



CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

State of New Jersey

Highlands Water Protection and Planning Council
100 North Road (Route 513)
Chester, New Jersey 07930-2322
(908) 879-6737
(908) 879-4205 (fax)
www.highlands.state.nj.us



JIM RILEE
Chairman

MEETING AGENDA Thursday, September 18, 2014 at 4pm

- CALL TO ORDER
- ROLL CALL
- OPEN PUBLIC MEETINGS ACT STATEMENT
- PLEDGE OF ALLEGIANCE
- APPROVAL OF MINUTES – August 21, 2014
- APPROVAL OF EXECUTIVE SESSION MINUTES – August 21, 2014
- CHAIRMAN’S REPORT (and Council Member Reports)
- ACTING EXECUTIVE DIRECTOR’S REPORT
- COMMITTEE REPORTS
 - **HDC BANK COMMITTEE**
 - Discussion on process for landowner compensation
 - **REGIONAL MASTER PLAN (RMP) UPDATE COMMITTEE**
 - Presentation – Kick-Off
 - Presentation - Public Participation and Outreach Approach
- PUBLIC COMMENTS *(to ensure ample time for all members of the public to comment, we will respectfully limit comments to three (3) minutes. Questions raised in this period may not be responded to at this time but, where feasible, will be followed up by the Council and its staff.)*
- EXECUTIVE SESSION *(if deemed necessary)*
- ADJOURN



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JIM RILEE
Chairman

MEMORANDUM

To: HDC Bank Committee
From: Margaret Nordstrom, Acting Executive Director
Subject: Committee Meeting Minutes – September 4, 2014
Date: September 12, 2014

A Highlands Development Credit (HDC) Bank Committee meeting was held on Thursday, September 4, 2014 at the Highlands Council office in Chester. Committee Members present: Committee Chair Walton, Member Dressler, and Member Visioli.

Staff Members present: Margaret Nordstrom, Andrew Davis, Chris Danis, James Humphries, Kim Ball Kaiser, and Annette Tagliareni.

Also present: Peter Simon, Assistant Counsel, Governor's Authorities Unit.

Committee Chair Walton opened the meeting at 3:02pm and addressed the following agenda items.

Committee Name Change

Ms. Nordstrom recommended to the Committee that the name of the HDC Bank Committee be changed to the Land Preservation and Owner Equity Committee to better reflect the broadened mission of the Committee. Committee members present were in agreement to change the Committee name. Highlands staff developed a Land Preservation and Owner Equity program which is currently under review by sister agencies for their review/comments. Committee hopes to have a discussion related to this program at a future Council meeting. The program will be sent to Council members in advance of a meeting so there is time to review/comment.

There were discussions about making a recommendation to the Legislature to help fund this program. There were also discussions about a water user fee to fund the program and if the Council Members have the authority to reach out to municipalities to have them forward a resolution to the Legislature to issue a water user fee for this program. Committee Chair Walton asked if there is potential revenue from a water user fee. Staff will provide to the Committee information on the costs to taxpayers and the benefits to the region if a water user fee was implemented throughout the state/region.

Staff member Humphries then gave an overview of the current HDC Bank program and the credit value per acre of \$16,000. Committee Chair Walton asked if the credit value can be changed. Mr. Humphries responded that it could be as a part of the RMP Update process. Mr. Humphries added that there needs to be a demand for credits for the TDR program to work. Ms. Danis added that the TDR Program and HDC credit value is subject to a five-year evaluation process and we are at the timing of that 5 year review period. Committee Chair Walton asked staff to provide the technical reports linked to the HDC credit value evaluation.

Draft Highlands Development Credit Receiving Area Designation Procedures

Mr. Humphries gave an overview of the current draft of the Highlands Development Credit Receiving Area Designation Procedures. The Committee members were given these draft procedures for review at last month's Committee meeting. The Committee had no issues with respect to the current draft of the procedures. Staff will explore the procedural steps to be recommended to more formally adopt these procedures and will report back to the Committee at a future meeting.

PSE&G Developer's Agreement

The Committee was provided with a copy of the June 30, 2010 PSE&G Developer's Agreement for their information. Ms. Nordstrom noted paragraph 5 on page 2 of the Agreement which outlined the contribution to the Highlands Council and how that contribution is to be used by the Council.

Update of TDR Receiving Area Feasibility Grants

Mr. Humphries reported that Newton and Vernon have completed Phase 1 of the grant. City of Paterson is stagnant due to their new administration. The Borough of Bergenfield, Bergen County was awarded a Feasibility Grant at the August 21, 2014 Highlands Council meeting.

The next Committee meeting is scheduled for September 25, 2014 at 3:00pm.

The Committee adjourned at 3:49pm.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

PRESENT

JIM RILEE)	CHAIRMAN
KURT ALSTEDE)	COUNCIL MEMBERS
TRACY CARLUCCIO)	
TIMOTHY P. DOUGHERTY)	
MICHAEL TFANK)	
ROBERT HOLTAWAY)	
CARL RICHKO)	
MICHAEL SEBETICH)	
JAMES VISIOLI)	

VIA TELEPHONE CONFERENCE

ROBERT G. WALTON)

ABSENT

MICHAEL R. DRESSLER)
MICHAEL FRANCIS)
BRUCE JAMES)
RICHARD VOHDEN)

CALL TO ORDER 134TH meeting of the New Jersey Highlands Water Protection and Planning Council to order at 4:06pm.

ROLL CALL

Roll call was taken. Council Members Dougherty, Dressler, Francis, James, and Vohden were absent. All other members were present. *The following staff members were present: Margaret Nordstrom, Andrew Davis, Chris Danis, Kim Ball Kaiser, James Humphries, Maryjude Haddock-Weiler, Corey Piasecki, Chris Ross, Jocelyn Bishop, Carole Dicton, Tom Tagliareni. Also present were Peter Simon, Governor's Authorities Unit, Courtenay Merver and Rob Freudenberg, Regional Plan Association; and Steve Gunnels, PlaceWorks.*

OPEN PUBLIC MEETINGS ACT

Ms. Tagliareni announced that the meeting is being held in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6. The Highlands Council sent written notice of the time, date, and location of this meeting to pertinent newspapers or circulation throughout the State and posted notice on the Highlands Council website.

PLEDGE OF ALLEGIANCE was then recited.

APPROVAL OF HIGHLANDS COUNCIL MINUTES OF AUGUST 21, 2014

Chairman Rilee asked for a motion on the Minutes of August 21, 2014.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

Mr. Richko introduced a motion to approve the Minutes of August 21, 2014. Mr. Holtaway seconded it.

All members present voted to approve the Minutes of August 21, 2014. The minutes were APPROVED 8-0, with one abstention by Member Tjank.

Chairman Rilee asked for a motion on the Executive Minutes of August 21, 2014.

Mr. Visioli introduced a motion to approve the Executive Minutes of August 21, 2014. Mr. Richko seconded it.

Member Dougherty was present at 4:09pm.

All members present voted to approve the Executive Minutes of August 21, 2014. The minutes were APPROVED 8-0, with two abstentions by Chairman Rilee and Member Tjank.

CHAIRMAN'S REPORT

There was no Chairman's report.

ACTING EXECUTIVE DIRECTOR'S REPORT

Fenimore Landfill Update

Ms. Nordstrom reported as part of her Acting Executive Director's report an update on the Fenimore Landfill. As of September 4th, 23,000 cubic yards of the total 75,000 cubic yards of clean fill has been brought to the site. The NJDEP expects that 45,000 cubic yards of the 75,000 cubic yards will be brought onto the site by the end of the month. As of Monday, September 15th the first layer of the multi-layered cap started to be place and next Monday the impermeable liner of the cap will be put in place.

Ms. Nordstrom also reported that the RMP web portal opened on September 15th and as of this morning Council received 11 comments from non-distinct sources.

Ms. Nordstrom then announced that in Plan Conformance Petition Approvals, Boonton Township (Morris County) is deemed administratively completed on September 4th and Council staff hopes to have their Petition before Council early 2015. Tuesday night, Chester Borough adopted their petition ordinance and we hope to see them as well. In Plan Conformance Implementation, Vernon Township (Sussex County) adopted their Highlands Land Use Ordinance, Zoning Map Amendments; and the Highlands Exemption Ordinance and Exemption Designees were approved and certified.

As a consultant update, Ms. Nordstrom announced that Courtenay D. Mercer, PP, AICP is the Principal of Mercer Planning Associates (Mercer), which is currently a named consultant on three Highlands Council contracts: 1) the Municipal Fiscal Analysis of Potential Municipal Transfer of Development Rights ("TDR") Receiving Zones; 2) the Highlands Regional Master Plan Monitoring Program Recommendation Report (MPRR), and 3) RMP Fiscal Impact Assessment.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

Recently, Ms. Mercer has also become the New Jersey Director of the Regional Plan Association (RPA), in addition to maintaining her role at Mercer. This change results in minor adjustments to named consultants on two of these contracts: with regard to the MPRR work, Mercer will no longer be a named subcontractor, and on the RMP Fiscal Impact Assessment, the subcontractor will now be RPA, instead of Mercer. Ms. Nordstrom noted that the individuals doing the work have not changed; only organization names have changed.

As a personnel update, Ms. Nordstrom welcomed Jocelyn Bishop as full-time GIS Specialist. Ms. Bishop's start date was September 8th.

COMMITTEE REPORTS

Highlands Development Credit (HDC) Bank Committee

Chairman Rilee announced that the HDC Bank Committee name has been changed to Landowner Equity and Land Preservation Committee since it has taken on more responsibilities.

Member Walton reported out that the Committee discussed the following topics at their last meeting (September 4th):

- PSE&G mitigation funds – the agreement regarding the use of funds for the powerline has been reviewed, and it is clear that those funds may be used for open space acquisitions anywhere in the Highlands, and not just for properties adjacent to the powerline.
- Open space purchasing program - In mid-November, Council will receive for their review a draft open space program documents with the hopes that at the December meeting Council will approve of this program.
- Landowner compensation – There are three vehicles for landowner compensation:
 - HDC Bank Board and TDR credits – using the current program with a new format and not based on hardship but the value of the land. Council made a policy choice to offer \$16,000/per acre. Council will have to make a policy choice to change this amount for future acquisitions.
 - Sell as open space, in conjunction with land preservation entities, and possible matching funds from the Council.
 - Straight up compensation for affect on land. The Council has no current way to do this. The Committee is seeking a way to make whole affected property owners who were promised compensation based on a promise that was made 10 years ago from the legislature. The Committee is looking into the impact of a possible water fee to provide direct compensation.

Council Comments

Ms. Carluccio asked for clarification on the use of the PSEG funds referenced in the report provided by Mr. Walton. Mr. Walton further clarified the discussion, and asked that Ms. Nordstrom

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

or Mr. Davis further address the issues. Mr. Davis explained the language of the agreement, and there was further discussion on the matter. Ms. Carluccio asked for a written legal opinion. The Chairman described his understanding of the agreement. Mr. Davis then noted that the program will come before the Council for approval, and that by simply noting these issues in the minutes is not authority to spend the funds. There was some further discussion on the issue between and among the Council Members.

Regional Master Plan Update Committee

Member Alstede reported that an RMP Update Committee was held yesterday and noted that the committee continues to address elements that will enable Council to carry out the Regional Master Plan update. Member Alstede reported that this process has three components: 1) Web Portal to collect all public input and data to consider; 2) the Monitoring Program to measure certain elements to identify; and 3) Fiscal Impact Assessment. Member Alstede introduced Courtenay Mercer and Rob Freudenberg of RPA, and Steve Gunnells of PlaceWorks.

Ms. Mercer gave an overview of her background and the Regional Master Plan Monitoring Program process coordinating with PlaceWorks on the Fiscal Impact Assessment.

Mr. Gunnells gave an overview of his background and the Fiscal Impact Assessment process starting with an economic analysis, demographic data, home sales data in the Highlands region, assessing data and individual parcels in the region, and a look at municipal data and see what the situation was prior to the Act in 2004, prior to the RMP in 2008, and where we are today in the preservation and planning areas compared to the rest of the State and adjacent states (Pennsylvania and New York). There will be a final report and a municipal fact book to understand what the impacts are with each municipality.

Council Discussion

Member Richko was concerned that water protection was not mentioned in the fiscal analysis. Mr. Gunnells responded that it will be addressed.

Member Carluccio asked if Mr. Gunnells is experienced in the cost and benefits for environmental resources and how that assessment will be done.

Mr. Gunnells responded that based on the scope of work and the RFP, that the primary focus is the economy and fiscal analysis of the municipalities but an account for the value of the resource that has been preserved will be considered.

Member Alstede added that the Act dictates the science and what is the cost/impact on this region because of the science. The whole basis for the fiscal analysis is what it is costing us to protect the resources in the region.

Mr. Gunnells added that we do want to address in our report the value of the resource that has been preserved, but a cost/benefit analysis with respect to the Highlands regulations is not going to be performed, as that was not called for in the Council's request for proposals on this matter.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

Member Alstede turned the meeting over to staff member Corey Piasecki. Mr. Piasecki gave a presentation related to the Public Participation and Outreach Approach for the RMP Monitoring Program. This presentation may be reviewed on the Council's website at the following address:

http://www.highlands.state.nj.us/njhighlands/about/calend/2014_meetings/sept18/sept2014_rmp_monitoring_outreach_preso.pdf

Council Comments

Ms. Carluccio had questions regarding the timing of when the portal closes and when Technical Advisory Committees (TACs) are held and the input from those meetings gets incorporated in the reports. Mr. Piasecki responded that the second set of TACs will review proposed milestones, recommendations, and fact check, with a broad range of experts, the work that has been undertaken up to that time.

There was continued discussion on the process of the targeted stakeholder and TACs and including the public where necessary.

Chairman Rilee opened the meeting to public comments.

Public Comment

George Stafford, New Jersey Highlands Coalition and lives in Wharton, NJ – Mr. Stafford suggested that the real estate market has changed and suggested that the change be factored into the fiscal impact analysis.

Helen Heinrich, New Jersey Farm Bureau – Ms. Heinrich expressed her concern about the Regional Master Plan changing.

Dave Peifer, Association of New Jersey Environmental Commissions – Mr. Peifer has requested his organization be added to the stakeholder list. He also stated that the casinos being proposed in Orange County, NY are in the headwater area for the Ramapo River which is under stress.

Hank Klumpp, owns property in the Highlands Preservation Area – Mr. Klumpp commented on property values and taxes affected by the Act. Mr. Klumpp would like to be considered a stakeholder. Mr. Klumpp submitted his comments for the record.

Deborah Post, property owner in Chester Township – Ms. Post commented on the Council's HDC process. Ms. Post submitted her comments for the record.

Joady Anderson, owns 74 acres in Lebanon Township – Ms. Anderson commented on Lebanon Township's planning area of 6 acres and also indicated there are many people who are not familiar with the Highlands Act. Ms. Anderson submitted her comments for the record.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

David Shope, owns property in Lebanon Township, NJ – Mr. Shope would like us to include raw land values in the fiscal impact analysis and spoke about nitrate dilution models, and TDRs.

Wilma Frey, New Jersey Conservation Foundation – Ms. Frey commented on the importance of the Ramapo River Watershed. Ms. Frey submitted her comments regarding the Sterling Forest Casino Development.

Julia Somers, New Jersey Highlands Coalition – Ms. Somers requested that the Council submit comments regarding the proposed casinos in Orange County, NY.

Council Discussion

Member Holtaway suggested that Council authorize staff to submit a comment related to the proposed casino site in Orange County, NY. Member Richko supported a motion or resolution which states Council opposes a casino close to the Ramapo River. No formal motion was made and/or seconded.

There was further Council discussion related to this matter and suggestions by several Council Members to either respond on their own, individually, or to authorize or direct the acting executive director to submit comments on this matter based on its consistency or lack of consistency with the Council's Regional Master Plan, notwithstanding that the project is outside of the state, and outside of the Council's jurisdiction. Chairman Rilee responded that he will work with Ms. Nordstrom on Council's suggestions.

Mr. Richko made a motion to adjourn the meeting. Mr. Visioli seconded it. The meeting was adjourned at 6:25pm.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the meeting of the Highlands Water Protection and Planning Council.

Date: 10/17/14

Name: Annette Tagliareni
Annette Tagliareni, Executive Assistant

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF SEPTEMBER 18, 2014

**Vote on the Approval of
These Minutes**

	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede	_____	_____	_____	_____	_____	✓
Councilmember Carluccio	_____	_____	✓	_____	_____	_____
Councilmember Dougherty	_____	✓	✓	_____	_____	_____
Councilmember Dressler	_____	_____	✓	_____	_____	_____
Councilmember Francis	_____	_____	✓	_____	_____	_____
Councilmember Holtaway	_____	_____	✓	_____	_____	_____
Councilmember James	_____	_____	_____	_____	_____	✓
Councilmember Richko	_____	_____	✓	_____	_____	_____
Councilmember Sebetich	_____	_____	✓	_____	_____	_____
Councilmember Tfank	_____	_____	✓	_____	_____	_____
Councilmember Visioli	_____	_____	✓	_____	_____	_____
Councilmember Vohden	_____	_____	✓	_____	_____	_____
Councilmember Walton	✓	_____	✓	_____	_____	_____
Chairman Rilee	_____	_____	✓	_____	_____	_____

PUBLIC COMMENTS SUBMITTED AT HIGHLANDS
COUNCIL MEETING ON SEPTEMBER 18, 2014

① My name is Hank Klumpp. I own 150 acres in the Highlands Preservation Area.

My 150 acres have been forceably put into the preservation by the Highlands Act against my will with no money changing hands. Now, it is going into eleven years.

No one has answered my question as to what kind of taxes I will be asked to pay if my farmland no longer qualifies for farmland assessment when I am too old to farm it. Should my 150 acres still be based on Tewksbury real estate tax value when the land is unbuildable? There have been no answers from the council, The Tewksbury Tax office, or the Lebanon tax office. Shaun Van Doren, the mayor of Tewksbury,

②

called me and feels I have a valid question and concern and said he would look into it — but I still have no answers.

I, along with so many others, have lost my property values. The Highlands Act is a multi-billion dollar robbery. None of us are lobbyists, getting paid to appear here. And, we are not against the environment. As a farmer, I cherish my property and have cared for it with a devotion that most environmentalists will never understand.

Let me make one thing

③

really clear - I am a stakeholder.

The dictionary defines a stakeholder as a person, or group, that has an interest or concern in an organization. That certainly qualifies me and all of us who have had our property values stolen - we all have interests and concerns that paid lobbyists, who are considered stakeholders by this council, will never begin to understand. Harmed landowners have no voice and are not being heard while ^{manu} lobbyists who just ramble on holding a paycheck should have duck tape put over their mouths

(4)

so they can see what it is like to
have no voice.

Hank Klumpp

24 Longview Road
Lebanon, N.J. 08833

Comments to Highlands Council, September 18, 2014

My name is Deborah Post, harmed property owner Chester Township.

In connection with harmed landowners stakeholder status, we continue to be met with silence. In fact, my OPRA for a listing of your stakeholder meetings and technical advisory committees was denied. So goes transparency and honesty of communication.

I want to thank Mr. Walton and Mr. Dressler for focusing their committee on landowner compensation per my reading of the HDC Bank Committee meeting minutes.

Referring to a water usage fee as a cost and not a tax is well-advised. FYI, Water usage fees exist today as a cost line in the Water Authority budget. I suggest this Council recommend that that existing cost line item be increased with a Highlands earmark. Or alternatively, the Council might recommend that the Water Authority be required to purchase a tdr for each X amount of gallons of Highlands water it delivers to the eastern NJ communities. That might be step one in creating demand for tdrs.

Regarding the Committee minute's discussion of the tdr, I adamantly object to the phrasing of "credit value per acre of \$16,000". Whoever wrote those words lacks any knowledge of the Highlands RMP's TDR Technical Report, and the development of the HDC.

First, the HDC is not an acre, it is a complex formula reflecting the marginal value of a fifth buildable unit. See your own consultant's work! Page 35.

Second, the \$16,000 is the initial *price*, set by this Council. To equate price with value reflects sheer gross ignorance.

The pricing of the HDC reflects an 83% discount to its appraised value per the work of Integra Resources. Again see Page 35. The HDC appraised value of \$92,000 was discounted by 30% to reflect soft costs of development and then by another 75% to reflect the developers willingness to pay.

The 75% discount for the developers willingness to pay is nothing more than a shift of equity value from landowners to builders. I can't imagine anything more abominable than the idea that a developer is deserving of 75% of a farmer's equity. And that this Council feels it is entitled to give away our property values.

The Highlands Act gives this Council the statutory authority to set the initial price of the HDC, which obviously the Council has the authority to change. Please do it.

Highlands Transferable Development Rights Technical Report

then sought to predict the marginal value of a lot where density is increased from four units per acre to five units per acre. The basis for selecting this density interval is that the incentives for establishing a Receiving Zone under the Highlands Act are not triggered until the Receiving Zone has a minimum residential density of five units per acre for the residential portion of the Receiving Zone.

After plotting these data, four separate mathematical functions were used to predict the marginal value of the fifth unit per acre. The results of this work are represented in Appendix F titled "Marginal Lot Value Analysis." The results of each function were evaluated based upon mean absolute error and a subjective determination of what functions visually yielded the "best fit."

Using this information, the Highlands Council selected the lowest lot value in a municipality with the best fit. The reason for selecting the lowest lot value is to prevent HDC values from being too high at the outset of the program and undermining any potential demand for the HDCs. The selected lot values are reflected in the column labeled "Lowest Value w/ Best Fit" of Appendix F. The Highlands Council then reduced these values by 30% as these values reflect lots that are in an approved and improved condition. The reduced lot values were then averaged for the entire Highlands Region resulting in an average lot value of \$64,657.25.

Finally, the Highlands Council applied a deduction for a measure known as a "developer's willingness to pay." This measure was developed by Dr. James Nicholas, economics professor at the University of Florida, to reflect the fact that a developer's willingness to purchase a TDR credit is the result of examining the economics between raw land costs, lot selling prices, and the cost/availability of infrastructure in the various receiving areas. When these three cost variables are significant developers have little money left over to purchase TDRs.

In assisting in the development of the Pinelands Development Credit program in the early 1980s, Dr. Nicholas applied a 50% reduction to the marginal values resulting from his analysis. A similar 50% reduction as been applied in other TDR programs including the Long Island Pine Barrens credit program.

In establishing the initial HDC target price, the Highlands Council applied a 75% reduction to the regional average lot value. This was done to reflect the fact that Receiving Zones under the Highlands Program are voluntary. In the case of those programs where a 50% reduction was applied, there are mandatory Receiving Zones. The resulting target HDC price is \$16,164.31, which the Council has rounded down to \$16,000 for simplicity.

Two further circumstances must be considered when determining the initial HDC price. First, in addition to the cost of an HDC, a developer may also be required to pay impact fees of up to \$15,000 per unit, provided that the municipality in which a Receiving Zone is located has met the Highlands Act's minimum requirements for assessing impact fees and has adopted an impact fee ordinance. The cost of potential impact fees and HDC price relative to per unit approval and construction costs must be such that a developer still realizes a sufficient per unit profit.

Second, the Highlands Development Credit Bank, when established, will determine what amount it will pay per HDC to alleviate unique and extenuating financial circumstances. Importantly, the State TDR Act provisions under which the Highlands Development Credit Bank will operate do not place a limitation on the amount that the bank may pay to acquire HDCs. That said, the Highlands Development Credit Bank should be careful not to impair the operation of a private market by establishing a HDC price that is too high at the outset of the program. It is likely that the price paid by the Highlands Development Credit Bank after initial capitalization will establish a floor on HDC prices.

HIGHLANDS TDR PROGRAM IMPACT FEES

Assuming that a municipally-designated Receiving Zone satisfies the minimum residential density threshold, the Highlands Act authorizes a municipality to impose up to a \$15,000 per unit impact fee on new development within a Receiving Zone to offset the costs of capital improvements or facility

Comments at

Highlands Council Meeting, Sept 18, 2014

1

My name is Joady Anderson. Our property is a 74 acre deciduous tree farm in Lebanon County, all in the Preservation Area.

First, I want to say thank you to those kind people who spoke to me after the Aug. 21, 2014 meeting, with words of sympathy and encouragement. I did appreciate it.

As I said, our property is a 74 acre deciduous tree farm, all in the Preservation Area in Lebanon Township.

A number of years ago, I heard that all except 6 acres of Lebanon Township was in the Preservation Area. When I inquired at Lebanon Township ~~Administrative~~ ^{Municipal} Building as to where this 6 acres was located, they had no idea - the thought was that all was in the Preservation Area.

Recently, I discovered the location. I would like to know the rationale behind the decision that only these 6 acres, owned by Muller Toyota, be in the Planning Area. All of the rest of Lebanon Township is in the Preservation Area.

With due respect to Environmental groups -

our land, a 74 acre deciduous Tree Farm, wouldn't be "open space" today if our family hadn't been "private environmentalists."

Today, there are paid environmental lobbyists.

Unfortunately, there are no such groups for those of us harmed by the onerous restrictions in the Preservation Area

2

For 10 years now, we have been "paying for" the fall-out from the Highlands Act, with no reimbursement. Who has been getting out the word for all of us from the Highlands area?

Who has been "lobbying" for us in areas outside of the 800,000+ affected areas?

There are many people in the rest of NJ. who have no idea what the Highlands Act is - never heard of it or what it has been done to land ~~lot~~ owners. When they are told - the response is - "But that is so unfair! How is that allowed to happen?!" When they actually read some of the Highlands Act, they are appalled!

Now, 10 years after the passage of the Highlands Act, our stress level is extremely high!

September 12, 2014

**Palisades Interstate Park Commission
Administration Building
3006 Seven Lakes Drive
PO Box 427
Bear Mountain, NY 10911-0427
James F. Hall, Executive Director**

Philip H. White, President
David H. Mortimer, Vice President
Barnabas McHenry, Secretary
Lloyd Tulp, Treasurer
James E. Hanson II
David J. Kasparian
Keith J. Cornell
D. Bryce O'Brien, II
Jeanette A. Redden

Cc Carol Ash
Robert O. Binnewies

RE: Sterling Forest Resort Casino Development

Via FAX 845-786-2776

Dear Commissioners and Director Hall:

We, the undersigned organizations, are writing you to urge you to vigorously oppose the proposed Sterling Forest Casino and Resort development.

We thank PIPC for all you have done to protect Sterling Forest and to create and preserve Sterling Forest State Park. The Palisades Interstate Park Commission was singularly important in the preservation of Sterling Forest, displaying exceptional leadership in opposing the corporate proposal to urbanize the entirety of Sterling Forest in the 1990's. PIPC led the difficult, lengthy and successful preservation effort, supported by both Governors George Pataki of New York and Christine Todd Whitman of New Jersey. We ask you now to follow in the footsteps of your predecessors and again defend Sterling Forest from corporate desecration, and to complete their preservation efforts.

Sterling Forest State Park is under imminent threat from a massive commercial casino-resort development proposed by the multinational corporation Genting Group. The development on a 238-acre site would include 1.5 million square feet of commercial space, 1,000 hotel rooms, a 150,000 foot casino floor, and parking for 8,900 vehicles. Nearly 7 million annual visitors are projected. An essential component of the project is the construction of a new dedicated interchange off the New York Thruway, bringing heavy traffic to rural, steep and winding Route 17A, as well as to surrounding parklands. The new interchange would likely require the taking of a portion of PIPC lands in the vicinity.

The location of this casino-resort in Sterling Forest State Park is totally inconsistent with protection of the values for which Sterling Forest was preserved: its natural, ecological, and water resources; its recreational, scenic and spiritual values. The forested hills that offer a precious respite for urban dwellers of the New York City area will be irrevocably degraded. The urban impacts of the proposed casino development will not be confined to the acreage it will own and specifically occupy, but will spill over into parklands that were preserved at a total cost of over \$100 million in both public and private monies and are held in trust for the public. The public and private investments in this Park will be irrevocably damaged.

Year-round, twenty-four hour noise, bright lights and air pollution, huge structures looming over the treetops, out of scale and out of place within the Park, and thousands of cars causing traffic and massive air pollution on a daily basis will impact both the Park's wildlife and the citizens who treasure the Park as a place of refuge from urbanity.

The potential impacts of the development on water supplies that will be utilized by the casino development, and by substantial anticipated secondary induced growth, are of special concern for nearly three million people who live in New Jersey and New York who rely on either surface or groundwater water sourced from the Ramapo River Watershed. These include United Water Company Water, Rockland County's Ramapo Valley Well field, sources in Orange County, wells adjacent to the River in Bergen County, and New Jersey's Wanaque and Oradell Reservoirs.

The proposed casino development is simply and clearly, the wrong proposal in the wrong place. There is no modification to the proposal that will make it acceptable. By design, any large and heavily trafficked casino facility would bring irreparable damage to one of New York's great natural areas.

Accordingly, we ask PIPC to vote to strongly oppose the Genting Sterling Forest Casino-Resort proposal. We ask PIPC to reject any proposal to use or purchase PIPC land to develop a new Thruway interchange. Further, we ask the Commission to issue a statement making it clear that it will oppose to the fullest extent of its authority, the development of the massive Genting Casino-Resort proposal in Sterling Forest State Park.

Finally, we ask for your immediate intervention to halt any consideration of this development in the Park.

Sincerely,

Adirondack Mountain Club – Neil F. Woodworth, Executive Director and Counsel

ANJEC (Assoc. of NJ Environmental Commissions) – Jennifer M. Coffey, Executive Director

Appalachian Mountain Club – Mark Zakutansky, Mid-Atlantic Policy Manager

Bergen SWAN – Lori Charkey, Director

GreenFaith – The Reverend Fletcher Harper, Executive Director

Natural Resources Defense Council – Mark Izeman, Director of the New York Program

New Jersey Conservation Foundation – Michele S. Byers, Executive Director

New Jersey Highlands Coalition – Julia Somers, Executive Director

New York-New Jersey Trail Conference – Edward Goodell, Executive Director

Northern Tuxedo Residents Association – Kristy Apostolides, President, Executive Committee

Ramapough Conservancy – Judith Sullivan, President

Roxbury Environmental Action Coalition (NJ) – Robert Schultz, President

Scenic Hudson Land Trust, Inc. – Steve Rosenberg, Executive Director

Sierra Club, New Jersey Chapter – Jeff Tittel, Director

Sterling Forest Partnership – Rodger Friedman and Sue Scher, Co-Chairs

The Land Conservancy of New Jersey – David Epstein, President

The Palisades Parks Conservancy – Joshua E. Hyman, M.D., President

The Ramapo River Committee – Geoff Welch, Chair

Torne Valley Preservation Association – Patsy Wooters, Chair

Upper Rockaway River Watershed Association (NJ) – Constance Stroh, President

Rec'd 9/16/14

Sterling Forest Resorts Resolution:

Whereas, the Palisades Interstate Park Commission was created to maintain and operate park land "for the use of the public and for the purpose of preserving the scenic beauty of the Palisades and other lands therein"; and

Whereas, under the Palisades Interstate Park Commission's Congressionally approved 1937 Interstate Compact, it was agreed to and pledged the "faithful co-operation in the future planning, improvement, development, maintenance, government and management of the park, holding in high trust for the benefit of the public the special blessings and natural advantages thereof"; and

Whereas, Sterling Forest State Park was acquired through a federal, state (New York and New Jersey) and private sector partnership at significant public cost of approximately \$70 million; and

Whereas, Sterling Forest State Park was acquired to protect its vast and unique natural resources with particular concern regarding the protection of water resources; and

Whereas, Sterling Forest State Park is classified as a Scenic Park with 95% designated Park Preserve Areas and Bird Conservation Areas; and

Whereas, Sterling Forest Resorts has proposed a Casino on private lands surrounded by Sterling Forest State Park in conjunction with construction of a proposed new interchange off the New York State Thruway (designated Exit 15B) connecting to Route 17A; and

Whereas, Sterling Forest Resort has requested support for approval by the Palisades Interstate Park Commission the use of park lands and/or access to a park road (Route 106) to facilitate the proposed New York State Thruway Exit 15B; and

Whereas, The Commission has carefully reviewed and considered the information provided by Sterling Forest Resort in support of the use of park lands and/or access to a park road (Route 106) to facilitate the proposed New York State Thruway Exit 15B in letters dated June 6, 2014, June 13, 2014, June 27, 2014, August 26, 2014, September 10, 2014 and presentation materials dated May 27, 2014; and

Whereas, pursuant to the Commission Compact and the 1985 New York State law authorizing an easement of Commission property for Exit 15B, the Commission must determine that said easement will not interfere with use and enjoyment of park property by the public.

Now, Therefore, Be It Resolved that in the Palisades Interstate Park Commission's opinion, the proposed development of New York State Thruway Exit 15B, in conjunction with Sterling Forest Resort, is not in accordance with our stewardship mission and the public trust to preserve the scenic beauty, natural resources and public enjoyment of Sterling Forest and Harriman State Parks and cannot affirmatively find that such action would not interfere with the use and enjoyment of park property by the public and therefore denies the Sterling Forest Resort request for support and approval of Exit 15B upon and/or accessing Commission property.



CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

State of New Jersey
Highlands Water Protection and Planning Council
100 North Road (Route 513)
Chester, New Jersey 07930-2322
(908) 879-6737
(908) 879-4205 (fax)
www.highlands.state.nj.us



JIM RILEE
Chairman

MEMORANDUM

To: RMP Update Committee
From: Margaret Nordstrom, Acting Executive Director
Subject: Record of RMP Update Committee Meeting – August 13, 2014
Date: 9/2/14

The RMP Update Committee met on Thursday, August 13, 2014 at 1:00pm at the Highlands Council office in Chester. Committee Members present: Council Chairman Rilee (on phone), Council Vice-Chairman and Committee Chair Alstede, and Member Vohden. Member Sebetich was absent.

Highlands Council Staff Members present: Margaret Nordstrom, Andrew Davis, Chris Danis, Judy Thornton, Corey Piasecki, Jim Hutzelmann, Carole Ann Dicton, and Annette Tagliareni.

Also present: Peter Simon, Assistant Counsel, Governor's Authorities Unit (by phone) and Buck Swaney, Logan Simpson Design (on phone).

Committee Chair Alstede called the meeting to order at 1:07pm.

The following issues were discussed:

1. Corey Piasecki presented an overview of the Public Comment Web Portal on Council's website and how comments will be entered for the RMP Update process. This overview will be presented to the Council at the August 21st meeting. Logan Simpson Design representative, Buck Swaney, will be present and prepared to answer any questions.
2. Committee Chair Alstede asked about the capacity of the text box for comments and whether a document can be attached. Corey Piasecki responded that the text box will hold 20,000 characters, or about 10 typewritten pages. Any attachments will need to be mailed to the Council office.

3. Committee Chair Alstede asked where the comment records would be stored. Buck Swaney of Logan Simpson Design (web-portal consultant under contract with Council), responded that the comments will be stored in a server located in the mid-West where they will be organized and grouped so Council staff is able to look at data quickly, efficiently and comprehensively. Comments will also be accepted manually and these comments will be scanned and/or entered into the system in some other way so that everything will be available for Council and staff's review. Corey Piasecki noted that the comments will be moved to the Council's system after the RMP Update process is completed.

Mr. Swaney left the meeting at 1:25pm.

4. Corey Piasecki gave an overview of the draft Stakeholder Charrette document submitted to the Committee. This document is broken into two main sections: 1) Stakeholder Meetings; and 2) Technical Advisory Committees. Corey Piasecki noted that the Fiscal Impact Assessment (FIA) consultants and Council staff hope to begin this process in mid-September. These meetings will be technical in nature, and are intended to garner feedback from experts about potential indicators and monitoring data availability. These meetings will include small groups of experts with topical knowledge and access to essential information. Briefing documents will be prepared by the consultants for these meetings. In response to a question regarding expectations for attendance by Council Members, staff indicated that Committee members and Council are encouraged to attend these meetings. These meetings will be staffed by the Council staff and the consultants.
5. There was further discussion regarding the non-governmental organizations (NGOs) on the list and how best to coordinate these meetings to get the most productive interaction amongst them. Corey Piasecki noted that this document is very preliminary and Council staff is still working on the details.
6. Corey Piasecki noted that the FIA presentation which Committee members received will be presented to Council at the August 21st meeting.

The meeting was adjourned at 2:16pm.



Highlands Council Meeting

Thursday, September 18, 2014



Highlands Regional Master Plan Monitoring Program

Public Participation and Outreach

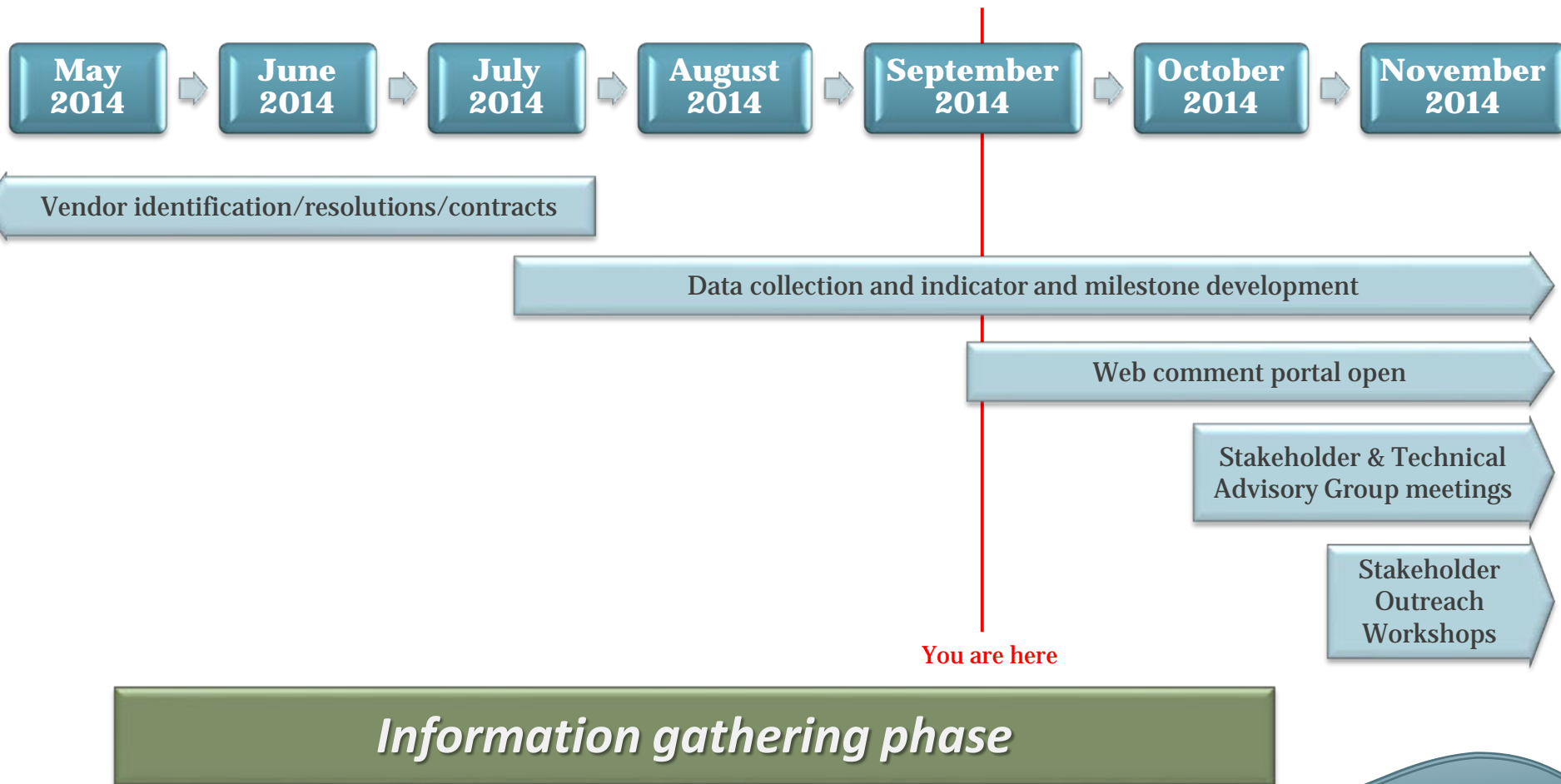


What is the Monitoring Program?

- Not intended to amend the RMP, but rather develop factual foundation for potential amendments to the current or future iterations of the RMP.
- Indicators and milestones will help to identify where RMP policy is most effective, and where amendments may be called for.
- Based on factual outcomes Council may choose to make policy or programmatic changes to the RMP or recommend further study

RMP Monitoring Program Timeline

6-Month Window





Public Participation & Outreach Approach Overview

1. Web Comment Portal
2. Targeted Stakeholder Meetings
3. Stakeholder Outreach Workshops
4. Technical Advisory Committee Meetings
5. Public Outreach Sessions
6. Public Hearings on Draft Reports



Public Participation & Outreach Approach Overview

Step 1: Public Comment Web Portal

- **When:** Currently open for public comment
- **Who:** Open to the general public
- **How:** Comments will be accepted online via a web-based tool. Hard-copy via mail, fax or hand delivery will also be accepted



Public Participation & Outreach Approach Overview

Step 2: Targeted Stakeholder Meetings

- **When:** Fall/ Winter 2014 (Eleven meetings will be scheduled)
- **Who:** Representatives from state agencies, county and local government, and non-governmental organizations
- **How:** Facilitated, small-group meetings. Technical in nature. Designed to garner input on potential indicators and data availability



Public Participation & Outreach Approach Overview

State and Federal Stakeholders

- State Agriculture Development Committee
- NJ Dept. of Agriculture
- NJ Dept. of Community Affairs
- NJ Economic Development Agency
- NJ Dept. of Environmental Protection
- NJ Office of Planning Advocacy
- NJ Transit
- NJ Dept. of Transportation
- NJ Transportation Planning Authority
- US Environmental Protection Agency
- US Department of Agriculture



Targeted Stakeholders

The groups listed below represent a draft list of stakeholders that were part of the local participation in connection with the development of the 2008 Highlands Regional Master Plan. Suggestions for additional groups should be made to the Highlands Council at Highlands@highlands.nj.gov.

- NJ Association of Appraisers
- NJ Association of Realtors
- NJ Audubon Society
- NJ Builders Association
- NJ Business and Industry Assoc.
- NJ Conservation Foundation
- County Boards of Agriculture
- County Agriculture Development Boards
- County Economic Development Groups
- County Officials/Planners
- Delaware Riverkeeper
- Fair Share Housing Center
- NJ Farm Bureau
- NJ Federation of Sportsman's Clubs
- Forestry Association
- NJ Future
- Greenwood Lake Association
- NJ Highlands Coalition
- County Historic Associations
- Housing and Community Development Network of NJ
- Impacted Landowners
- Lake Musconetcong Regional Planning Board
- Lake Hopatcong Commission
- League of Municipalities
- The Land Conservancy
- Municipal Officials/Planners
- Musconetcong Watershed Association
- NY/ NJ Trail Conference
- Pequannock River Coalition
- Passaic River Coalition
- PlanSmart NJ
- Raritan Headwaters Association
- Regional Tourism Boards
- Sierra Club
- Sustainable Raritan
- Trout Unlimited
- NJ Water Supply Authority



Public Participation & Outreach Approach Overview

Step 3: Stakeholder Outreach Workshops

- **When:** Fall/ Winter 2014 (Three workshops will be scheduled)
- **Who:** Open to the public and by invitation
- **How:** Facilitated, larger meetings. Topic-driven. Designed to provide a stakeholder forum for individuals and groups that are too large or diverse to accommodate in smaller sessions.



Public Participation & Outreach Approach Overview

Step 4: Technical Advisory Committees (TACs)

- **When:** Winter 2014/2015 and Spring 2015 (Ten meetings in each session will be scheduled)
- **Who:** Technical experts spanning content areas of the RMP.
- **How:** Facilitated work sessions (2 per topic) designed to review indicator and milestone findings, and provide input toward monitoring activities for the 2015-2025 period.



Public Participation & Outreach Approach Overview

Step 5: Public Outreach Sessions

- **When:** Winter 2015 (Three sessions will be scheduled)
- **Who:** Open to the public
- **How:** Facilitated large-format sessions.



Public Participation & Outreach Approach Overview

Step 6: Public Hearings on Draft Reports

- **When:** Summer/ Fall 2015 (Five hearings will be scheduled)
- **Who:** Open to the public
- **How:** Facilitated large-format sessions following the Council's release of the draft Monitoring Program Recommendation Report and Fiscal Impact Assessment



Highlands Regional Master Plan Monitoring Program

Public Participation and Outreach



Highlands Council Meeting

Thursday, September 18, 2014