisions into the zoning Code. Specifics of the affordable housing plan were detailed in the COAH Projection and Fair Share Analysis section contained in this report.

Cape May has demonstrated that providing low and moderate income housing within the City through various planning and zoning techniques remains a priority. It also provides this mechanism in an Environmentally Sensitive Planning Area with a relation to commercially developed business zoning districts which provide job opportunities in close proximity. Promotion and development of a pedestrian friendly City also enhances this program and provides cultural, civic and recreational opportunities in very close proximity which is not often recognized by other municipalities.

GOAL	POLICIES	INDICATORS
<p>Goal 7: Preserve and Enhance Areas with Historic, Cultural, Scenic, Open Space and Recreational Value</p> <p>STRATEGY: Enhance, preserve and use historic, cultural, scenic, open space and recreational assets by collaborative planning, design, investment and management techniques. Locate and design development and redevelopment and supporting infrastructure to improve access to and protect these sites. Support the important role of the arts in contributing to community life and civic beauty.</p>	<p>Policy on Historic, Cultural and Scenic Resources - Protect, enhance, and where appropriate rehabilitate historic, cultural and scenic resources by identifying, evaluating and registering significant historic, cultural and scenic landscapes, districts, structures, buildings, objects and sites and ensuring that new growth and development is compatible with historic, cultural and scenic values</p>	<p>Key Indicator 2. The amount of land permanently dedicated to open space and farmland preservation</p> <p>Indicator 12. Conversion of land per person</p>

Analysis

Cape May has a history of promoting the preservation of historic, cultural, scenic, open space and recreational spaces. Throughout this report, examples of historic preservation have been detailed and specifically include the creation of the Historic Preservation Commission, establishment of the Historic District, Certification, creation of HPC Design Standards and continued survey documentation of historic structures.

Scenic Resource and open space preservation has been established by the beach replenishment program, continued Environmental Resource Inventory Mapping, procurement of grants for land preservation that includes Sewell Point, and the numerous planning programs undertaken that include the aforementioned Partnership agreement with the Temple University School of Environmental Design. The City has implemented its own open space preservation tax of 1% since 2002. The City Recognizes that these efforts protect and enhance the City's beach, waterfront, open space and other scenic assets and thus promote the tourism industry in which is essential to its commercial base. The inventory of open space provided in the appendix demonstrates the City of Cape May has been proactive in preserving and maintaining its valuable open space. Utilization of these public lands with the public-private partnerships also demonstrates the City's efforts meet the stated State Plan goal.

GOAL	POLICIES	INDICATORS
<p>Goal 8: Ensure Sound, Integrated Planning and Implementation Statewide</p> <p>STRATEGY: Use the State Plan and the Plan Endorsement process as a guide to achieve comprehensive, coordinated, long-term planning based on capacity analysis and citizen participation; and to integrate planning with investment, program and regulatory land-use decisions at all levels of government and the private sector, in an efficient, effective and equitable manner. Ensure that all development, redevelopment, revitalization or conservation efforts support State Planning Goals and are consistent with the Statewide Policies and State Plan Policy Map of the State Plan.</p>	<p>Policy on Comprehensive Planning - Promote planning for the public's benefit, and with strong public participation, by enhancing planning capacity at all levels of government, using capacity-based planning and Plan Endorsement to guide the location and pattern of growth and promoting cooperation and coordination among counties, municipalities, state, interstate and federal agencies.</p> <p>Policy on Planning Regions Established by Statute - The State Plan acknowledges the special statutory treatment accorded the New Jersey Pinelands under the Pinelands Protection Act, and the Hackensack Meadowlands under the Hackensack Meadowlands Reclamation and Development Act. The State Planning Commission is explicitly directed to "rely on the adopted plans and regulations of these entities in developing the State Plan." In the State Plan, these areas are considered Planning Regions Established by Statute.</p> <p>Policy on Public Investment Priorities - It is the intent of the State Plan that the full amount of growth projected for the state should be accommodated. Plan Strategies recommend guiding this growth to Centers and other areas identified within Endorsed Plans where infrastructure exists or is planned and where it can be provided efficiently, either with private or public dollars. (Designated Centers are included in the category of communities with Endorsed Plans.) Public investment priorities guide the investment of public dollars to support and carry out these Plan Strategies.</p>	<p>Key Indicator 6. The degree to which local plans and state agency plans are consistent with the State Plan</p> <p>Indicator 25. Municipalities participating in comprehensive, multijurisdictional regional planning processes consistent with the State Plan</p>

Analysis

This report has also demonstrated that the City has ensured sound integrated planning and implementation. The numerous planning efforts stated throughout this report have all been developed as interrelated planning with the citizens, business owners and visitors in focus.

Specific examples include interlocal agreements and coordination with Lower Township. This has led to protection of Harbor resources, interlocal emergency services and Establishment of a Schellenger's Landing Town Center in cooperation with Township of Lower. Rebuilding of Delaware Avenue roadway and beaches through the joint efforts of City, County, and U.S. Army Corps of Engineers. Many other examples are provided within this report.

Strong public participation has been solicited through advertising in the official paper of the municipality, noticing on the City's website and inclusion of well balanced and informed members of the community on the various boards, commissions and committees responsible for each plan. This has occurred not only on the Plan Endorsement process but also on all other planning efforts. Cooperation and consistency with adjoining municipalities, Cape May County and other state agencies has also been demonstrated. Through the planning processes, the City has recognized that the full amount of growth for the entire state. This was specifically addressed through the COAH substantive certification. Based on these efforts, the City has

demonstrated consistency with the State Plan as well as the Cape May County Master Plan and other state jurisdictional requirements and plans.

CONSISTENCY WITH STATE PLAN - CENTER CRITERIA & POLICIES

This section has been prepared to review the State Plan criteria for the proposed Town centers. The City seeks to have its town designation reestablished as soon as possible. It is the intent of the City to request center designation for the former designated area with slight adjustments to the boundary to incorporate proposed development and except areas of environmentally sensitive lands.

All existing residential and commercial development is contained within the former center as well as supporting infrastructure. This area will accommodate all infill commercial and residential development that is anticipated. An evaluation of potential growth has been made and it is estimated approximately 80-100 new residential units could be constructed at the East Cape May section of the City in the near future. A proposed adjustment in the center boundary is proposed to include areas suitable for this development and exclude areas of environmentally sensitive lands that will remain in the PA5 environmentally sensitive planning area. A detailed map has been provided to accompany this report. A majority of these proposed units are the subject of the aforementioned Sewell Point project currently under litigation. Proposed map changes have been included with this report and include GIS shapefiles.

Based on the demographics for Cape May, the City has a jobs to housing ratio of 1:3.48 and a density of 2,801 persons per square mile which is lower than the recommended criteria. The State Plan acknowledges that, depending on the context, some flexibility may be needed with regard to the application of quantitative criteria. In this case, the City has a large number of housing which are secondary residences only seasonally inhabited. The City maintains an appropriate mix of commercial and residential zoning districts which have facilitated appropriate development. Promotion of its commercial and tourism orientated business has been demonstrated by its active business friendly planning activities listed within this report. Certainly, low density is not recognized from the City's standpoint for 9 months of the year. The intent of the State Plan has been demonstrated.

The City has planned for and implemented pedestrian-friendly and transit-oriented improvements that maintain the municipality as a walkable city. Bike paths reach throughout the City. Mass transportation exists as demonstrated by continued utilization of the CAT shuttle. Sidewalks are required for all development and have been established on the majority of the roadways and speed limits are most predominantly 25mph. Proximity of residential development to commercial development is facilitated by the zoning code. Particularly during the summer when tourists are most prevalent, walking and bicycling are most often the most reliable modes of transportation since parking in certain areas is less than what the demand calls for. The Traffic and Parking element is the most extensive portion of the Master Plan and within this section, many goals, recommendations and objectives are listed to promote pedestrian friendly and transient orientated Cape May.

An inventory of community facilities have been provided in this report. All of the facilities are provided within the center. Recognizing that the town center area is 1.44 square miles, it is evident that all facilities are readily accessible to the entire community.

The City's Historic Preservation District is wholly located within the proposed center. In this district, an adopted set of design guidelines that guides development and sets architectural standards. Major projects that have been approved for development include residential development in appropriate locations as well as commercial hotel, motel and guesthouse development that is consistent with the State Plan and appropriate development for the town designation.

The center fits appropriately in a broader regional context, particularly in complementing other centers in the region. The reestablishment of the center will aid the City in facilitation appropriate development complementary to the adjoining region. The only centers bordering the city are within The Township of Lower and Borough of West Cape May. The City found the designation of these centers consistent with the City's planning and both municipalities received cooperation from Cape May through their own Plan Endorsement process. Because they both border the former boundary, this further supports the appropriateness of the center reestablishment.

The following table illustrates the proposed town centers appropriateness and criteria related qualification:

Criteria	State Plan Criteria: Town Center	Proposed Town Center Baseline	Proposed Town Center (20 years forward)
<i>Land Use</i>			
Function	Mixed-use core and diverse housing. Identified as a result of a strategic planning effort.	Mixed-use core and diverse housing. Identified as a result of a strategic planning effort.	Mixed-use core and diverse housing. Identified as a result of a strategic planning effort.
Land area	< 2 sq mi	1.44 sq. mi (919.4 acres)	1.44 sq. mi (919.4 acres)
Housing units	500 to 4,000	4,064	>4,064
Housing Density	> 3 du/acre	4.4du/acre	>4.4du/acre
<i>Population</i>			
Number of people	1,000 to 10,000	4,034	<4,034
Density	> 5,000 per sq mi	2,801 per sq. mi	<2,801 per sq. mi
<i>Economy</i>			
Employment	>500 to 10,000	1,158	<1,158
Jobs-housing ratio	1:1 to 4:1	1:3.48	<1:3.48
<i>Infrastructure</i>			
Capacity (general)	Sufficient existing or planned infrastructure.	Sufficient existing and planned infrastructure.	Sufficient existing and planned infrastructure.
Transportation	Arterial highway or public transit.	Both arterial roadways and public transit.	Both arterial roadways and public transit.

It should be noted that Cape May questions the designation of the Coast Guard Base Area as a Park and Natural Area. Cape May believes that since a base that falls under the jurisdiction of the Coast Guard and Department of Homeland Security, it may be more appropriate to be

designated as a military base. Cape May requests further input from the OSG with regards to this issue.

CONSISTENCY WITH STATE PLAN – PLANNING AREA POLICY OBJECTIVES

Cape May proposes to reestablish a former town center within the PA5 Environmental Sensitive Planning Area. The City's Planning is consistent with the State Plan's Policy Objectives for Planning Area 5 as per pages 187-229 of the State Plan. The following outline verifies consistency with each specific policy topic:

1. Land Use:

The City's plans strive to protect natural systems and environmentally sensitive features by guiding development and redevelopment into the proposed Center as demonstrated that all commercial and residential development is planned for within the boundary. Proposed center boundary adjustments are proposed to except out environmentally sensitive land while incorporating proposed development demonstrates active planning that is consistent with this policy. Maintaining open space networks, critical habitat and large contiguous tracts of land in the Environs by a variety of land use techniques has been established by critical habitat survey and beach replenishment planning. Development has been planned to ensure that it does not exceed the capacity of natural and infrastructure systems that are available within the center boundary and protects areas where public investments in open space preservation have been made. Development and redevelopment in the Environs has been planned to enhance the natural resources and character of the area.

2. Housing:

The City's plans Provide for a full range of housing choices focused entirely in the Center at appropriate densities to accommodate projected growth. The plans ensure that housing in general and in particular affordable housing, is developed with close access to a range of commercial, cultural, educational, recreational, health and transportation services and facilities.

3. Economic Development: The City's plans support appropriate recreational and natural resource-based activities and locate economic development opportunities that are responsive to the needs of the surrounding region and the travel and tourism industry in Centers as demonstrated by the beach protection and rehabilitation measures, convention hall planning and other tourism and economic planning efforts indicated throughout this report . Any economic development in the Environs has been planned and located to maintain or enhance the cultural and scenic qualities and with minimum impacts on environmental resources as demonstrated by the historic preservation related planning.

4. Transportation: The City's plans promote, maintain and enhance a transportation system that protects the Environs from scattered and piecemeal development and links Centers to each other within and between Planning Areas as demonstrated by the Parking and Traffic Element of the Master Plan. The plans accommodate the seasonal demands of travel and tourism that support

recreational and natural resource-based activities. Within the proposed Center, the plans emphasize the use of public transportation systems and alternatives to private cars where appropriate and feasible and maximize circulation and mobility options throughout.

5. **Natural Resource Conservation:** The City's plans protect and preserve large, contiguous tracts of sensitive open space land that protects natural systems and sensitive natural resources, including endangered species, ground and surface water resources, wetland systems, natural landscapes of exceptional value, critical slope areas, scenic vistas and other significant environmentally sensitive features as demonstrated by the active open space acquisition program.
6. **Agriculture:** This section is not applicable as no farming occurs within the City and it is unlikely that farming will ever occur.
7. **Recreation:** The City's Plans provide for maximum active and passive recreational and tourism opportunities at the neighborhood and local levels by targeting the acquisitions and development of neighborhood and municipal parkland within Centers as demonstrated by the City's proposed Lafayette Street Park Green Acres project. The plans provide for regional recreation and tourism opportunities by targeting parkland acquisitions and improvements that enhance large contiguous open space systems. The plans ensure meaningful access to public lands as demonstrated by the accessible access projects completed at numerous beaches.
8. **Redevelopment:** The City's plans encourage environmentally appropriate redevelopment in the expired and proposed Center to accommodate growth that would otherwise occur in the Environs. Appropriate development and redevelopment has been planned in the Master Plan with intensities sufficient to support transit, a range of uses broad enough to encourage activity beyond the traditional workday, efficient use of infrastructure, and physical design features that enhance public safety, encourage pedestrian activity and reduce dependency on the automobile to attract growth otherwise planned for the Environs.
9. **Historic Preservation:** The City's plans encourage the preservation and adaptive reuse of historic or significant buildings, Historic and Cultural Sites, neighborhoods and districts in ways that will not compromise either the historic resource or the ability for a Center to develop or redevelop as demonstrated by the established Historic Preservation Commission, adopted standards and other historic planning activities.
10. **Public Facilities and Services:** The City's plans Phase and program for construction as part of a dedicated capital improvement budget or as part of a public/private development agreement the extension or establishment of public facilities and services, particularly of the potable water and wastewater systems, to establish adequate levels of capital facilities and services to support Centers as

demonstrated by the numerous shared service agreements indicated in this report as well as stated goals in the Master Plan. The plans protect large contiguous areas of environmentally sensitive features and other open spaces; to protect public investments in open space preservation programs; and to minimize conflicts between Centers and the Environs as demonstrated throughout this report. The plans encourage private investments and facilitate public/private partnerships to provide adequate facilities and services, particularly wastewater systems, in Centers. The plans provide for service of the entire community for both water and sewer which entirely is located within the Center.

11. **Intergovernmental Coordination:** The City's plans provide coordinated efforts with state agencies, county and municipal governments to ensure that state and local policies and programs support environmental protection by examining the effects of financial institution lending practices, government regulation, taxation and other governmental policies and programs.

Cape May contains 1054.83 acres of Environmentally Sensitive Planning Area 5, 408 acres of Federal Park Planning Area 7 and 2.3 acres of State Park Planning Area 8.

Through the preparation of this report, Cape May questions the designation of the Coast Guard Base Area (408 acres) as a Federal Park and Natural Area. Cape May believes that since a base that falls under the jurisdiction of the Coast Guard and Department of Homeland Security, it may be more appropriate to be designated as a military base.

The intent listed for Military Installations in the State Plan is that these are lands under federal jurisdiction and are not subject to the State Plan. If these areas are removed from federal jurisdiction, the Policy Map should be amended to identify the appropriate Planning Areas in which these lands should be included. It appears that the Coast Guard Base area meets this criteria and it may be appropriate to identify this area as PA5 environmentally sensitive should this area ever be removed from federal jurisdiction. Cape May requests further input from the OSG with regards to this issue.

STATE AGENCY ASSISTANCE

This report has identified numerous projects resulting from planning projects completed by the City. The City will continue to be active in planning for its future and seek funding wherever possible to implement and develop projects to achieve its stated goals. A list of specific planning initiatives and projects for which the City is requesting state financial and/or technical assistance includes but is not limited to:

- Convention Hall
- Lafayette St. Open Space
- Rotary Park
- Harborview Park
- Beach Theater Property
- Rehabilitation//Replacement of City Hall
- Ongoing Beach Replenishment (1990-2040)
- ADA Beach Access Program
- Fire Dept. Support Equipment
- Completion of Washington Street Mall Renovation
- Replacement of Columbia Avenue Water Tower
- Annual Municipal Road Aid
- Installation of Additional Bike Paths
- Expansion of Fire House
- Mass transportation aid to supplement City and local business funding
- Traffic and Parking improvements
- Traffic safety and pedestrian friendly projects
- Any and all other plans and projects recommended in the planning documents referenced throughout this document.

CONCLUSION

The City of Cape May has undertaken the Plan Endorsement process to reestablish the former Town Center which has expired. This report has been prepared as a municipal self-assessment report to inventory and compile planning data to verify plan endorsement consistency standards are met. By compiling and inventorying the City's assets it can better understand its strengths and needs and provide information useful in the community visioning process.

In providing this assessment report, it has been recognized that changes to the former center are necessary. Proposed changes to the State Plan Policy Map would include the reestablishment of the former Town Center. Adjustments to the former center boundary are proposed and are appropriate based on recognition and planning for future development and to protect environmentally sensitive lands as documented in the report.

Cape May recognizes the many benefits of Plan Endorsement and through this planning and visioning effort desires to achieve the many goals, objectives and future planning efforts specifically referenced in this document.

The City is eager to undertake the community visioning process to adopt a vision statement. During this process, the City will aggressively solicit public, civic group, agency and other interested parties to participate in workshops to establish the community's vision for the City.