

Policy, politics and
public management-a
look at the impacts of
judiciary on real...



**ASSIGN
BUSTER**

Policy, politics and public management-A look at the impacts of judiciary on real e The strong economy in New Jersey has spurred development of real estate. The annual increase in the real estate due to new growth is based on the amount of new development and other growth in the tax base that is not the result of revaluation or normal market-based appreciation. This includes: new residential or commercial development, condominium conversion, or improvements to existing properties. The effect of new growth on a community's ability to raise revenue through the property tax can be measured by percentage of the total levy limit (over rides), net of temporary debt and capital exclusions. In the current analysis, residential and open space property in New Jersey classes are grouped together as residential, and commercial, industrial and personal property classes are grouped together as commercial. Statewide, residential new growth accounted for 53 percent of new growth; commercial accounted for 47 percent. These ratios were fairly consistent over the three years. An annual update policy is not appropriate or even possible, in every community. For example, a city or large town with a full-time assessing staff is clearly better equipped and more able to keep assessments up-to-date than a smaller community with a part-time assessment presence. The many technological advances in the tools available to assessors, however, make an annual update policy more attainable in many communities. A number of cities and towns have invested in geographic information systems (GIS) that can quickly bring complex real estate market trends into sharp focus. Powerful PC database and analysis tools have significantly reduced the effort required to perform assessment ratio studies and other analyses necessary to evaluate assessment levels and determine appropriate trending factors.

<https://assignbuster.com/policy-politics-and-public-management-a-look-at-the-impacts-of-judiciary-on-real-estate/>

Does a governmental agency's denial of a development permit constitute a "taking" of real property? The Supreme Judicial Court recently answered this question in the negative and rejected a property owner's argument that denial of the permit, through governmental regulation restricting land use, was tantamount to an eminent domain taking under the state and federal Constitutions. The Court did not find any regulatory taking in the case of *Daddario v. Cape Cod Commission*, 425 Mass. 411 (1997). In 1964, the plaintiff acquired a 70 acre parcel which was located in an agricultural zoning district in Falmouth. The Falmouth zoning by-laws allow earth removal in an agricultural zoning district by special permit. In 1994, the plaintiff applied to the Falmouth Zoning Board of Appeals (ZBA) for a special permit to extract sand and gravel on 32 acres of his land. Due to the development's potential regional impact, the ZBA referred the matter to the Cape Cod Commission (Commission). The Commission was established under Chapter 716 of the Acts of 1989 to coordinate regional planning and land use development on Cape Cod. According to its written regional policy plan, the Commission seeks to balance economic development and the conservation of natural resources. It reviews any proposed development to determine conformity with the regional plan. The Commission will approve a proposed development if the project's benefits outweigh any detrimental impact, and if the project satisfies the regional policy plan and municipal development by-laws. If a project is disapproved by the Commission, an aggrieved party may appeal to the Superior Court or Land Court. The Division of Local Services administers the program in consultation with the Department of Environmental Protection.

Communities receiving funds after sewer rates have been set must

<https://assignbuster.com/policy-politics-and-public-management-a-look-at-the-impacts-of-judiciary-on-real-estate/>

certify that the aid distributed from the Fund has been, or will be, applied to the reduction of sewer alternatives. The market in New Jersey would be relied on to generate standards-setting institutions and land use regulation would depend on voluntary contracting by real property owners and developers. Moreover, provided that there is a rule of law and strict enforcement of contracts, restrictive covenants would serve to alleviate negative externalities. The benefits of the price system would also bolster resource allocation. The development of markets for trading real property risk - i. e., buying and selling restrictions on real property - would make allodial policy flexible. Restrictions could be eliminated simply by purchasing the rights that create them, and vice-versa, with the value of restrictive covenants will being internalized in the price of the land.

References

Asabere, Paul K., and Huffman, Forrest E. (1997), " Hierarchical Zoning, Incompatible Uses and Price Discounts", *Real Estate Economics*, vol. 25, no. 3, Fall, pp. 439-51.

Asabere, Paul K., and Huffman, Forrest E. (1991), " Zoning and Industrial Land Values: The Case of Philadelphia", *American Real Estate and Urban Economics Association Journal*, vol. 19, no. 2, Summer, pp. 154-60.

Ault, Richard W. and Ekelund, Robert B., Jr. (1988), " Rent Seeking in a Static Model of Zoning", *American Real Estate and Urban Economics Association Journal*, vol. 16, no. 1, Spring, pp. 69-76.

Becker, Gary (1983), " A Theory of Competition Among Pressure Groups for <https://assignbuster.com/policy-politics-and-public-management-a-look-at-the-impacts-of-judiciary-on-real-estate/>

Political Influence", *Quarterly Journal of Economics*, Vol. 98, No. 3, pp. 371-400.

Benson, Bruce L. (1990), *The Enterprise of Law: Justice Without the State*, Pacific Research Institute: San Francisco.