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JOHN R. WEINGART
Chairman

EILEEN SWAN
Executive Director

MEETING AGENDA

Thursday, September 20, 2007 - 10:00 a.m.

1. CALL TO ORDER
2. ROLL CALL
3. OPEN PUBLIC MEETINGS ACT
4. PLEDGE OF ALLEGIANCE
5. APPROVAL OF MINUTES – September 6, 2007
6. CHAIRMAN'S REPORT (and Council Member Reports)
7. EXECUTIVE DIRECTOR'S REPORT
8. COMMITTEE REPORTS
 - a. Personnel Committee - Chairman Weingart
 - b. Budget and Finance Committee - Council Member Cogger
 - c. TDR Committee - Council Member Whitenack
9. CONSIDERATION OF RESOLUTION – GENERAL OPERATING BUDGET (voting matter with public comment)
10. CONSIDERATION OF RESOLUTION – TDR RECEIVING ZONE FEASIBILITY GRANT (voting matter with public comment)
11. CONSIDERATION OF RESOLUTION – CONTRACT FOR FINANCIAL SERVICES (voting matter with public comment)
12. DISCUSSION OF VISION STATEMENT FOR THE REGIONAL MASTER PLAN
13. PUBLIC COMMENTS
14. EXECUTIVE SESSION
15. ADJOURN

**NEW JERSEY HIGHLANDS WATER PROTECTION
AND PLANNING COUNCIL
MINUTES OF THE MEETING OF SEPTEMBER 20, 2007**

PRESENT

| | | |
|---------------------|---|-----------------|
| JOHN WEINGART |) | CHAIRMAN |
| KURT ALSTEDE |) | COUNCIL MEMBERS |
| ELIZABETH CALABRESE |) | |
| TRACY CARLUCCIO |) | |
| BILL COGGER |) | |
| TIM DILLINGHAM |) | |
| JANICE KOVACH |) | |
| MIMI LETTS |) | |
| ERIK PETERSON |) | |
| JACK SCHRIER |) | |
| GLEN VETRANO |) | |
| TAHESHA WAY |) | |

VIA TELECONFERENCE

| | |
|-----------------|---|
| SCOTT WHITENACK |) |
|-----------------|---|

ABSENT

| | |
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| DEBBIE PASQUARELLI |) |
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CALL TO ORDER

The Chairman of the Council, John Weingart, called the 54th meeting of the New Jersey Highlands Water Protection and Planning Council to order at 10:05 am.

ROLL CALL

The members of the Council introduced themselves.

OPEN PUBLIC MEETINGS ACT

Chairman Weingart announced that the meeting was called in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6, and that the Highlands Council had sent written notice of the time, date, and location of this meeting to pertinent newspapers or circulation throughout the State and posted on the Highlands Council website.

PLEDGE OF ALLEGIANCE was then recited.

APPROVAL OF MINUTES OF SEPTEMBER 6, 2007

Ms. Kovach introduced a motion to approve the September 6, 2007 minutes. Ms. Letts seconded it. Ms. Letts reiterated that she had left the previous meeting early and it was noted. A member of the public, Mr. David Shope asked to make corrections to the minutes. He wanted to clarify that he did not say that “cities were entitled to the water.” He commented that the cities take the water as a colonizing power that would take from the

colony, the Highlands being the colony. The water is allocated to authorities who sell at cost to primarily private water purveyors. NJWSA sells water for \$228 per million gallons that is 200 tractor trailer loads or one million gallons of water. NJ American Water retails to residential customers for \$5,072. The gross tax receipts and excise tax is \$58 million just from NJ Am. Water. He also commented on soil types that they have an impact on agricultural viability.

Helen Heinrich, NJ Farm Bureau clarified that she would like to amend the comment as she had not said that “farmers should know that the protection of prime farmland will be an assumption in the plan”. Otherwise, she was satisfied with the characterization of her comments and wanted to know whether her written comments would be included. Those comments will be included with the September 20, 2007 minutes.

The minutes were APPROVED including the above clarifications and all council members present and on the phone voted in favor.

Chairman Weingart welcomed council members Bill Cogger, Jack Schrier, and Tahesha Way who joined the meeting. He announced that the Natural Resources Committee will be meeting after this meeting and that materials are available. He then stated that the next Council Meeting will be October 4th at 10 am.

EXECUTIVE DIRECTOR’S REPORT

Ms. Swan discussed that the staff is working with Council consultants on the current topic of Vision as well as reexamining the previous policy issues and reviewing comments. She reiterated that comments continue to be welcome at any time.

Ms. Swan stated that the budget for FY08 had been reviewed by the Budget and Finance Committee yesterday and Bill Cogger, the Committee Chair, would be giving a report. She also stated that proposed Water Quality Management Plan (WQMP) amendments would be discussed at the Natural Resources Committee in the afternoon. She reported that there have been ongoing conversations with NJDEP to develop procedures for WQMP amendments and other work with them requiring agency coordination and those conversations will continue to ensure efficiencies and due diligence with respect to the Highlands Act. She spoke about the fact that there are some resolutions for the Council’s consideration including one for a TDR feasibility grant for research submitted by Lopatcong Township, Warren County. The Chair of the TDR Committee will review that resolution.

Ms. Swan reviewed other ongoing Council staff projects including the ongoing testing of the LANDS model using the newly established indicators. She mentioned that the GIS, Planning, and Science staff are working very diligently on this project. She discussed an issue that had arisen and confirmed that any changes to the indicators in the Lands model would not result in the loss of those original 51 indicators they would continue to be used as part of the Regional Master Plan and during the Plan Conformance and site review process.

She also reviewed the ongoing efforts to bring the Council staffing up to the full allocation of 25 full-time positions.

With respect to outreach meetings, Ms. Swan discussed the importance of the outreach meetings and that staff is balancing the need for the meetings with the aggressive schedule

for the development of the Regional Master Plan but meetings continue to be held with interested municipalities to provide up to date information to continue to prepare for the conformance process.

Municipal and County Outreach:

September 6 and 7 – RPA Highlands Mayor’s Institute – Ms. Swan reported that she attended the Institute after the last Council meeting through Friday. Mayors from Washington Township and Washington Borough (Warren), Mt. Arlington, Chester Borough, Oakland Borough, Boonton Borough, Office of Smart Growth and DOT were also there working on a project by project basis. The Plan Conformance process was reviewed as well. She reviewed the conformance process for Planning Area and Preservation Area municipalities.

September 15 – Sussex County Lusscroft Farm – Ms. Swan attended at request of Council member Vetrano.

September 16 – Upper Raritan Watershed Association – Ms. Swan participated in a presentation in Tewksbury on Highlands Plan Conformance and other local issues.

September 17 – Bloomingdale Twp. – Council staff Swan and Borden met with town officials and their engineer to discuss zoning issues.

State and Federal Agency Coordination:

September 12 – NJDEP – Council staff met with NJDEP staff to discuss WQMP Coordination. (Council staff Swan, Van Abs, Hutzelmann, and Ross)

September 18 – Pinelands – Council staff to meet with Pinelands staff to study HCIS – (Curtis, Carlson, Dees)

Stakeholder Coordination:

September 13 – Hunterdon County Green Table, presentation on Highlands Nuts and Bolts – (Swan)

September 19 - NJ Highlands Coalition – Council staff attended to discuss policy issues (Swan)

Upcoming Meetings and Outreach:

September 24 – Hackettstown – Informational meeting

September 25 – West Milford – WMP Coordination

September 26 – Geraldine R. Dodge Foundation

October 1 – Califon – Informational meeting

Lastly, Ms. Swan discussed the ongoing Council staff analysis regarding exemptions from the Highlands Act and she indicated the matter will be discussed in more detail after the Vision element.

COMMITTEE REPORTS

Chairman Weingart gave a report from the **Personnel Committee**. He stated that the Committee reviewed staff efforts to fill the 6 vacant full-time positions. Candidates will be recommended for approval to Trenton and with an anticipated start date of October 15, 2007. He mentioned that approval for additional Council staff could be sought in the future.

Bill Cogger gave a report from the **Budget and Finance Committee** which met on September 19th. He discussed the changes he would like to see implemented, e.g. quarterly reports and the percentage changes of significant budget vs. actual items. He recommended to the Council that the resolution to hire Gregory Della Pia, CPA as the part-time financial consultant be approved. In the memorandum from the Budget and Finance Committee, it was noted that the Committee had reviewed the availability of funds for the TDR grant proposed by resolution today. He introduced a motion to approve the FY08 budget and Ms. Kovach seconded it.

CONSIDERATION OF RESOLUTION TO APPROVE THE HIGHLANDS COUNCIL'S GENERAL OPERATING BUDGET

Mr. Schrier asked where the significant changes were to make up the 7% increase. Mr. Cogger discussed the categories of: reduction in temporary staff, addition to permanent staff, addition of part-time financial consultant and also auditor as well as a shift in the MIS budget into different areas. Mr. Vetrano asked if there was any carryover from FY07 and Ms. Swan reported that there was \$322,276.48 carried forward. Chairman Weingart asked if there were any public comments. Mr. Shope asked what the budget was and asked for a copy. Ms. Swan replied \$2,822,276.48 expenditures and revenues and a copy will be made of the summary sheet. All present voted in favor and the resolution was APPROVED.

CONSIDERATION OF RESOLUTION APPROVING A CONTRACT FOR FINANCIAL SERVICES

Mr. Cogger introduced a motion to approve the resolution approving a financial services contract and it was seconded.

Ms. Way asked if there was a specific term of the contract. Ms. Swan discussed the fact that the contract will commence for one year if the action is approved on a work and time basis not to exceed \$25,000 at five hours a week, more if needed, in the office. He will report to Ms. Swan and Mr. Borden. Chairman Weingart asked for public comment.

Public Comment

Mr. David Shope asked what Mr. Della Pia's government experience had been. Mr. Cogger named several municipalities where he had worked including: Millstone, Hardwick, Greenwich, Irvington and Essex County Vocational School. Mr. Cogger also commented that Mr. Della Pia was a CPA and had extensive government experience and that was what the Budget and Finance Committee was looking for.

Chairman Weingart asked for a vote and all voted in favor with one abstention by Mr. Alstede. The resolution was APPROVED.

Mr. Vetrano and Mr. Alstede had joined the meeting prior to the vote.

TDR Committee Report - The TDR Committee Chair, Mr. Whitenack, discussed the application for a \$24,500 TDR receiving zone feasibility grant that for Lopatcong Township, a municipality that is 1/3 Preservation Area and 2/3 Planning Area. He reviewed that they have a greenfield site where they might want to develop. Since the next Committee meeting is not until October 11th, the information on this application was sent out to the Committee and they reviewed it without further comments. Mr. Whitenack indicated that he felt comfortable bringing the resolution forth to the full Council for approval.

CONSIDERATION OF RESOLUTION FOR A TDR RECEIVING ZONE FEASIBILITY GRANT

Mr. Whitenack introduced a motion to approve the resolution and Mr. Dillingham seconded it. All present voted to approve and the motion was APPROVED. Chairman Weingart mentioned that this was the first TDR receiving zone feasibility grant that the Council has approved.

DISCUSSION OF VISION STATEMENT FOR THE REGIONAL MASTER PLAN

Mr. Weingart introduced Charlie Siemon and Eileen Swan to discuss the principal focus of the meeting – the Vision statement. Council staff had delivered it ten days prior to the meeting as promised and staff has revised with Council comments and will be reviewing that revised draft today.

Mr. Siemon reminded the Council that the process was to have interim workshops to put forth information and get Council comments. He commented that he and the Council staff are working on the future topics and that the previous documents are works in progress. He also mentioned that vocabulary is a focus for additional development. He also discussed that the data sets are used in two ways - as a framework for the Land Use Capability Map (LUCM) and as a tool for resource management.

He said the primary origin of the Vision statement came from the public comments. The Vision statement would be Chapter III following Chapter II on Data and Analysis. He discussed the major headings and welcomed the comments from Council members.

INTRODUCTION

Mr. Alstede asked that there be an additional bullet added for agriculture to include the number of acres of assessed farmland and their value. Mr. Schrier asked that a definition of growing organically be added to this section and thought the value of words was very important.

PHYSICAL GEOGRAPY AND LANDSCAPE

M. Siemon provided a general description of the Highlands Region including the distribution of land and critical habitat. He spoke about the manmade landscape and spoke to the issue of writing the plan for people outside as well as inside the Region. He is trying to capture the

diversity of the Region including the interrelationship of agricultural lands, rural character, and critical habitat.

SHARED VALUES

Mr. Siemon discussed the importance of this section – commenting on the history and its importance. He spoke about the shared values social, cultural and economic informed by history. He described how water has shaped the development and shaped the region. Ms. Swan spoke about the coordinated approach being helpful in capturing the uniqueness of each community. She went on to say that part of the vision is to protect the core values as seen in local municipal master plans.

Ms. Carluccio asked that in the last section on pg. 7 of this section that a section be added to explain the significance of the figures used. Several council members raised the absence of economic analysis and that most people do not live and work in the same place. Ms Swan commented that in the work on transportation the economic vitality of the Highlands Region will be addressed. Mr. Siemon commented that the “big boxes” were here, but had not displaced local businesses.

WATER & HIGHLANDS REGION

He discussed that water is the functional underpinning of the Highlands Region, including the reservoirs. He believes the shared responsibility is critical. He said that the collaborative perspective was important.

ELEMENTS OF PLACE

Mr. Siemon spoke about the Elements of Place in two ways: concept of mobility and that the desire for mobility cannot be subordinated to community character.

RESOURCE ASSESSMENT AND REGIONAL LAND USE CAPABILITY

The Resource Assessment is a qualitative assessment. Mr. Siemon commented that the GIS work being done will be a good tool supported by data. There are the objective and subjective measures in this analysis and there is a need for appropriate respect for competing interests for plan to succeed. He also reviewed the discussion on transportation.

VISION OF FUTURE

Mr. Siemon stated that good design will not happen by itself. There are five basic principles that do not necessarily follow the goals of the Highlands Act. These will be in his opinion the guiding principles. He reviewed the table setting out the region-wide goals and what the statutory requirements are.

FUTURE LAND USE

Mr. Siemon discussed that cumulative community character is introduced in this section. He spoke about voluntary alternatives to advance the interests of the Highlands Act providing flexibility and better management for the Region’s resources. There was a discussion by Council members and Mr. Siemon about not having the voluntary alternatives to be passive but rather to take a more proactive approach.. Mr. Schrier asked that those like Morris County who had done a good job as stewards protecting the land be complimented. Ms. Carluccio believes that there needs to be an introductory paragraph to discuss the Region wide goals, e.g. responsibility to restore water resources that have been harmed. Mr. Alstede

asked about the transportation goals and Ms. Swan said the references were from the goals as specifically articulated in the Highlands Act.

REGION-WIDE ELEMENTS

Mr. Siemon reviewed the various segments: Protection of Natural Resources, Agriculture, Historic, Cultural and Scenic Resources and Transportation. Intra-regional movements and serving the transportation needs of the Highlands should be served by the Transportation segment. He suggested talking about mobility instead of roads. He went on to discuss Land Owner Equity balancing the burdens and benefits. There was a discussion about shared responsibility being strengthened. Mr. Siemon will take those suggestions under advisement. He stated that the benefits and burdens outside the Highlands from the consultants' point of view are essential to success. Some council members expressed that this section might need to be broader.

There was additional discussion about recommendations to the Legislature after plan implementation. Mr. Siemon expressed that in the Goals, Policies, and Objectives section there will be policies and specific objectives in the programs. In implementation, there will be recommendations with respect to long term funding needs with state and local agencies.

FISCAL AND ECONOMIC VITALITY OF HIGHLANDS COMMUNITIES

Mr. Siemon commented that this plan is a cost effective way to preserve the water resource and certainly not the only objective to the plan. Mr. Siemon asked for additional comments from the Council. Ms. Letts discussed the issue of rateables vs. land preservation and would like to have those issues addressed with respect to the way schools are supported. Mr. Siemon commented that this subject will be addressed to some degree saying that there is a need to collect additional economic data for the Highlands Region. Mr. Dillingham wanted to add to this vision statement that the traditional approaches are not necessarily the answer that it is the interaction of the landscape, economics and community character. He went one to say that thinking outside the box was important. There were no other comments.

Ms. Swan wanted to recognize Erin Lynam who worked very hard to incorporate all the comments from staff, council members and state agencies. Chairman Weingart asked that any comments from Council members and the public should be sent to Ms. Swan. Council members will receive the next installment on Goals, Policies and Objectives 10 days before the Council meeting and their comments received by the Monday before the meeting will be incorporated and a new draft ready at the next meeting

EXEMPTIONS DISCUSSION

Ms. Swan distributed two documents on Highlands Act exemptions analysis. She complimented the Council staff, particularly Jeff LeJava and Nathan McLean, for their contributions to these documents. She discussed the exemptions in particular exemptions numbered 1, 2, 4 and 5. The municipal and county tax data (MOD 4) was used along with the Council's composite zoning data.

There were several discussions on the exemptions and there will be additional presentations to the Council under goals, policies and objectives. Mr. Cogger asked for the number of acres vs. lots and whether that can be broken out and Ms. Swan said that further analysis is ongoing. Mr. Cogger suggested recommended zoning verbiage for municipalities might be

helpful. Mr. Alstede asked if all accessory buildings are included in exemption #1, e.g. swimming pool. If additions are contemplated, can they be added? Mr. Borden said that exemption #1 provides for the construction of a single family house without limitation and added that the issues where the exemptions are not clear are being flagged to discuss with NJDEP.

The MOD-IV data reveals that there are **25,918** undeveloped parcels throughout the Highlands Region that have the potential to exercise Exemption 1 or 2 for the construction of a single-family dwelling. Significantly, those parcels that are currently zoned residential may exercise Exemption 1 or 2 without having to seek either a zoning change or use a variance from municipal officials. Region-wide there are **22,554** such parcels which are classified as either Class 1 (vacant) or Class 3B (qualified farm) and are currently zoned residential. These parcels represent **228,293.00** acres in the Highlands Region.

In examining Exemption 4, the MOD-IV data reveals that there are **12,118** parcels classified as Class 4A (commercial), 4B (industrial) or 4C (apartment buildings) that could utilize this exemption to expand 125% of the lawfully existing structures. This includes 1,744 parcels in the Preservation Area and 10,368 parcels in the Planning Area.

Throughout the Highlands Region, there are **233,394** parcels that are developed with a single-family home and which have the ability to construct additions or other structures under Exemption 5. This figure represents 59,178 single-family homes in the Preservation Area and 174,184 homes in the Planning Area.

Chairman Weingart said that there would not be an Executive Session.

PUBLIC COMMENT

Kenneth Reynolds, NJ Builder's Assn.

He asked whether the Council was going to resolve the LUCM new model disputes with individual landowners. He also asked how the draft RMP comments would be handled. In response, he was advised that there will be a document as a part of the final plan that will address public comment.

Wilma Frey, NJCF

She spoke in support of the Vision statement and asked that a description of the water features, e.g., lakes, ponds, rivers, and reservoirs be added to the introduction.

Julia Somers, NJ Highlands Coalition

She observed that the discussion about exemptions is so important in the conformance process.

David Shope, Long Valley

He commented on exemptions stating that DEP redefines them. He stated that Exemption # 1 does not run with the land and dies with ownership. He complained that the application for an exemption in the Preservation Area is a 17 page form costing \$150 for less than \$100,000 in improvements or \$750 for over \$100,000 in improvements. The organic growth in the Highlands area came before planning boards and professional planners. He spoke to the absence of standards to match some of the comments. He asked that the Council read the legislative debate that occurred prior to the passage of the Highlands Act.

Monique Purcell, Dept. of Agriculture

She spoke about the positive direction of the Vision statement. She pointed out that on pg. 16 and pg. 11 regarding small lot development and clustering that the inference was that those techniques are for the Highlands future development. She thought that a compact center based form is the way to go. She will submit written comments.

Helen Heinrich, NJ Farm Bureau

She complimented the inclusion of many issues that had been commented on and she submitted for the public record a document on agricultural tourism. She asked about information on farmland assessment and wanted to see those reports. She spoke about the language on the cluster issue being ambiguous in certain places. She said they would support any alternatives that would support villages and hamlets. She thought that clustering should be added to the Land owner equity section. Farmland preservation money and TDR both have to work as well in her opinion.. She asked whether the 50,000 acres of open space includes farmland preservation?

Andrew Drysdale, Chester Township

Mr. Drysdale submitted a letter outlining his objections to the Highlands Act. He also commented on the exemptions. His development project was stopped in the midst of development in June of 2004.

Hing Lum, Denville

He asked where the public comments are. He also said that he did not believe there should be a process for exemptions. He was advised that the public comments are on the website and Chairman Weingart said that there will be an accompanying response document.

Mr. Alstede asked about how exemptions will be processed after the plan is adopted. Mr. Borden commented that exemptions in the Preservation Area are presently processed by NJDEP and that the Highlands Council would issue exemptions in the Planning Area. He added that for consistency the exemptions should be handled by one body or another. He stated that the Act does not dictate who administers the exemptions. Mr. Borden said that there might be some exemptions handled by municipalities over time.

Dave Peifer, ANJEC

He supported the delineation of exemptions and asked that military lands be added to the analysis. He expressed interest in the vision statement and how one casts history does affect how you proceed into the future. He commented the forest area is not original forest and that the forest cover was far less in 1900. He also supported the recovery of resources. If one wanted to look at suitability for forest from a soils standpoint, he believes that there would be guidance on how to restore land for forests as the good land for forests is not forest right now. He said that from a water supply perspective, the communities are somewhat self sufficient. He read and understood the vision statement and complimented that.

Rick Sparling, Morris County

He asked about utilization of his land for a local water resource locally. He was asked to call Jeff LeJava. He also commented that road drainage on Rt. 699, a county road, needed to be addressed.

Merv Haines, Washington Township, Morris

He lives on Schooley's Mountain and disagrees with Dave Peifer with soil type for forest. He has rocky soil and his acreage is overstocked with trees to the extent that he is removing trees.

Dave Pringle, Campaign Dir. NJ Environmental Federation

He thanked the Council for the hiring of Mr. Siemon. He commented that the plan needs to be updated when a resource is impacted. When there is development beyond what the Planning Area calls for, the plan needs to be corrected to reflect that also. He urged the Council to provide a better way than real time to provide documents to the public.

Mr. Weingart stated that the Natural Resources Committee meeting would begin at 1 pm.

Mr. Schrier moved to adjourn and Ms. Letts seconded it. The meeting was adjourned at 12:40 pm.

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.

Dated: October 1, 2007

Paula M. Dees
Paula M. Dees, Executive Assistant

TRUE COPY

PUBLIC COMMENTS SUBMITTED

Date: September 14, 2007

To: New Jersey Highlands Council

From: New Jersey Highlands Coalition, New Jersey Conservation Foundation and undersigned organizations

Comments RE: "Policy Issues for Council Discussion - Draft for consideration at the September 6, 2007 meeting of the Highlands Council"

Please accept our comments on the Policy Issues document, as follows:

1. Issue: Land Use Capability Map and LANDS Model

We support the recommendation that a refined Land Use Capability Map be created that provides a sense of the actual capacity of each area for additional development, if any. It is extremely important that resource-based capacity and resource constraints, including water supply and quality, karst geology, forested lands, important wildlife habitat, sensitive natural communities, farmland, as well as significant historic, cultural, scenic and recreational resources be identified.

- We request that a technical paper explaining how the LANDS model works be included in or accompany the Draft RMP. The indicators should be fully described, as well as how they were utilized by the LANDS model, whether or not they were weighted, and if so, how.
- We urge the creation and inclusion of a map in the RMP depicting the environmental constraints in both the Conservation and Planned Community Zones, at the same or larger scale than the Land Use Capability Map. (See comments re Issue 4: Redevelopment)

2. Issue: Lake Communities

We agree that the management of lands surrounding lakes is an important issue for the Highlands Region.

- The tiers and management strategies need to be more fully and better explained.
- We strongly support long-term watershed-based planning for lake management, based on new data that will become available.

3. Issue: Existing Areas Served Data

We strongly support the inclusion of new data on an ongoing basis to fill gaps in the Draft RMP.

4. Issue: Enhanced Growth Capacity of Developed Lands (Redevelopment Potential)

We support the concept of refining the Planned Community Zone to include tiers based upon redevelopment potential. However:

- ***Environmentally constrained lands, including steep slopes, karst geology, forested lands, wetlands, vernal pools, Threatened and Endangered species habitat, including T&E plants, Natural Heritage Areas, Category 1 or Highlands waters stream corridor buffer zones, flood-prone areas, scenic ridges, etc. must be removed before the model is run*** (see Issue 1 recommendation re constrained lands map). Environmental resource constraints are opportunities to create livability and quality of life factors in redevelopment areas through green infrastructure planning that includes greenways, trails, wildlife migration corridors, habitat protection areas, low impact recreational use areas, educational opportunities, air quality enhancement, microclimate moderation, flood control, and energy use reduction.
- The redevelopment indicators need to be clearly defined and more fully described.

5. Issue: Regional Transportation System

- In the past, transportation projects have promoted development in the Highlands. The creation of Interstates 80, 287 and 78 facilitated growth and development deep in the region, and beyond it, and are responsible for much of the intense and widespread development pressure that we see in the Highlands today. The RMP must not perpetuate and reinforce this pattern. The RMP must carefully analyze the character and quality of the land uses associated with each existing transportation corridor, and identify and differentiate between those that may be appropriate for additional growth, and those that are not.
- ***There are a number of roads that allow the region to be considered scenic; roads that will help the Highlands support a growing tourism and eco-tourism industry.*** For example, county routes 511, 512, 513, 517 and 519 are Highlands roads that display much of the remaining local character of the region, extending through the Region's major valleys from northeast to southwest, or crossing its ridges from east to west. They must be treated with the utmost respect and care. U.S. Route 202, which retains some local character, must be distinguished from U.S. Route 206, which has lost most of its charm south of I-80. State Route 57 in Warren County is already under consideration as a Scenic Byway, while portions of other State routes, such as 31 and 94, might also be considered for Scenic status in the future. ***The scenic and historic quality of Highlands roads is an economic resource that needs to be guarded and protected. It is a resource that is rapidly disappearing.***
- ***It is critical that RMP policies not promote sprawl along transportation corridors.*** Development at interchanges or intersections may be appropriate in some, but certainly not all, cases.
- The data and analysis of both resource-based and infrastructure-based growth capacity in the LUCM (See Policy Issue 1 above) should be used to distinguish between locations that

are and are not appropriate for the population density needed to adequately support public transportation systems, especially fixed transit systems.

- The proposed list of transportation resources to be analyzed lacks several critical elements.
 - *Scenic roads, both officially designated (Route 29, proposed Route 57) and those simply identified on the State's tourism map, must be identified in the inventory, and appropriate criteria indicators developed.*
 - *Air transportation and its impacts should be evaluated.* The Highlands contain several small airports, some of which have been proposed for increased use. In addition, Stewart Airport in the New York Highlands, recently purchased by the Port Authority for vastly expanded service, will have impacts on the New Jersey Highlands. Potential air traffic impacts need to be identified.
 - *Bicycle commuting* needs to be considered as a serious alternative.
 - *Abandoned railroad corridors should be identified and mapped*, as they have enormous potential for bicycle commuting, as well as important recreational trails.
 - A bus line is missing from the list: Martz(?), which runs between PA and NYC through northern Warren County, along Interstate 80.

6. Issue: Water Availability

- *We support changes that are conservative, and employ the "precautionary principle."* Since the current water availability model is not an ecological model, but a pragmatic approach, we support lowering thresholds so that ecological impacts are minimized. In the long term, we urge the Council to move toward use of a more ecologically based methodology. It is important to find better ways to maintain the ecology, and to find and employ methodologies that will help the Council do that. As we have said in the past, more stream flow gauges and data are needed for this effort.
- The term Watershed Condition Indicator, and how it will be used, needs to be explained.

7. Issue: Septic Density

- We support the use of conservative assumptions, and the proposed policies appear to be moving toward being more conservative.
- A critical first step is to identify the amount of privately owned, developable land, an effort that the Council staff has begun.
- We believe that the most important policy recommendation is number 2, regarding nitrate dilution models to be used in the RMP. The Council should use the most accurate method for the Highlands Region – the deep aquifer recharge model used by the NJDEP in the Preservation Area, as mandated by the Highlands Act, Section 34.e. We do not support use of the NJDEP GSR 32 groundwater recharge model for nitrate dilution modeling in the Highlands Region, as it does not accurately reflect dilution capability in pre-Cambrian fractured rock situations.

- We strongly agree with points 3 and 4 as well. The development yields from dilution models should be based only on the privately owned, developable area, and should not include the dilution potential of preserved lands within the subwatershed. [What about preserved farmland?] We support the use of drought as a basis for analysis.
- We urge the Council to set a nitrate threshold below the proposed Statewide standard of 2 mg/Liter. In the Highlands, which is a special water supply region, the standard should be lower. We recommend 1 mg/L overall in the Highlands. There could be some local Planned Community Zone areas where the standard could be higher.

8. Issue: Agricultural Resources

- The Discussion notes that of the 181,000 acres of Prime Soils, over 111,000 acres “were captured in the Agricultural Resource Area.” Our question is: Where are the other 70,000 acres of Prime Soils? Are they in the Protection Zone, because of important ecological resources? Are they in the Community Development Zone? It is important that all 181,000 acres of prime soils in the Highlands Region are mapped and protected. In addition, those soils of Statewide Importance, Local and Unique should be mapped and considered for protection.
- Regarding the recommendation regarding identification of farmland preservation prioritization, the prioritization should not be so restrictive as to soil types. The NJ Highlands Council is considering a minimum standard for farmland preservation of farms with 50% or more Prime Soils and those that are contiguous to (within one mile of) preserved farmland. We recommend that all farms with Prime, Statewide Importance, Local and Unique soils in the Agricultural Resource Area should be eligible for farmland preservation. If criteria for farmland preservation are too narrow, too few farms will be eligible, since farmland preservation depends upon a willing seller.
- Further, land in active agriculture should be prioritized (not just farmland assessed for minimal agricultural use).
- Farms with important ecological resources – headwaters, Threatened and Endangered species habitat, vernal pools, high quality stream corridors, etc. – should also receive priority for preservation.
- Lastly, but importantly, as directed by the Highlands Act in Section 6.w., there should be incentives created for landowners who agree to permanently restrict the amount of impervious surface and agricultural impervious cover on the farm to a maximum of five percent of the total land area of the farm.

9. Issue: Vernal Pool Boundary

- We disagree with the concept of the proposed development review zones. Reduction in a vernal pool buffer should only be granted where there is a public benefit, not for private convenience or profit. No one should expect a buffer reduction as a right. Management

and monitoring of such zones would be complex and uncertain, especially given the current difficulties with monitoring and management, on both the State and local level. Municipalities do very poorly at monitoring, and the DEP lacks staff to do so. A simple 1000-foot buffer would at least be clear, and more easily marked on the ground. Any buffer reduction must be certified by the DEP, in both map and document form.

10. Issue: Karst Topography

- Karst must be clearly mapped. LiDAR data is needed for more comprehensive mapping. Karst should be included in the LAND model, as a significant indicator of both constraints to development and bountiful water supply.
- Municipalities must be required to have an ordinance dealing with karst.
- Karst is not only a constraint to development, but also a future source of water. Regional management of karst is important for water quality and supply.

11. Issue: Deferring to Pre Conformance or Conformance

- The Council needs to develop minimum standards for each of the program and issue areas, with a set of minimum standards to be applied throughout the region. These standards, plus management programs, for e.g. wetlands, stream corridors, aquifers, vegetation (forests, grassland, rare plants), wildlife and Threatened and Endangered species habitat, agriculture, mining, waste management, water quality, air quality, housing, scenic resources protection, historic and cultural resources protection, recreation and open space, etc. is the key to implementation of the RMP. The application of these standards in the conformance process will eventually control what happens in each of the zones. Setting the standards in the programs is the key to implementation of the RMP. ***The Council must develop these standards as part of the RMP.*** Model ordinances that incorporate these standards are a tool by which the standards can be implemented by the municipalities.

12. Issue: Exemptions

- We support the Council's proposed analysis of the potential land use impact of exemptions.

13. Issue: State Plan Designated Centers

- Although we agree that it would be a good idea to map the existing State Plan Designated Centers as an overlay to supplement the LUCM, it is equally important that the environmentally sensitive areas and resources within the Centers be mapped. The conflicts between the existing centers and the RMP must be clearly delineated and also described in narrative form. Without this comparison, including the State Plan centers in the RMP will do more harm than good. It must be kept in mind that the existing centers were designated without the benefit of the environmental data and analysis available to the RMP, and in addition, were not part of the State Plan Endorsement Process, a more comprehensive **planning process than the earlier centers designation process.**

14. Issue: Inventory of Potentially Contaminated Sites (Brownfield Sites):

- Brownfield sites should not only be seen as potential development sites, but also as potential recreation sites (brownfields to greenfields). Recreation needs to be included as a redevelopment use.

15. Issue: Steep Slopes

- We support the Council staff recommendation. We strongly urge that the RMP create standards regulating the aesthetic impacts of steep slope and ridgetop development. High elevation ridgetops in the Highlands are also unique ecological habitat areas, with plants that grow only in these types of sites. Highlands municipalities should be required to have an ordinance that promulgates protection standards for steep slopes and ridgetops.

Thank you for your consideration of our comments.

Sincerely,

Wilma Frey, Highlands Project Manager
New Jersey Conservation Foundation

On behalf of:

Julia Somers, Executive Director, New Jersey Highlands Coalition

Sandy Batty, Executive Director, ANJEC (Association of NJ Environmental Commissions)

Laura Oltman, Executive Director, EcoAction Initiatives of Warren County

Joan G. Fisher, Executive Director, Great Swamp Watershed Association

Andrew J. Riehl, Hunterdon Coalition

Suzanne Wilder, President, Musconetcong Mountain Conservancy

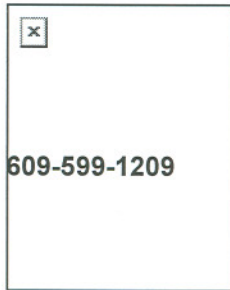
David Pringle, Campaign Director, New Jersey Environmental Federation

Cindy Ehrenclou, Executive Director, Upper Raritan Watershed Association

Constance Stroh, President, Upper Rockaway River Watershed Association

Comments submitted regarding Highlands Council Meeting of September 6, 2007 by Helen Heinrich for submission with September 20, 2007, meeting minutes. Page 1 of 4.

From: NJ Farm Bureau



168 West State Street • Trenton, New Jersey • 609-393-7163 • Fax

September 7, 2007

John Weingart, Chairman
NJ Highlands Council
100 North Road
Chester, NJ 07930-2322

By email:

Dear John,

Thank you for the opportunity to forward our comments on the issues discussed at yesterday's Council meeting. We hope to continue working with you as a partner in implementation of the Highlands Act because we strongly believe that productive, viable agriculture can support natural resource protection. There has been some form of agriculture in the Highlands since the 1700s, always changing to adapt to weather, economic, and social conditions. The RMP must support and enable the ability for this land use to continue and adapt over time. The following are our concerns with the decisions made yesterday:

1. **The choice of mapping issues.** The NJ Farm Bureau had concerns about other mapping issues such as:

- Lack of scientific credibility and the inaccuracy of the Landscape Project mapping.
- The inclusion of "rare" species to the list to be protected.
- The inaccuracy of the Land Use Capability Map (LUCM) and the Council's unwillingness even now to change when counties and municipalities bring evidence of such a need.
- The lack of information about criteria used to map and the assumptions behind them.

We request that these also be addressed with the Council before the RMP is finalized.

2. **Use of the LANDS model for the LUCM.** As we stated in our comments, until the Council is able to see the effects of all the layers of regulation on the map at one time, they cannot evaluate whether the RMP is balanced or even economically, socially and politically feasible. We fear that addition of further refinements to the mapping in the form of tiers may make this crucial step even more difficult. Municipalities and counties must have composite maps to evaluate the RMP and do their own regional planning.
3. **Additional areas for strict regulation.** We question the statement that this only affects 100A of land within the region. The following changes in mapping and policy may reduce the ability of farmers to use their land productively while once again reducing the land values on which they base their operation. The use of this farmland may become more ambiguous, a factor that may reduce the willingness to farm and the land value as a farm.

Lake Communities: Including watershed land in lake management may include active, so adds more acres of potentially restricted farmland.

Enhanced Growth Capacity of Developed Lands (redevelopment potential): the likelihood that active, very economically viable farms caught in these areas would be mapped as "vacant" or "Economically Underutilized".

Septic Density: mapping all wastewater treatment facilities over 1000 gal/day capacity may include many on farms that are necessary to support direct on-farm marketing, value-adding activities, and agritourism.

Vernal Pools: mapped buffers remaining at 1000 feet – more than 70 acres of farmland could be affected.

Addition of Karst Topography: land areas that drain into carbonate rock areas, often the highest value soils.

Steep Slopes: using stricter standards than those in the DEP Highlands Rules.

5. **Lake Communities**: we support the further refinement of regulation on these very diverse settlements and request that the areas where development is possible should be mapped as potential Receiving Zones for TDR.
6. **Enhanced Growth Capacity of Developed Lands (redevelopment potential)**: planners today often consider agricultural land as "vacant", not

recognizing its devotion to active agriculture. Adding "Economically Underutilized" based upon the value of the improvements would, we believe, render any farmland that might be captured in these areas of high interest for development. Agricultural "improvements" on these urban/suburban farms are often among the most extensive and valuable. But their value might still be low compared to commercial or high-value residential land uses. There should be site-by-site flexibility on this mapping as the HLC works with municipalities.

7. **Regional Transportation System mapping:** there should be a future study to determine the transportation issues farmers have in getting their crops to market and identification of road and intersection improvements that could improve the traffic flow of farm and nonfarm vehicles, a large concern at present. Use the Burlington County Route 206 Transportation Plan as a model for this project.
8. **Septic Density:** NJ Farm Bureau continues to object to the arbitrary use of 2 ml/L without scientific justification and protests the use in the RMP of not only this standard but the DEP's numbers to be entered into the Nitrate Dilution Model. They are so removed from established data that they are clearly intended only to render more land unusable for development .

We support "tailoring densities to each zone" in the Planning Area but request that you consult the NJDA about the use of septics in the Conservation Zone because of their importance to agricultural viability.

9. **Agricultural Resources:** We requested reduction of the definition of "Important Farmland Soils" because of the fear that conforming municipalities will not differentiate between a mapping standard and a regulatory standard. This must be further discussed in the consideration of policies for the Conservation Zone since clustered "agricultural development" is the only method of equity protection Highlands farmland owners could have now and in the near future.
10. **Vernal Pool Boundary :** NJ Farm Bureau supports any change in the 1000 ft buffer that will enable more site-specific review and decision-making.
11. **Karst Topography:** these areas are not only often the best farmland soils but also the best recharge areas. Farmland owners could receive credits for recharge that would balance increases in impervious cover for agricultural development and enhanced viability purposes.

We are very interested in Charlie Siemon's 40 years of experience in creating agricultural clusters and the many ordinances he has developed. Could we have an advance copy of any that he is considering as a model for implementation of the RMP in the Conservation Zone?

Because Highlands agriculture may be unique in many ways, we urge you to work closely with the NJDA and the USDA-NRCS in developing policies for any agricultural areas. They have the expertise to help you create a positive business environment for agriculture while protecting the important water resources of the Highlands.

Thank you for your consideration of these issues. We look forward to continuing this discussion.

Yours truly,

Helen H. Heinrich PP CLA
Research Associate

Cc: Eileen Swan
Charles Siemon
Monique Purcell, NJDA
Peter Furey, NJFB

Helen
Heinrich
9/20/07.

Comments submitted at Highlands Council
Meeting of September 20, 2007 by Helen
Heinrich Page 1 of 2



Everything Jersey



Report: N.J. farm tourism profitable

Tuesday, September 18, 2007

By Trish G. Graber tgrabers@sjnewsco.com

TRENTON Agricultural tourism is bolstering farm income in New Jersey, bringing in \$57.5 million last year.

And for every dollar spent at wineries, pick-your-own farms, farmstands and other agricultural tourism attractions, another 58 cents is spent on related businesses such as restaurants and insurers bringing an additional \$33.3 million to the state economy in 2006, according to a Department of Agriculture report released Monday.

"Agritourism," the business of making farms into travel destinations, is a small piece of New Jersey's \$37 billion tourism industry that state officials hope to expand.

"We have always known that New Jersey's farms are wonderful family and school destinations," said Agriculture Secretary Charles Kuperus. "Now we have numbers that show that agritourism is helping to sustain a thriving agriculture in New Jersey, generating economic benefits for both farmers and the state on a whole."

The report did not detail the benefits of agritourism by county, but compiled information from a statewide survey of New Jersey's farms.

It is only the second known study to assess the economic impact of agritourism in a state. A 2002 study found that Vermont farms generated \$19.5 million that year from agritourism activities.

Local farmers began experimenting with agritourism over the last decade as business became tougher and profitability continued its downward trend.

"It wasn't enough," said Penni Heritage, owner of Heritage Station winery in Mullica Hill. "We weren't able to sustain ourselves any longer through just growing peaches and apples."

On the Heritage farm it began ten years ago with pick-your-own fruit. As time progressed, Heritage added hayrides, school trips and then, four years ago, opened the Heritage Station winery.

Now, one in every five, or more than 2,100 New Jersey farms, offers some form of agritourism; and more than a third of farms that host agritourism activities gained all of their income that way in 2006, the report found.

"In New Jersey and across the United States, agritourism is emerging as an important strategy for bolstering farm profitability," said report author Brian Schilling, of Rutgers University. "The popularity of agritourism reflects the fact that it offers benefits to farmers and the public by generating additional income, enabling farmers to diversify product lines and markets, and raising awareness and understanding of the state's agrarian heritage, food production and resource stewardship."

In Washington Township, Duffield's Farm has long offered agritourism, from pumpkin picking school trips to birthday parties and "pick-your-own" activities for the public.

Patty Duffield, daughter-in-law of owners Dave and Mary Duffield, said the family recognized early on that they needed to think creatively in order to support the four families involved in the farm.

"In order to do that, you kind of have to branch off," she said.

The fourth generation of Duffields now in their late teens and early twenties are already coming up with new ideas to expand the family's agritourism business.

They recently planted Christmas trees, which won't be ready for eight to ten years. In the meantime, they'll offer pre-cut trees for the Christmas season to grow revenue.

According to the report, the average agritourism income reported by farms with agritourism activities last year was \$27,093.

State officials said agritourism is critical to ensuring the future viability of farms in New Jersey.

"By keeping farm families on the land, we ensure that consumers will have access to fresh, locally-produced farm products and agricultural experiences now and into the future," Kuperus said.

ANDREW DRYSDALE
Land Surveyor
32 East Fox Chase Road
Chester, NJ, 07930
Tel. 908-234-1079 Fax 908-234-1326

September 20, 2007

Highlands Council
100 North Road
Chester, NJ 07930

Good Morning,

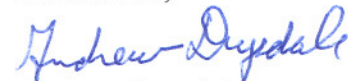
My name is Andy Drysdale, my wife Lois and I live and own farmland at 32 East Fox Chase Road, Chester, NJ, we have been trapped in the "Preservation Area", since August of 2004, some of our land is now in the "Conservation Zone" of the Regional Master Plan. We, along with many others, are victims of Environmental Extremists who have led politicians, legislators and the NJDEP to do unnecessary things.

We are humans and have a total of 18.5 acres of land, if we were salamanders we might well end up with 72 acres. This is outrageous and ridiculous.

As a child, growing up on a farm, I used to play along the small stream of water that flowed through the barnyard. The livestock, cattle, horses and free range chickens drank from this stream. In spite of all of this activity, there were frogs there and if you turned over a stone, quite often you would find a salamander beneath it.

These creatures survived very well without buffers and would continue to. Buffers greater than 50 feet wherever they exist are certainly not necessary and should be abolished along with the many other unnecessary state programs that are eating our assets.

Thank You,


Andrew Drysdale

RESOLUTION 2007- 21
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
APPROVAL OF FISCAL YEAR 2008 BUDGET

WHEREAS, the Highlands Water Protection and Planning Act (Highlands Act) has created a public body corporate and politic with corporate succession known as the Highlands Water Protection and Planning Council; and

WHEREAS, Section 6.g of the Highlands Act authorizes the Highlands Council to conduct its business as needed to effectuate the purposes of the enabling legislation; and

WHEREAS, to satisfy its duties, responsibilities and obligations under the Highlands Act, the Council desires to prepare a general operating budget for Fiscal Year 2008; and

WHEREAS, the Budget and Finance Committee at its September 19, 2007 meeting reviewed a proposed general operating budget for Fiscal Year 2008; and

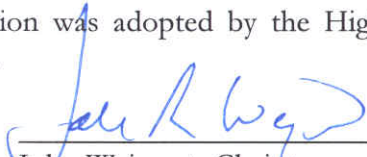
WHEREAS, the Budget and Finance Committee recommends the approval of the proposed general operating budget for Fiscal Year 2008.

NOW, THEREFORE, BE IT RESOLVED that the Highlands Council approves the attached Fiscal Year 2008 General Operating Budget; and

BE IS FURTHER RESOLVED that the Budget and Finance Committee shall review the budget periodically and make recommended adjustments to the Council, as appropriate.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 20th of September, 2007.



John Weingart, Chairman

Vote on the Approval of
this Resolution

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|--------------------------|------------|-----------|----------------|---------------|
| Councilmember Alstede | _____ | _____ | _____ | _____✓ |
| Councilmember Calabrese | _____✓ | _____ | _____ | _____ |
| Councilmember Carluccio | _____✓ | _____ | _____ | _____ |
| Councilmember Cogger | _____✓ | _____ | _____ | _____ |
| Councilmember Dillingham | _____✓ | _____ | _____ | _____ |

RESOLUTION 2007- 21
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
APPROVAL OF FISCAL YEAR 2008 BUDGET

Vote on the Approval of
this Resolution (continued)

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|---------------------------|------------|-----------|----------------|---------------|
| Councilmember Kovach | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Letts | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Pasquarelli | _____ | _____ | _____ | <u>✓</u> |
| Councilmember Peterson | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Schrier | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Vetrano | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Way | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Whitenack | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Weingart | <u>✓</u> | _____ | _____ | _____ |

as of 10-23-07

HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
GENERAL OPERATING BUDGET FY08

Revenues:

| | | |
|-----------------------------------|-----------|---------------------|
| State of New Jersey Appropriation | \$ | 2,500,000.00 |
| Balance from prior fiscal year | \$ | 322,276.48 |
| Total Revenues | \$ | 2,822,276.48 |

Expenditures:

| | | |
|--|-----------|---------------------|
| Salaries | \$ | 1,921,866.19 |
| Materials and Supplies | \$ | 115,172.00 |
| Other Operating Expenses | \$ | 365,522.29 |
| Maintenance and Repairs | \$ | 231,000.00 |
| Equipment, Additions, and Improvements | \$ | 188,716.00 |
| Total Expenditures: | \$ | 2,822,276.48 |

RESOLUTION 2007- 22
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
TDR RECEIVING ZONE FEASIBILITY GRANT

WHEREAS, the Highlands Water Protection and Planning Act (Highlands Act) has created a public body corporate and politic with corporate succession known as the Highlands Water Protection and Planning Council (Highlands Council); and

WHEREAS, Section 18 of the Highlands Act authorizes the Highlands Council to make available grants and other financial and technical assistance to municipalities and counties for implementation of a transfer of development rights program; and

WHEREAS, on March 22, 2007, the Highlands Council by Resolution 2007-9 authorized the TDR Committee to develop and implement a process for the solicitation and distribution of grants and other support to municipalities within the seven Highlands counties in furtherance of the development of Highlands TDR Program, in an annual amount not to exceed \$1,000,000; and

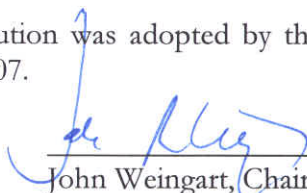
WHEREAS, the Highlands Council staff has reviewed the grant application submitted by Lopatcong Township, Warren County, and recommended approval by the TDR Committee and Budget and Finance Committee; and

WHEREAS, the TDR Committee and Budget and Finance Committee reviewed the grant application and recommend approval by the Highlands Council.

NOW THEREFORE, BE IT RESOLVED by the Highlands Council that the Executive Director, or her designee, is authorized to enter in a grant agreement with Lopatcong Township, Warren County for a TDR Receiving Zone Feasibility Grant in the amount of \$24,500.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 20th of September, 2007.



John Weingart, Chairman

Vote on the Approval of
this Resolution

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|---------------------------|------------|-----------|----------------|---------------|
| Councilmember Alstede | ✓ | _____ | _____ | _____ |
| Councilmember Calabrese | ✓ | _____ | _____ | _____ |
| Councilmember Carluccio | ✓ | _____ | _____ | _____ |
| Councilmember Cogger | ✓ | _____ | _____ | _____ |
| Councilmember Dillingham | ✓ | _____ | _____ | _____ |
| Councilmember Kovach | ✓ | _____ | _____ | _____ |
| Councilmember Letts | ✓ | _____ | _____ | _____ |
| Councilmember Pasquarelli | _____ | _____ | _____ | ✓ |
| Councilmember Peterson | ✓ | _____ | _____ | _____ |
| Councilmember Schrier | ✓ | _____ | _____ | _____ |
| Councilmember Vetrano | ✓ | _____ | _____ | _____ |

RESOLUTION 2007- 22
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
TDR RECEIVING ZONE FEASIBILITY GRANT

Vote on the Approval of
this Resolution (continued)

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|-------------------------|------------|-----------|----------------|---------------|
| Councilmember Way | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Whitenack | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Weingart | <u>✓</u> | _____ | _____ | _____ |

RESOLUTION 2007- 23
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
APPROVAL OF CONTRACT FOR FINANCIAL SERVICES

WHEREAS, the Highlands Water Protection and Planning Act (Highlands Act) has created a public body corporate and politic with corporate succession known as the Highlands Water Protection and Planning Council (Highlands Council); and

23, Section 6.g of the Highlands Act authorizes the Highlands Council to conduct its business as needed to effectuate the purposes of the enabling legislation; and

WHEREAS, the Highlands Council determined that an individual with expertise in government finance and accounting to provide part-time support to the Highlands Council's administrative operations was necessary; and

WHEREAS, to address the above need, the Highlands Council's Budget and Finance Committee prepared a Request for Qualifications (RFQ) to provide financial consultation, which RFQ was mailed to potential bidders and posted on the Highlands Council's website; and

WHEREAS, four applicants submitted proposals and qualifications submittal, the Council staff's RFQ Evaluation Committee met on September 11, 2007 and September 12, 2007 to discuss the qualification of the applicants and unanimously agreed to recommend that the firm of Gregory J. Della Pia, CPA was best suited to meet the needs articulated by the Highlands Council in the RFQ; and

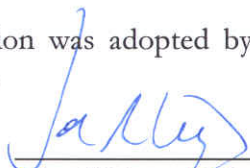
WHEREAS, the Budget and Finance Committee, at its September 19, 2007 meeting, reviewed the recommendation of the RFQ Evaluation Committee; and

WHEREAS, the Budget and Finance Committee recommends that the Highlands Council authorize the Executive Director to enter into a contract with Gregory J. Della Pia, CPA.

NOW THEREFORE, BE IT RESOLVED by the Highlands Council that the Executive Director, or her designee, is hereby authorized to enter into a contract with Gregory J. Della Pia, CPA, for an amount not to exceed \$25,000.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 20th of September, 2007.



John Weingart, Chairman

Vote on the Approval of this Resolution

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|-------------------------|-------------|-----------|----------------|---------------|
| Councilmember Alstede | _____ | _____ | _____✓_____ | _____ |
| Councilmember Calabrese | _____✓_____ | _____ | _____ | _____ |
| Councilmember Carluccio | _____✓_____ | _____ | _____ | _____ |
| Councilmember Cogger | _____✓_____ | _____ | _____ | _____ |

RESOLUTION 2007- 23
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
APPROVAL OF CONTRACT FOR FINANCIAL SERVICES

Vote on the Approval of
this Resolution (continued)

| | <u>Yes</u> | <u>No</u> | <u>Abstain</u> | <u>Absent</u> |
|---------------------------|------------|-----------|----------------|---------------|
| Councilmember Dillingham | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Kovach | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Letts | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Pasquarelli | _____ | _____ | _____ | <u>✓</u> |
| Councilmember Peterson | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Schrier | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Vetrano | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Way | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Whitenack | <u>✓</u> | _____ | _____ | _____ |
| Councilmember Weingart | <u>✓</u> | _____ | _____ | _____ |



JON S. CORZINE
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



JOHN R. WEINGART
Chairman

EILEEN SWAN
Executive Director

HIGHLANDS COUNCIL ABSTRACT

An analysis of the impact and implications of Highlands Act exemptions

September 20, 2007

The purposes of this abstract are to: (a) detail the Highlands Council's analysis of certain exemptions provided for in the Highlands Act; (b) highlight the possible implications on the Highlands Region if these exemptions are exercised; and (c) briefly discuss how the Highlands Council intends to address these implications.

I. Background on Exemptions

As one means of addressing concerns regarding the impact of the Highlands Act on landowners, the Act provides seventeen (17) exemptions. If a project or activity falls within one these seventeen exemptions, the project or activity is exempt from the Highlands Act, the Highlands Preservation Area rules adopted by the New Jersey Department of Environmental Protection (NJDEP), the Regional Master Plan, and any municipal master plan or development regulations that are conformed to the Regional Master Plan. Of the seventeen exemptions, there are four that are most significant to Highlands Region landowners. Each of these four exemptions is discussed below.

Exemption 1 allows for the construction of a single family dwelling, for an individual's own use or the use of an immediate family member, on a lot owned by the individual on August 10, 2004 or on a lot for which the individual had on or before May 17, 2004 entered into a binding contract of sale to purchase that lot. **Exemption 2** also allows for the construction of a single-family dwelling on an undeveloped lot that lawfully existed as of August 10, 2004, provided that the construction does not result in the ultimate disturbance of one acre or more of land or a cumulative increase in impervious surface by one-quarter acre or more. The distinction between Exemptions 1 and 2 is that, under Exemption 1, the home is being constructed for the person who owned the lot on August 10, 2004, or her immediate family member. Any subsequent purchaser of an undeveloped lot may only construct a home under Exemption 2 and is governed by the disturbance and impervious surface limitations of that exemption.

Exemption 4 allows the reconstruction of any building or structure for any reason within 125% of the footprint of the lawfully existing impervious surface on the site. However, the reconstruction may not increase the lawfully existing impervious surface by one-quarter acre or more.

Exemption 5 permits an improvement to a single family dwelling in existence on August 10, 2004, including but not limited to an addition, garage, shed, driveway, porch, deck, patio, swimming pool, or septic system. Under this exemption, NJDEP's rules interpret the term "in existence" to mean that the home was issued a certificate of occupancy no later than August 10, 2004.

II. Steps for Analysis

For purposes of this analysis, the Highlands Council staff utilized 2005 MOD-IV tax assessment data received from the New Jersey Treasury Department, Division of Taxation. The data is derived from real property tax assessment information submitted by municipal tax assessors to the Division of Taxation. Information contained in the 2005 MOD-IV data is for the period January 10, 2004 through January 9, 2005.

To conduct its analysis of Exemptions 1 and 2, staff began by selecting only those parcels listed as either Class 1 (vacant parcels) or Class 3B (farm qualified) under the MOD-IV data. These two classes represent those parcels that would have been undeveloped as of January 9, 2005, and eligible for either Exemption 1 or 2. After selecting these classes, staff joined the data with the composite zones developed by the Council and coded the parcels as either Preservation Area or Planning Area based on the Council's GIS information. Staff also included the acreage of parcels within these two classes as well as their assessed land values, and improvement values, if any. Staff excluded any Class 1 and Class 3B parcel that was less than 0.1 acre in size because it is unlikely that such a small parcel could be developed without seeking some type of zoning variance. Staff also excluded all Class 1 parcels that have an improvement value as this indicates that some amount of development or economic activity already exists on site. Lastly, staff excluded all known preserved open space in the Highlands Region, including preserved farmland, from the analysis.

For purposes of conducting the analysis for Exemption 4, staff selected out those parcels from the MOD-IV data listed as either Class 4A (commercial), 4B (industrial) or 4C (apartment buildings). These classes represent the vast majority of non-residential parcels that were developed as of January 9, 2005, and which could utilize Exemption 4 to expand existing structures within the parameters of the exemption.

In analyzing those parcels that could avail themselves of Exemption 5, staff selected out those parcels from the MOD-IV data listed as Class 2 (residential). Class 2 includes all residential uses such as single family homes, townhomes and condominiums. However, it does not include rental apartments, which are identified as Class 4C as noted above. From this data set staff flagged those parcels that are either condominiums or townhomes based on those MOD-IV parcels that had multiple records associated with the same parcel ID. Staff excluded these records because only single-family dwellings may utilize Exemption 5.

It is important to keep in mind that the Preservation Area boundary does split a number of parcels. Consequently, there are parcels that have some percentage of their acreage in both the Preservation Area and the Planning Area. For purposes of each of the above analyses, staff selected only those parcels that have at least 70% of the parcel either in the Preservation Area or the Planning Area. In some cases, use of the 70% threshold results in the number of Preservation Area parcels and Planning Area parcels not totaling up to the number of parcels for a given analysis when examined on a Region-wide basis. This occurs because parcels that do not have at least 70% of their property within one or the other area are excluded from the analysis.

III. Results

(A) Exemptions 1 and 2

The MOD-IV data reveals that there are **25,918** undeveloped parcels throughout the Highlands Region that have the potential to exercise Exemption 1 or 2 for the construction of a single-family dwelling. Significantly, those parcels that are currently zoned residential may exercise Exemption 1 or 2 without having to seek either a zoning change or use variance from municipal officials. Region-wide there are **22,554** such parcels which are classified as either Class 1 (vacant) or Class 3B (qualified farm) and are currently zoned residential. These parcels represent **228,293.00** acres in the Highlands Region.

For purposes of understanding the relative size and distribution of the residentially-zoned, undeveloped parcels in the Highlands Region, staff divided the parcels into six classes based upon parcel size: (1) greater than 0.1 acres and less than or equal to 5 acres; (2) greater than 5 acres and less than or equal to 10 acres; (3) greater than 10 acres and less than or equal to 25 acres; (4) greater than 25 acres and less than or equal to 50 acres; (5) greater than 50 acres and less than or equal to 100 acres; and (6) greater than 100 acres. The number of parcels within each category is listed in Table 1 below.

Table 1 – Highlands Region Residentially-Zoned, Undeveloped Parcels

| Parcel Size Class (acres) | Region-Wide | Preservation Area | Planning Area |
|----------------------------------|--------------------|--------------------------|----------------------|
| > 0.1 and <= 5 | 14,635 | 5,990 | 8,640 |
| > 5 and <= 10 | 2,722 | 1,360 | 1,361 |
| > 10 and <= 25 | 2,882 | 1,394 | 1,486 |
| > 25 and <= 50 | 1,256 | 621 | 633 |
| > 50 and <= 100 | 744 | 330 | 414 |
| > 100 | 315 | 133 | 182 |
| Totals | 22,554 | 9,828 | 12,716 |

With respect to non-residentially zoned parcels in the Highlands Region, there are **3,364** that are undeveloped (Class 1 or 3B) comprising **36,455.69** acres.

(1) Preservation Area

There are 10,533 undeveloped parcels (Class 1 or 3B) located within the Preservation Area. Of these parcels, **9,828** are currently zoned for residential development and may construct a single-family dwelling as-of-right based on Exemption 1 or 2. These 9,828 parcels represent 107,021.97 acres in the Preservation Area. As for non-residential development in the Preservation Area, there are 725 undeveloped parcels constituting 8,538.91 acres.

(2) Planning Area

With respect to the Planning Area, there are 15,352 undeveloped parcels (Class 1 or 3B) that have the potential to exercise Exemption 1 or 2. Of these parcels, **12,716** are currently zoned residential and could exercise Exemption 1 or 2 without seeking a zoning change or use variance. The total acreage of these 12,716 parcels is 121,178.06 acres. There are 2,636 parcels zoned for non-residential development in the Planning Area. These undeveloped, non-residential parcels represent 27,912.34 acres.

(B) Exemption 4

In examining Exemption 4, the MOD-IV data reveals that there are **12,118** parcels classified as Class 4A (commercial), 4B (industrial) or 4C (apartment buildings) that could utilize this exemption to expand existing structures. This includes 1,744 parcels in the Preservation Area and 10,368 parcels in the Planning Area.

(C) Exemption 5

Throughout the Highlands Region, there are **233,394** parcels that are developed with a single-family home and which have the ability to construct additions or other structures under Exemption 5. This figure represents 59,178 single-family homes in the Preservation Area and 174,184 homes in the Planning Area.

IV. Implications

Based on the results of the above analysis, it is evident that a significant amount of development can occur within the Highlands Region under Exemptions 1 and 2 due to the number of undeveloped parcels that exist. This fact has important implications for the Region's resources. Should each of these exemptions be exercised, it will result in further fragmentation of the Region's ecosystems or result in further construction of impervious surface. For example, assuming that each property owner with an undeveloped, residentially zoned parcel constructs a home under Exemption 2, this would result in a minimum disturbance of **22,554 acres**. In turn, this could lead to reductions in water quality and quantity, critical habitat, farmland and other important regional resources.

At the same time, the exemptions are one of the primary means for landowners to utilize their properties where development potential is limited by the Highlands Act. Each landowner that has a project or activity that qualifies for an exemption has the right afforded to him or her to exercise that exemption within the parameters of the Act and municipal development regulations. Furthermore, the Highlands Council recognizes that it may not prohibit a property owner from exercising an exemption without providing mechanisms that allow the property owner to realize a like development opportunity or its equivalent.

To address the quandary presented by Exemptions 1 and 2 where Highlands resources are at risk, the Highlands Council will have to develop programs that encourage landowners to either (a) not exercise their exemption instead utilizing a program offered, or (b) exercise their exemption in a location that is more appropriate for further growth. The Highlands Council has proposed a number of these programs in the draft Regional Master Plan, including open space and farmland acquisition, clustering and providing bonus TDR credits. These programs, and likely others, will

have to be incorporated into the final Regional Master Plan if the implications of the exemptions are going to be addressed.

(Disclaimer – This analysis does not control the granting of an exemption request under the Highlands Act and NJDEP rules. A property owner seeking an exemption from the Highlands Act must follow the procedure NJDEP has established for granting an exemption, including the filing of a Highlands Applicability Determination application. That application may be found at <http://www.nj.gov/dep/highlands/consistency.pdf>)



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Executive Director

Highlands Water Protection and Planning Act Exemptions and Waivers

The Highlands Act creates seventeen exemptions which allow property owners to develop their properties without applying the enhanced environmental standards adopted by the New Jersey Department of Environmental Protection in the Preservation Area. In addition, the rules adopted by DEP include provisions for three waivers that allow some degree of deviation from the enhanced environmental standards.

To determine whether you meet the definition of Major Highlands Development, qualify for an exemption or if you are consistent with a Water Quality Management Plan contact the **Division of Watershed Management at (609) 984-6888.**

Exemptions

1. **Construction of a single family dwelling for own use or family use:** The construction of a single family dwelling, for an individual's own use or the use of an immediate family member, on a lot owned by the individual on the date of enactment of this act or on a lot for which the individual has on or before May 17, 2004 entered into a binding contract of sale to purchase that lot;
2. **Construction of a single family dwelling on existing lot:** The construction of a single family dwelling on a lot in existence on the date of enactment of this act, provided that the construction does not result in the ultimate disturbance of one acre or more of land or a cumulative increase in impervious surface by one-quarter acre or more;
3. **Developments with prior Municipal and DEP Approvals:** A major Highlands development that received on or before March 29, 2004:
 - (a) one of the following approvals pursuant to the "Municipal Land Use Law," P.L.1975, c. 291 (C.40:55D-1 et seq.):
 - (i) preliminary or final site plan approval;
 - (ii) final municipal building or construction permit;
 - (iii) minor subdivision approval where no subsequent site plan approval is required;
 - (iv) final subdivision approval where no subsequent site plan approval is required; or
 - (v) preliminary subdivision approval where no subsequent site plan approval is required;and
 - (b) at least one of the following permits from the Department of Environmental Protection,

if applicable to the proposed major Highlands development:

- (i) a permit or certification pursuant to the "Water Supply Management Act," P.L.1981, c. 262 (C.58:1A-1 et seq.);
 - (ii) a water extension permit or other approval or authorization pursuant to the "Safe Drinking Water Act," P.L.1977, c. 224 (C.58:12A-1 et seq.);
 - (iii) a certification or other approval or authorization issued pursuant to the "The Realty Improvement Sewerage and Facilities Act (1954)," P.L.1954, c. 199 (C.58:11-23 et seq.);
- or
- (iv) a treatment works approval pursuant to the "Water Pollution Control Act," P.L.1977, c. 74 (C.58:10A-1 et seq.); or

(c) one of the following permits from the Department of Environmental Protection, if applicable to the proposed major Highlands development, and if the proposed major Highlands development does not require one of the permits listed in subparagraphs (i) through (iv) of subparagraph (b) of this paragraph:

- (i) a permit or other approval or authorization issued pursuant to the "Freshwater Wetlands Protection Act," P.L.1987, c. 156 (C.13:9B-1 et seq.); or
- (ii) a permit or other approval or authorization issued pursuant to the "Flood Hazard Area Control Act," P.L.1962, c. 19 (C.58:16A-50 et seq.).

The exemption provided in this paragraph shall apply only to the land area and the scope of the major Highlands development addressed by the qualifying approvals pursuant to subparagraphs (a) and (b), or (c) if applicable, of this paragraph, shall expire if any of those qualifying approvals expire, and shall expire if construction beyond site preparation does not commence within three years after the date of enactment of this act;

4. **Reconstruction of buildings or structures within 125% of the footprint:** The reconstruction of any building or structure for any reason within 125% of the footprint of the lawfully existing impervious surfaces on the site, provided that the reconstruction does not increase the lawfully existing impervious surface by one-quarter acre or more. This exemption shall not apply to the reconstruction of any agricultural or horticultural building or structure for a non-agricultural or non-horticultural use;
5. **Improvement to a single family dwelling:** Any improvement to a single family dwelling in existence on the date of enactment of this act, including but not limited to an addition, garage, shed, driveway, porch, deck, patio, swimming pool, or septic system;
6. **Places of worship, schools, or a hospitals:** Any improvement, for non-residential purposes, to a place of worship owned by a nonprofit entity, society or association, or association organized primarily for religious purposes, or a public or private school, or a hospital, in existence on the date of enactment of this act, including but not limited to new structures, an addition to an existing building or structure, a site improvement, or a sanitary facility;
7. **Woodland and Forest management plans:** An activity conducted in accordance with an approved woodland management plan pursuant to section 3 of P.L.1964, c. 48 (C.54:4-23.3) or the normal harvesting of forest products in accordance with a forest management plan approved by the State Forester;

8. **Trails on public or private lands:** The construction or extension of trails with non-impervious surfaces on publicly owned lands or on privately owned lands where a conservation or recreational use easement has been established;
9. **Repair of transportation or infrastructure systems:** The routine maintenance and operations, rehabilitation, preservation, reconstruction, or repair of transportation or infrastructure systems by a State entity or local government unit, provided that the activity is consistent with the goals and purposes of this act and does not result in the construction of any new through-capacity travel lanes;
10. **Transportation safety projects:** The construction of transportation safety projects and bicycle and pedestrian facilities by a State entity or local government unit, provided that the activity does not result in the construction of any new through-capacity travel lanes;
11. **Public utility lines, rights of way, or systems:** The routine maintenance and operations, rehabilitation, preservation, reconstruction, repair, or upgrade of public utility lines, rights of way, or systems, by a public utility, provided that the activity is consistent with the goals and purposes of this act;
12. **Reactivation of rail lines/rail beds:** The reactivation of rail lines and rail beds existing on the date of enactment of this act;
13. **Public Infrastructure:** The construction of a public infrastructure project approved by public referendum prior to January 1, 2005 or a capital project approved by public referendum prior to January 1, 2005;
14. **Mining or Quarrying:** The mining, quarrying, or production of ready mix concrete, bituminous concrete, or Class B recycling materials occurring or which are permitted to occur on any mine, mine site, or construction materials facility existing on June 7, 2004;
15. **Site Remediation:** The remediation of any contaminated site pursuant to P.L.1993, c. 139 (C.58:10B-1 et seq.);
16. **Military lands:** Any lands of a federal military installation existing on the date of enactment of this act that lie within the Highlands Region;
17. **Affordable Housing:** A major Highlands development located within an area designated as Planning Area 1 (Metropolitan), or Planning Area 2 (Suburban), as designated pursuant to P.L.1985, c. 398 (C.52:18A-196 et seq.) as of March 29, 2004, that on or before March 29, 2004 has been the subject of a settlement agreement and stipulation of dismissal filed in the Superior Court, or a builder's remedy issued by the Superior Court, to satisfy the constitutional requirement to provide for the fulfillment of the fair share obligation of the municipality in which the development is located. The exemption provided pursuant to this paragraph shall expire if construction beyond site preparation does not commence within three years after receiving all final approvals required pursuant to the "Municipal Land Use Law," P.L.1975, c. 291 (C.40:55D-1 et seq.).

Waivers

The DEP may grant waivers from its Highlands rules for major Highlands developments in the Preservation Area on a case-by-case basis conditioned upon the DEP's determination that the statutory standards are met to the maximum extent possible. A major Highlands Development may obtain one of the following three waivers:

1. **Public Health and Safety**

A waiver of any provision of a Highlands permitting review on a case-by-case basis if determined to be necessary by DEP in order to protect public health and safety.

2. **Redevelopment in previously developed areas as identified by the Highlands Council**

A waiver of any provision of a Highlands permitting review on a case-by-case basis for redevelopment in certain previously developed areas in the Preservation area identified by the Highlands Council. Any areas identified for possible redevelopment by the Highlands Council shall be either a brownfield site designated by DEP or a site at which at least 70% of the area thereof is covered with impervious surface.

3. **To avoid a Taking of Property without Just Compensation**

A waiver of any provision of the Highlands permitting review on a case-by-case basis in order to avoid the taking of property without just compensation.

Definitions

"Major Highlands development" means, except as otherwise provided pursuant to subsection a. of section 30 of this act, (1) any non-residential development in the preservation area; (2) any residential development in the preservation area that requires an environmental land use or water permit or that results in the ultimate disturbance of one acre or more of land or a cumulative increase in impervious surface by one-quarter acre or more; (3) any activity undertaken or engaged in the preservation area that is not a development but results in the ultimate disturbance of one-quarter acre or more of forested area or that results in a cumulative increase in impervious surface by one-quarter acre or more on a lot; or (4) any capital or other project of a State entity or local government unit in the preservation area that requires an environmental land use or water permit or that results in the ultimate disturbance of one acre or more of land or a cumulative increase in impervious surface by one-quarter acre or more. Major Highlands development shall not mean an agricultural or horticultural development or agricultural or horticultural use in the preservation area.

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**CHAPTER III
REGIONAL AND LOCAL COMMUNITY CHARACTER**

Introduction

The Governor and Legislature of the State of New Jersey have recognized that the Highlands Region is a unique part of the State of New Jersey where several distinct geographic elements are bound together by hydrology, topography, geography, and history. The Highlands Region is comprised of several different landscape types, each with its own intrinsic value. The value and sustainability of the Region as a whole must be represented by interdependence, or a shared set of principles, between and within all landscape types.

The Region, encompassing 88 municipalities in the seven Highlands Counties of Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex, and Warren, is a vital source of drinking water for almost 60% of the population of the entire state. The Region is distinct in many other ways, including:

- Although the Region was first settled more than 200 years ago, 75% of the land in the Region is still undeveloped;
- Approximately 32% of the undeveloped land in the Region is protected open space;
- Upland forests occupy 47% of the Region;
- The Region has approximately 821,000 residents, most along the eastern and southern edges;
- 57 % of all developed land is low density residential land use;
- Median household income 34% higher than New Jersey as a whole;
- Despite proximity to the New York metropolitan area, the Region and its constituent communities are largely self-sufficient and free-standing;
- Although residential densities are typical of suburban development, the community character of the residential portions of the Region consist of individual small towns and villages surrounded by agricultural and forest lands interspersed with low density residential development;

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- Woodlands, forested ridges, steep slopes, water features, and agricultural fields have historically maintained the separate identities of individual communities and their sense of place;
- The historical, localized development patterns and practices of the Region have created an attractive, diverse residential landscape which is defined in large part by forested lands and mature trees;
- The Region’s topography begets winding roads with shortened sight distances where forested lands and mature trees or open agricultural fields are the predominant element of the landscape as it is viewed from public roads; and
- The historical development pattern and diversity of housing designs and materials has given the Region a residential landscape which has an organic and diverse quality as compared to the repetitive nature of subdivision development.

Physical Geography and Landscape

The northern portion of the Highlands Region is characterized by steep slopes, narrow valleys, and rocky terrain while the southern portion is characterized by valleys that are generally wider with richer soils suited for agriculture. The predominate landscape in the Region is forest and more than 62% of the Region is considered to be critical wildlife habitat for (1) federally listed threatened or endangered species; (2) state threatened and endangered species; and (3) state species of special concern.

Most of the land in the northern third of the Highlands Region is within the Highlands physiographic province, with a small area to the northwest in the Valley and Ridge province, characterized by a series of valleys and ridges aligned generally along a northeast to southwest axis. Historic settlement patterns reflect this orientation as development followed valleys and water courses. Topography and geology served as a natural limiting factor with regard to land use and transportation in most of the northern part of the Region, contributing to what is a sparsely settled landscape. The Highlands Region here is heavily forested and is an important source water area for the Region and portions of urbanized New Jersey outside

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of the Region. A significant portion of the Highlands Region in this area is located within the Preservation Area designated by the Highlands Act.

The middle third of the Highlands Region is a primarily man-made landscape. While dominated by suburban densities, the area has created and maintained much more local character than is typical in many other suburbs. This lack of “scatterization” is due to historical mobility constraints related to this portion of the Region’s geography (e.g., ridgelines and valley floors), and to the central role of traditional town centers in defining the area’s identities as traditional communities of place. This area generally follows the path of Route 46 thru Morris County, along the Rockaway River.

The southern third of the Highlands Region is glaciated plain and terminal moraine characterized by soils and topography which are more supportive of agriculture. Historic settlement patterns in this area were typical of an agricultural landscape, which at one time was the predominate landscape in much of the State. This portion of the Highlands Region is defined by a landscape mosaic of agricultural lands and forests.

As a whole, the Highlands Region is characterized by a number of landscapes:

- Intact forests and associated natural systems;
- Sparsely settled, very low density forested areas;
- Traditional agricultural/rural landscapes;
- Low density residential development organized along winding roads and around historic villages and towns;
- Lake communities; and
- Residential subdivisions and strip commercial not representative of unique characteristics of the Region.

Shared Values

The developed portions of the Highlands Region exhibit shared values despite being represented by a variety of landscapes such as the large forests bifurcated by State Route 23; the historic mill towns of Morris County surrounded by winding tree-lined roads where single family homes are set back far from the

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road on large, mostly forested lots; the lake communities around both large recreational lakes and smaller, private lakes; the rolling hills around the rural agricultural landscape of Long Valley; the business highway development along Highway 31 between Clinton and Washington; and by everything in between.

Despite differences between these landscapes, each share and contribute to a series of regionally and locally significant values. The Region's developed landscapes are considerably independent and free-standing as opposed to typical suburban landscapes which are socially, culturally, and economically dependent on a core urban center. The Highlands Region undoubtedly benefits from proximity to the New York metropolitan area; close enough to gain from one of the world's most dynamic urban economies, but not so close as to be defined by suburbs dependent upon that area. The Highlands Region is separated from New York City both by distance and topography. The relative isolation of Highlands Region landscapes and associated communities is beneficial because of their interdependency on one another for employment, shopping, health care, recreation, and entertainment. Consequently, the function and character of historical settlements are vital and continue to be central to the character of the Region.

Highlands Region communities share a value with regard to protecting water resources. Water has long been recognized as a defining attribute of the Region, a resource which does not follow political jurisdictions. The importance of water to the Highlands Region is significant in several different ways. The Region provides the primary source of potable water for the majority of the urbanized population in northern New Jersey. Surface water and ground water significantly contribute to the functional integrity of the Region's forests, ponds, streams, lakes and wetlands which constitute a majority of the Region's critical wildlife habitat. Water guided the early settlement of the Highlands Region through the formation of mill towns, mining areas, and early agricultural areas, all of which were dependent on abundant sources of water. This settlement pattern; continues to serve as the foundation of Highlands Region landscape types. Historic mining, quarrying, and manufacturing have influenced settlement patterns and represent potential water quality issues to existing and future populations. Lakes played a key role in the development of lakeside communities in the Highlands, representing an important residential and recreational resource for the greater

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northern New Jersey region.

The water resources of the Highlands Region are important not only as a potable water supply source, but as a defining element of ecosystem form and function within the Highlands. They include extensive reservoirs with the capacity to provide more than 600 million gallons per day of drinking water, large rivers and lakes, streams that support trout production and supply local recreation opportunities, forested headwater streams and springs, and ephemeral waterbodies that are critical to the survival of a variety of the Region's wildlife.

The vast majority of Highlands Region reservoir capacity is exported to urban and suburban areas of northern and central New Jersey. The water needs of the Highlands Region itself are primarily served by well withdrawals of ground water from local aquifers, and by smaller surface water bodies. Maintaining the integrity of water resources of the Highlands Region provides for the protection and sustainability of surface waters supplying reservoir systems, ground water supplying potable uses, and ecosystems dependent upon both surface water and ground water for essential functions.

The Highlands Region communities share this value by participating as stewards of the quality and quantity of this significant water source. Historically, this responsibility was a natural byproduct of the form and function of settlement in the Region. The character, location, and intensity of historical development patterns with the Region were such that water quality and quantity were naturally sustainable. Moreover, the significance of the Region's water resources played an important role in the conservation of considerable open space over the past several decades. More than 50,000 acres of land have been explicitly preserved by the State, Highlands Region counties and municipalities, and other governmental and nongovernmental entities to protect the principal source of water supply in northern New Jersey. Water supply was also one factor leading to the preservation of more than 100,000 acres of forested lands.

The communities of the Highlands Region share a value of preserved open space and the views and opportunities afforded by these preserved areas. Many communities share open space views in areas where less than 25% of the land is developed. A ratio of undeveloped land to developed land of 3 to 1 is a

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particularly distinguishing regional characteristic given the location of the Highlands Region in northern New Jersey, one of the most densely populated parts of the most densely populated state in the nation. The relationship created by shared views of open space between developed lands and undeveloped lands links the communities of the Region together because that shared, visible open space aids in the defining character of a community. Conversely, there are examples where principal access to one town passes through an adjacent town in which highway commercial development extends outward from the traditional town center, thereby altering community character and economic viability in both towns.

Yet another shared value of the Highlands Region is a settlement pattern which is organized around small towns and villages, most of which are historic or traditional communities of place. This basic settlement pattern exists throughout the Region, from the forested north, to the exurban middle, to the agricultural south. The rural landscape which surrounds the towns and villages may vary in terms of character (agricultural versus residential or forest), but the functional relationship of the rural landscape to the towns and villages is the same.

One aspect of this functional relationship between a rural landscape and its communities is that individual towns and villages are distinguished by their rural nature. Preserved forests, forested ridges, and agricultural fields have often isolated adjacent towns and villages thus preventing traditional suburban growth patterns. At the same time, this functional relationship fosters social, cultural, and economic symbiosis between the towns and villages and surrounding typically-low density residential landscapes, such that the notion of “going to town” has been sustained in much of the Highlands. Moreover, the relatively low gross intensity of land use in the Region’s town and country landscapes results in a market for goods and services that generally is insufficient to support the market requirements of numerous retail big boxes and franchise businesses, which in turn sustains the economic vitality of many locally-owned businesses in the historic and traditional towns in the Region.

Of the 859,358 acres of land in the Highlands Region, 25% are developed and 32% are protected through open space preservation. The remaining lands are forested (63%), submerged and barren (15%),

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and agricultural (13%). A majority of the developed lands in the Region , 57%, is zoned for low intensity, single family residential areas with a density range of 1 dwelling unit per 2 to 20 acres.

Of the approximate 821,000 people who live in the Region, approximately 450,000 live in Bergen and Morris Counties where the population per gross acre of land is 1.7 persons per acre and 1.4 persons per acre, respectively. Population per developed acre of land in the same counties is 4.78 persons per acre and 4.28 persons acre, respectively. Much the opposite Hunterdon and Warren Counties have a population per gross acre of 0.48 persons per acre and 0.58 persons per acre, respectively, with a population per developed acre of land of 2.12 persons per acre and 3.44 per acre. Passaic, Somerset and Sussex Counties range from 0.74 persons to 0.97 persons per gross land area, and 2.86 persons and 5.37 persons per developed acre of land.

Water and the Highlands Region

The Highlands Region is a focus of regional planning and special land use controls in large part due to water for the public use and for Highlands Region ecosystems. The Region's water resources are valued for water supply, ecosystem viability, and recreational and aesthetic uses. Additionally, Highlands Region lakes offer recreation opportunities, and are the features of many distinct communities. Highlands Region waterbodies also support the Region's forests, wetlands, lakes and streams by serving a critical role in supporting sustainable ecological resources. Northern New Jersey would have an immensely different character without Highlands Region water resources and the landscapes they support. Degradation or excessive use of these water resources would significantly undermine New Jersey's economic health and quality of life.

Water resources are generally categorized as surface water and ground water. Both surface water and ground water can be supplied by rainfall, and water may be exchanged between surface water and ground water systems. The use of ground water can reduce surface water flows, and the contamination of ground water can harm surface water quality (and vice versa).

Surface water in the form of streams, rivers, ponds, lakes, and reservoirs, is the more obvious

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resource and an important part of the Highlands Region landscape. Ground water is water below the earth surface, filling the pore spaces, cracks and fissures in soil and rock. An underground layer of permeable rock or unconsolidated materials where ground water is sufficient to provide water to wells it is known as an aquifer. Aquifers differ in value; some are very prolific, but the hard rocks that create the Region's ridges are very poor aquifers. While ground water is often unseen it is the primary water supply to Highlands Region municipalities and provides the large majority of flows in the Region's streams

Forested areas and stream-side riparian areas function to protect surface water and ground water quantity through collection and infiltration of rainwater, and protection of water quality through filtration of excess nutrients, solids, and pollutants and stormwater abatement. Therefore, protection of forests and riparian areas leads to the protection of both quantity and quality of the Region's water resources.

By law, New Jersey's water resources are held in trust for the public, and allocated by the State for public and private use. One reason the Highlands Region is so important to New Jersey's economy is the presence of many large reservoirs in the Passaic River and Raritan River basins, built from the late 1800's to the late 1900's to supply the urban areas of northeastern and east-central New Jersey. These reservoirs, built by Newark, Jersey City, the North Jersey District Water Supply Commission, and the State of New Jersey, store high stream flows against time of drought. In total, they provide some or all of the water needed by roughly 5 million people. In addition, a few Highlands communities have their own small reservoirs. Each reservoir system has a "safe yield," which is the amount of water it can supply during a repeat of the 1960's drought, defined as the worst drought on record. The safe yield is protected by the State through control of other large water uses. Resurgent development in urban communities will place heavy stresses on these reservoir supplies. Although most reservoir water from the major reservoirs is exported, limited supplies have been contracted to a few communities in the eastern Highlands.

Surface waters also contribute to New Jersey's economy as focal points for boating, fishing, swimming, and other recreation activities in lake communities. Most Highlands Region lakes are man-made and many of the earliest residential communities were established on the shores of these lakes. Surface water

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from streams (rather than reservoirs) is used within the Region, most often for farm and golf course irrigation and for manufacturing (often in historic river towns) rather than public supply.

Ground water is used by local communities throughout the Highlands Region as their primary drinking water supply. Nearly all of the Highlands Region population relies on ground water. In most cases wells are located near users, but in some cases water is piped miles from one part of the Region to another. Wells range in size from domestic wells for individual households to large community wells that can supply thousands of people.

Every water use has an effect on the region's water resources. For example, ground water supplies in many parts of the Region are already stressed or beyond capacity. Water is moved from place to place, lost to the atmosphere from evaporation or plant use, or picks up pollutants from human and natural sources. As with every region, but more intensely in the Highlands Region due to the many competing uses, the protection and careful use of water resources is critical to a sustainable society in New Jersey.

The Elements of Place

The essential character of the Highlands Region is not easily reduced to an overall description. Demographic statistics explain the Region's overall vibrant economy and relative affluence, but they do not reveal the diversity of individual community character or the overall character of the Region. The extent of forested lands in the Region is truly remarkable in terms of the context of the densely developed tri-state region surrounding the Highlands Region. The amount and distribution of forested lands within the Region is illustrated by the fact that despite more than 200 years of human activity, more than 62 % of the entire Region is described as critical wildlife habitat by New Jersey Department of Environmental Protection (NJDEP).

In the simplest of terms, the Highlands Region is special because it is a unique composite of landscapes, natural resources, and communities not found elsewhere in the nation. And while the individual landscape types are familiar in other parts of the nation, the cumulative character of Highlands Region landscapes and their integrity is remarkably unique. To a great degree, the unique character of the Region is

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a product of its geography – the key element being mobility. Although the eastern reaches of the Region are relatively accessible to and from New York City, the largest and most economically vibrant city in the United States, mobility to and through much of the Highlands Region is constrained by its topography (ridgelines and valley floors). These constraints have played a key role with regard to the character and pace of development within the Highlands Region.

Resource Assessment and Regional Land Use Capability

Notwithstanding the relative integrity of the Highlands landscapes, recent trends indicate that growth pressures are overcoming the traditional forces and factors which have historically shaped the Region and its unique character. For example water use in many of the HUC 14 subwatersheds in the Highlands Region is already beyond sustainable levels.

The Highlands Act requires that the Regional Master Plan include a resource assessment to provide a determination of the “amount and type of human development and activity” which can be accommodated without compromising the essential character and function of the Highlands Region. The resource assessment serves to identify a balance between the Region’s environmentally sensitive areas and Region’s capacity for appropriate development and human activity. In addition, the Act requires that the Regional Master Plan identify scenic, aesthetic, cultural, historic, open space, farmland and outdoor recreational resources and provide for their maintenance and enhancement.

A basic principle of ecology is that the capacity of an environment to support a population of plants or wildlife is governed by limiting factors. The development capacity of the Highlands Region is likewise governed by limiting factors, some of which relate to the natural environment, *e.g.* steep slopes and water quantity and quality. However, the carrying capacity of the Highlands Region is also defined by public policies enshrined in the laws and Constitution of the State of New Jersey and the Constitution of the United States.

Another factor which affects the development capacity of the Highlands Region is the community character which is highly valued by many residents of the area as underlying the quality of life of the Region.

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For example, even if the existing undeveloped lands in the Planning Area could be developed at a higher density without adversely affecting water quality and quantity and without destroying critical habitat, development at a denser rate would assuredly radically change and potentially deteriorate the community character of the Region and its constituent communities of place. Some of the adverse impacts of further suburban development can be mitigated through site development standards, *e.g.* cluster requirements and rural design requirements. However, at some point the character and pace of suburban development, if left unchecked, will erode the character of existing communities of place, and traffic will overwhelm local road system capacity.

A central element of the required resource assessment is an understanding of the definition of the essential character and function of the Highlands Region. According to the terms of the Act, this includes:

- The quantity and quality of water resources in the Region including the potable water needs of more than 4 million people who do not live within the Region;
- Large areas of contiguous forest lands;
- Critical habitat;
- Agriculture and historic resources; and
- Natural, scenic, and other resources of the Highlands Region.

Implicit in the Act are the distinctive community characters of the towns and counties in the Region because of their importance to the residents of the Region and their centrality to the resource values of the Region as a whole.

Another factor which affects the amount of development which can be supported is transportation. Mobility is vital to the success of any community and in the Highlands, like most of the United States, the private automobile is the primary source of transportation. Any assessment of the development capacity of the Highlands Region must consider the dynamic nature of traffic and road capacity. Although engineers like to speak in terms of levels of service (A to F), the reality is that the quality of life aspects of transportation involve more than quantitative analyses of road capacity at some prescribed level of service and the average

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number of trips generated by a unit of development. For example, intact historic towns and villages routinely fail to meet the engineer's level of service standards, particularly during peak hours. Nevertheless in such situations, the value of community character outweighs the inconvenience of delay, particularly when the view from the car is a traditional town where the people on the sidewalks and in the stores are friends and neighbors. Studies from around the country show that in the main, Americans select the character of a route over the speed and convenience of a route. In addition, trip-making behavior is not the fixed statistic of the traffic engineer. Where the trip to town is slow because of capacity constraints, residents make good use of a single trip instead of making multiple trips to town. Indeed, capacity constraints encourage multiple purpose trips where a shopper walks to several different shops from a single parking space, a circumstance which supports traditional town character and values. It is essential that provision be made for the movement of emergency vehicles during peak hours of congestion, but there are usually ways to assure access without subordinating community character to the private automobile. That does not mean that traffic congestion is not problematic, but rather to say that the transportation calculus involves more than trip generation rates and highway capacity.

The amount and type of development which can be supported varies according to location and community character. For example, the Act limits the capacity of undeveloped lands in the Preservation Area to existing uses, vested development rights, and agriculture. Similarly, capacity for additional development in previously developed portions of the Preservation Area is limited to areas where at least 70% of the land area is covered with impervious surfaces, and also limited by the pull back of sewer service areas to areas with utility pipes in the ground. Finally, additional development in the Highlands Region is limited by the reality that there is little vacant land that would meet the requirements of the Act to have at least 70% coverage with impervious surfaces as available for infill development. Consequently, future redevelopment potential is primarily in the form of redevelopment constrained by local community character values, availability of potable water capacity, environmentally sensitive areas, and capacity of roads or transit to support additional trips or riders.

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The amount of vested development rights in undeveloped lands in the Preservation Area is considerable in the context of historical growth rates. Data from land use modeling software indicates that there are over 22,000 parcels of land which are subject to an exemption for a single family dwelling on vacant land. While some of those parcels are land locked, located on steep slopes, or otherwise constrained so that as a matter of practical economics they are unlikely to be developed, the land supply constraints resulting from the implementation of the Highlands Act will foster the development of vested parcels over time.

The amount of development which could be accommodated within areas previously developed in the Preservation Area will vary according to the community character of municipalities and counties. The character and resource value of intact historic towns and villages are sensitive to infill and redevelopment and are likely to limit the amount of additional development. Several communities, that have initiated local revitalization efforts, such as Phillipsburg, Dover, Morristown, Boonton, Washington Borough, Stanhope, and Netcong Borough, offer potential opportunity for redevelopment, provided that water, sewer, and transportation capacity is available.

**Highlands By Design:
*A Vision of the Future***

The Highlands Regional Master Plan contemplates a future regional and community character that is a measured extension of the existing condition where the functional values of the land and water resources of the Region are maintained, and wherever possible, restored and enhanced; and regional and community character are also maintained and enhanced. The Highlands Regional Master Plan provides for a planned future of the Highlands Region which is governed by five fundamental principles:

1. Protection of the resources of the natural and built environment, including land and water resources;
2. Restoration and enhancement of those aspects of the natural and built environment which have been compromised by prior use and development;

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3. Maintenance and enhancement of the fiscal and economic viability of the Region and its constituent communities;
4. Equitable distribution of the benefits and burdens of the implementing the Highlands Regional Master Plan among all affected interests; and
5. Ensurance that new growth and development is organic to its environment, harmonious with historical settlement patterns, compatible with the history, and character of the regional communities of place.

These principles are applicable to both the Preservation Area and the Planning Area, however, the treatment of these two areas in the Highlands Act dictates differing approaches to implementation of the programs of the Highlands Regional Master Plan.

Section 10 of the Highlands Act outlines the goals of the Highlands Regional Master Plan with respect to the entire region, illustrated by Region-wide goals for both the Preservation Area and Planning Area (Table 1). More protective goals that promote preservation of Region's unique resources are outlined specific to the Preservation Area, while goals that promote a balance of environmental protection and sound land use planning are outlined specific to the Planning Area.

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Table 1. Highlands Act mandated goals for the Preservation Area and Planning Area (Table 1).

| Region-wide Goals for Preservation Area and Planning Area | |
|---|--|
| Protect, restore, and enhance the quality and quantity of surface and ground waters Preserve farmland and historic sites and other historic resources Preserve outdoor recreation opportunities, including hunting and fishing, on publicly owned land Promote conservation of water resources Promote brownfield remediation and redevelopment | |
| Goals Specific to Preservation Area | Goals Specific to Planning Area |
| Preserve extensive and, to the maximum extent possible, contiguous areas of land in its natural state, thereby ensuring the continuation of Highlands environment which contains the unique and significant natural, scenic, and other resources representative of the Highlands Region | Preserve to the maximum extent possible any environmentally sensitive lands and other lands needed for recreation and conservation purposes. |
| Protect the natural, scenic, and other resources of the Highlands Region, including, but not limited to contiguous forests, wetlands, vegetated stream corridors, steep slopes, and critical habitat for fauna and flora | Protect and maintain the essential character of the Highlands environment |
| Promote compatible agricultural, horticultural, recreational, and cultural, uses and opportunities within the framework of protecting the Highlands environment | Promote the continuation and expansion of agricultural, horticultural, recreational, and cultural uses and opportunities |
| Prohibit or limit to the maximum extent possible construction or development which is incompatible with preservation of this unique area | Encourage, consistent with the State Development and Redevelopment Plan and smart growth strategies and principles, appropriate patterns of compatible residential, commercial, and industrial development, redevelopment, and economic growth, in or adjacent to areas already utilized for such purposes, and discourage piecemeal, scattered, and inappropriate development, in order to accommodate local and regional growth and economic development in an orderly way while protecting the Highlands environment from the individual and cumulative adverse impacts thereof |
| | Promote a sound, balanced transportation system that is consistent with smart growth strategies and principles and which preserves mobility in the Highlands Region |

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The Preservation Area

The planned future of the Highlands Region in the Preservation Area, outlined through the Preservation Area goals in Table 1, is for all practical purposes the Highlands Region of today, a remarkable blend of natural resources and built environment which is a critical potable water source for the State of New Jersey.

Future Land Use

The Preservation Area

In keeping with the goals for the Preservation Area mandated by the Act, the Highlands Regional Master Plan provides that new land uses in the Preservation Area be limited to:

- Land uses exempt from the provisions of the Highlands Act;
- Appropriate agricultural uses and activities;
- Very limited rural residential development or compact, existing center-based redevelopment; and
- Brownfield remediation and redevelopment.

In addition, the Highlands Regional Master Plan recognizes that regional and community character are more than what is developed, they are also defined by how development is undertaken. A single family dwelling on a ten acre, forested lot along a local tree-lined road in a neighborhood surrounded by steep slopes, is different in terms of community character and regional character from a single family house on a one acre lot separated from the road only by a manicured lawn. Although both types of development exist in Highlands Region landscapes, the former predominates and defines community character. Eventually, new construction in the form of smaller-lot development that is not sensitive to surrounding land types diminishes the character of the former, resulting in a loss of cumulative community character. This ultimately diminishes the significance of the landscape at a regional level. Consequently, the Highlands Regional Master Plan provides programs to ensure that new growth and development is compatible with the regional and local community character of the Region.

The Highlands Regional Master Plan also includes incentive programs intended to encourage

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exempted development to voluntarily comply with the goals, policies, objectives, and programs of the Plan where ever possible.

The Highlands Regional Master Plan recognizes that the integrity of natural resources, especially water quality and quantity is critically important to the Region. The Highlands Regional Master Plan provides protection for these resources and provides guidance for how growth and development must be carefully controlled to ensure that they do not adversely affect the integrity of the Region’s resources.

The Planning Area

In addition to Region-wide goals, the Highlands Act sets forth goals specific to the Planning Area (Table 1). While mandating the protection, restoration and enhancement of the quality and quantity of surface and ground waters, the Act requires that the Highlands Regional Master Plan provide for new growth opportunities in the Planning Area that:

- Promote the continuation and expansion of agricultural, horticultural, recreational, and cultural uses;
- Promote brownfield remediation and redevelopment;
- Encourage, consistent with the State Development and Redevelopment Plan and smart growth strategies appropriate patterns of compatible residential, commercial and industrial development, redevelopment and economic growth while discouraging sprawl; and
- Promote a sound and balanced transportation system consistent with smart growth strategies.

The Highlands Regional Master Plan contemplates that development and redevelopment within the Planning Area incorporate development rights transferred from lands in the Preservation Area which in order to mitigate any disproportionate burden imposed on Preservation Area landowners. The Highlands Regional Master Plan provides for a variety of incentive programs to encourage municipalities within the Planning Area to implement the goals, policies and objectives of the Plan and to conform to the Highlands Regional Master Plan.

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The Highlands Regional Master Plan encourages municipalities in the Planning Area to adopt and implement programs contained in the Plan with regard to protection and enhancement of the natural environment, and restrictions on the number and location of septic tanks in order to ensure that new growth and development is consistent with the goals, policies and objectives of the Highlands Regional Master Plan and the community character of constituent municipalities.

The Highlands Regional Master Plan recognizes that community character within the Planning Area is an important part of the regional character of the Highlands Region. To this end, the Highlands Regional Master Plan includes detailed programs to promote development and redevelopment within the Planning Area which is compatible with that character.

Region-wide Elements

Although the Highlands Act divides the Highlands Region into two distinct sub-areas, the Preservation Area and the Planning Area, the reality is that the elements of the natural and built environment do not stop at jurisdictional boundaries, and do affect the entire Region. The Region-wide goals in Table 1 illustrate these elements while the goals specific to the Preservation Area and Planning Area reflect similarities in concept and intent.

Protection of Natural Resources

The Highlands Regional Master Plan accounts for the Region-wide goal of protecting water resources by providing guidance and programs for the protection, restoration, and enhancement of surface and ground water quality. The Plan also accounts for the goals of protecting that Region's natural resources through guidance for the protection of natural and scenic resources, including forests, wetlands, riparian areas, steep slopes, and critical habitat.

Agriculture

The Highlands Act and the Highlands Regional Master Plan recognize that agriculture is an important element of the economy, history, and essential character of the Region which should be protected and enhanced. The Plan outlines programs to promote compatible agriculture in the Preservation Area and

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to promote and expand it in the Planning Area. Programs include opportunity to capitalize on agriculture as a component of new economic initiatives with regard to eco- and agricultural tourism. In addition, the Plan gives priority to agriculture with regard to available water capacity.

Historic, Cultural and Scenic Resources

The Highlands Regional Master Plan recognizes that historic, cultural, and scenic resources are important elements of the essential character of the Region. Protection and enhancement of these resources is critical to the long term integrity of the Region and the Plan provides multiple programs for the protection and enhancement of these resources.

Transportation

The Highlands Regional Master Plan recognizes that mobility is a key element of the character of the Region and includes a goal in the Planning Area for the promotion of sound, balanced transportation system that is consistent with smart growth strategies and principles. Limited access has to a large extent defined the character and function of the Region. The Highlands Regional Master Plan provides that future transportation, to the maximum extent practicable, should be directed at: 1) advocating for transportation investments that limit inter-regional transportation improvements to forms of transportation other than single occupant automobiles, and 2) improving intra-regional movement of people and goods in ways that maintain community character

The Highlands Regional Master Plan recognizes that transportation is a two-edged sword. Efficient mobility is critical to the social, cultural and economic success of every community. At the same time, new roads which expand an area's capacity for inter-regional movements, can result in unintended consequences, including road widening which adversely affects the character of communities of place or opens up previously inaccessible rural lands for development which impairs the function and character of the landscape. The Highlands Regional Master Plan provides for future mobility improvements which enhance intra-regional movement of people and goods and discourages increases in inter-regional road capacity.

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Land Owner Equity

The Highlands Act anticipates that the economic impacts of the Highlands Act and the Highlands Regional Master Plan on the Preservation Area will be mitigated in a multi-faceted approach including a program of transferable development rights (TDRs) fee simple land preservation, and commitment to a dedicated preservation funding program.

The TDR concept involves the transfer of development rights from lands where new growth and development is severely constrained to areas where additional development will not have an adverse impact on the important natural resources of the Highlands Region. TDRs are a recognized program which have been used to mitigate the windfalls and wipeouts of resource planning and management programs in New Jersey and around the country. TDRs are not a panacea, but that they are a practical and useful way of mitigating the impact of new regulatory impositions on land owners.

The Highlands Regional Master Plan recognizes the importance of the resources of the Highlands Region to region itself, northern New Jersey and to the entire state, as well as to a nationally-recognized multi-state region. While the contemplated TDR program will mitigate some of the economic impacts of new programs, public acquisition of large contiguous tracts, particularly forested lands and critical habitat, is appropriate, desirable and equitable. The Plan encourages all agencies of the State of New Jersey, including the Legislature, to invest in the future of the State by funding land acquisition in the Highlands Region.

The Highlands Regional Master Plan recognizes the implementation challenges which attend the creation and operation of a TDR program and contemplates that additional action will be required if TDRs are to provide significant mitigation to Preservation Area land owners. Those actions include the creation of a development rights bank to make a market in TDRs. In addition, the Highlands Regional Master Plan recognizes that transferred development rights will best be accommodated if Highlands Region communities gain a dedicated source of funding to ensure adequate infrastructure to serve new growth and development using TDRs.

The Plan proposes that water users who do not share in the burdens of the implementation of the

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Highlands Regional Master Plan should pay a fair share of the cost of protecting the potable water supply, including funding for land owner equity programs and community redevelopment.

Fiscal and Economic Vitality of Highlands Communities

Ideally, the Highlands Regional Master Plan will create an environment of fiscal and economic sustainability for local communities, where the cost of municipal services is comfortably aligned with available tax revenues. The Plan, however, recognizes there is no “free lunch” and that the extraordinary quality of life of the Region will require substantial revenues to support the level of services which are commensurate with character and quality of the Highlands communities.

Consequently, the impositions of the Highlands Regional Master Plan may affect the fiscal and economic integrity of Highlands Region communities in a number of ways and the Plan contemplates that those impacts should be mitigated to the maximum extent possible. Limitations on low density rural residential development may, enhance or mitigate a local government’s fiscal condition because of the high cost of providing municipal services to a dispersed landscape. On the other hand, limitations on future development are likely to constrain economic development and limit a local government’s ability to increase its tax base.

The Regional Master Plan contemplates a shift in perspective with regard to land and land use. The story of the modern settlement of America has been, to a large degree, a story of consumption where land was treated as a commodity “to be used and abused” and then to be discarded. For many years, the Highlands Region, as a consequence of history and geography has avoided that tendency however, recent developments suggested a trend which ignores the historical patterns of growth necessity of sustainable planning to meet the obligations to future generations.

The Highlands Regional Master Plan promotes a perspective that the land and waters of the Highlands are precious resources to be wisely and sustainably used and re-used. The Plan recognizes that implementation of the Highlands Act will affect the fiscal and economic well-being of local governments within the Region. The Plan establishes programs which encourage appropriate economic development

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activity within the Region as an important means of avoiding potential fiscal and economic impacts. The Plan includes a number of programs, some of which can be implemented without additional authority or funding and some which require additional resources in order to be realized. Implementation of these programs offer significant incentives for local governments within the Planning Area to conform with the Plan. The Plan also recognizes that implementation of the Highlands Act and the Highlands Regional Master Plan will benefit water users who do not reside in the Region and that it would be appropriate and beneficial to Highlands communities if those beneficiaries of implementation of the Highlands Regional Master Plan were to pay a fair share of the cost implementation, through user fees or other programs identified in the Plan.

Balancing Protection of Natural Resources and Built Environments

In order to protect natural resources and the built environment, it is necessary to address conditions and circumstances which are currently problematic, like watersheds where existing water use exceeds sustainable supply, septic systems have failed, and new growth and development has occurred in ways not consistent with the protection of environmentally sensitive areas or local community character. In addition, there are existing land uses which impose adverse impacts on a natural resources. The Highlands Regional Master Plan provides for incentive programs in the Preservation Area to encourage property owners and local communities to support remediation of existing problematic conditions. The Plan contemplates that in many cases, problematic circumstances or conditions in areas which have been previously developed could be addressed through redevelopment incentives and the use of TDRs.

Another important focus of the Highlands Regional Master Plan is the implementation of water conservation measures to address existing water availability constraints in order to allow additional development and redevelopment in watersheds with existing deficits and constraints. The Plan anticipates that water conservation measures will be a part of incentive programs for the use of TDRs or redevelopment in watersheds which have existing deficits or constraints.