

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

PRESENT

VIA TELECONFERENCE:

CARL J. RICHKO)	CHAIR
KURT ALSTED)	VICE CHAIR
TIMOTHY P. DOUGHERTY)	COUNCIL MEMBERS
MICHAEL R. DRESSLER)	
MICHAEL FRANCIS)	
ROBERT HOLTAWAY)	
BRUCE JAMES)	
MICHAEL SEBETICH)	
DAN VAN ABS)	
JAMES VISIOLI)	
RICHARD VOHDEN)	
ROBERT G. WALTON)	

CALL TO ORDER 180th meeting of the New Jersey Highlands Water Protection and Planning Council was called to order at 4:01pm via Zoom videoconference due to COVID-19.

ROLL CALL

Roll call was taken. Member Dougherty was absent. All other Council Members were present via videoconference. *The following staff members were present via videoconference: Lisa J. Plevin, Christine LaRocca, James Humphries, Maryjude Haddock-Weiler, Keri Green, Corey Piasecki, Ranji Persaud, Herbert August, Annette Tagliareni, Carole Ann Diction, Kelley Curran, Karen Castanbas, and Tom Tagliareni. Also present via teleconference were Lauren Nathan-LaRusso, Senior Counsel, Governor's Authorities Unit; and Jason Kane, Deputy Attorney General (DAG).*

OPEN PUBLIC MEETINGS ACT was then recited.

PLEDGE OF ALLEGIANCE was then recited.

CHAIRMAN'S REPORT

Member Dougherty was present via videoconference at 4:06pm.

Chair Richko acknowledged the passing of Barbara Alstede, Vice Chair Alstede's wife. Chair Richko spoke on behalf of the Council and the Highlands Staff expressing deepest sympathy. Vice Chair Alstede thanked everyone for their condolences.

EXECUTIVE DIRECTOR'S (ED) REPORT

Ms. Plevin highlighted the following updates and staff activities:

COVID-19 Response

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

Chester Office Closure/Remote Work

Ms. Plevin reported that staff continues to work remotely and are fully functional.

Project Highlights

State Plan Endorsement of Regional Master Plan (RMP)

As mentioned prior, Ms. Plevin reported that the State Planning Commission (SPC) has endorsed the Highlands Regional Master Plan (RMP). This long-awaited action means that any municipality or county deemed by the Highlands Council to be in conformance with the RMP (whether previously or in future), is equivalently deemed to have received Plan Endorsement from the SPC. Staff recently sent an outreach letter to our municipalities and counties – highlighting all the benefits of this coordination.

Plan Conformance Updates

Ms. Plevin noted that at today's meeting Council will consider Washington Borough's Petition for Plan Conformance and staff will provide a presentation.

Municipally Issued Exemptions

Since the prior report, the Highlands Council has been notified of nine (9) municipally issued exemptions.

- West Milford Township, Passaic County: six exemption #5s.
- Montville Township, Morris County: two exemption #5s.
- Byram Township, Sussex County: one exemption #4.

Project Review Updates

Ms. Plevin then reported on the following project review updates:

Water Quality Management Plan Amendment

Staff completed one (1) Water Quality Management Plan Amendment review for a proposed residential site in Jefferson Township, Morris County.

- The applicant is seeking a site-specific amendment to the Sussex County Water Quality Management Plan to convert the second floor of three existing office and retail buildings into 23 one-bedroom apartments. Because the project is located in the Lake Community Subzone of the Existing Community Zone, EO114 is not triggered and the project was determined to be not subject to Highlands Council Review.

Planning Area Consistency Reviews

Staff has reviewed two (2) Planning Area consistency reviews and began a third one.

- An applicant in Mahwah Township, Bergen County is planning to construct a parking storage area for an existing car dealership on an adjacent lot. Highlands Council staff found the project consistent with conditions.
- An applicant in Lebanon Borough, Hunterdon County is constructing 280 apartment units, 20% of which are affordable, in the designated Lebanon Borough Highlands Center. Highlands Council staff found the project consistent with conditions.
- An applicant in Clinton Town, Hunterdon County is proposing a residential development consisting of 56 units and 30,250 square feet of retail space divided into three pad sites. Highlands Council staff review is pending.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

Preservation Area Exemption HAD Review

Staff completed a Highlands Applicability Determination (HAD) for an Exemption 9 in the Preservation Area.

The project spans Bethlehem and Union Townships in Hunterdon County. The applicant is seeking an Exemption 9 to rehabilitate and improve safety on a portion of County Rt. 635 between Van Syckel Road and Mine Road in Bethlehem and Union Townships. Highlands Council staff found the project consistent with RMP.

Special Counsel Services RFQ

Ms. Plevin reported that on January 19, 2021 the Highlands Council issued a Request for Qualifications (RFQ) seeking qualified candidates to serve for a three-year period as Special Counsel for Highlands Act litigation. Proposals are being accepted through March 19, 2021. The RFQ is available on the Highlands Council website.

Ms. Plevin also mentioned that at the last Council meeting, the HDC Bank issued a request for proposals for technical assistance related to the establishment of a “municipal average value.” The deadline for responses is Friday, February 19th.

Personnel Updates

Ms. Plevin reported that the Highlands Council’s full-time Land Preservation Coordinator/Regional Planner position has been recently filled by Steven Simone. Steven comes to us from his recent position as Principal Planner for the County of Ocean Planning Department. He has over 8 years of experience in a wide range of planning responsibilities with the County. We are pleased to welcome Steve to our team and are excited to get him working on our Land Preservation programs as well as planning duties associated with plan conformance.

Additionally, Ms. Plevin reported that staff member Christina Petagna resigned her position as Resource Management Specialist in January. The position was posted to the Civil Service Commission and Highlands Council’s website and applications are being accepted through March 5.

Lastly, Ms. Plevin reported that the next Council Meeting is scheduled for March 18, 2021. *(Note: The March 18, 2021 meeting was cancelled after this meeting was held.)*

Chairman Richko asked Council members if they had any comments/questions regarding Ms. Plevin’s Report. The Council had no comments/questions.

APPROVAL OF HIGHLANDS COUNCIL MINUTES OF JANUARY 14, 2021

Chairman Richko asked for a motion on the Council Minutes of January 14, 2021.

Member Dressler made a motion to approve the Highlands Council Minutes of January 14, 2021. Member Francis seconded it.

A roll call vote was taken. The Highlands Council Minutes of January 14, 2021 were APPROVED 12-0.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

APPROVAL OF HIGHLANDS COUNCIL EXECUTIVE SESSION MINUTES OF JANUARY 14, 2021

Chairman Richko asked for a motion on the Council Executive Session Minutes of January 14, 2021.

*Member Dressler made a motion to approve the Highlands Council Executive Session Minutes of January 14, 2021.
Member Visioli seconded it.*

A roll call vote was taken. The Highlands Council Executive Session Minutes of January 14, 2021 were APPROVED 12-0.

PLAN CONFORMANCE COMMITTEE

Resolution - Approval of the Petition for Plan Conformance and Center Designation for the Borough of Washington, Warren County

Committee Chair Dressler reported that the Plan Conformance Committee met last week (February 10, 2021) and decided to move the Washington Borough Petition for Plan Conformance to the full Council.

At this time Corey Piasecki, Principal Planner, gave a presentation. The presentation may be found on Council website at the following link:

www.nj.gov/njhighlands/about/calend/2021/feb18/ppt_washington_boro.pdf

After the presentation, Mr. Piasecki asked if the Council had any questions. There were no questions at this time.

Chair Richko announced that Matt Hall, Washington Borough's Administrator, was present to make a comment.

Matt Hall, Borough Administrator, Washington Borough, Warren County – Mr. Hall thanked the Council for considering Washington Borough's Petition. Mr. Hall commented that the Borough is excited to come into conformance with the Highlands RMP and appreciates staff's assistance through this process.

Chairman Richko asked for a motion on the resolution.

Member Dressler made a motion. Member Van Abs seconded it.

Council Discussion

There was no Council discussion.

Public Comment

Julia Somers, New Jersey Highlands Coalition – Ms. Somers supported Washington Borough's Petition for Plan Conformance, but noted that there is a Superfund site in the town, which should be addressed.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

Hank Klumpp, Tewksbury, NJ - Mr. Klumpp asked if Washington Borough has a TDR receiving zone. Chair Richko responded that there is no receiving zone in the Borough. *[Editorial note: Mr. Klumpp actually spoke of a “sending district,” but it is understood that a municipality such as Washington Borough would be a receiving zone, not a sending area in a TDR program.]*

Council Comment

Member Walton asked why there isn't a receiving zone in Washington Borough. Ms. Plevin noted that the Borough is considering the potential for a TDR receiving zone. Mr. Piasecki added that included in the Borough Implementation Plan and Schedule (IPS) is funding for a Phase 1 TDR Analysis.

A roll call vote was taken. The resolution was APPROVED 11-1.

Resolution - Determination on Application for Highlands Redevelopment Area Designation for Township of Rockaway, Morris County, Block 22103, Lot 16

At this time, Keri Green, Science Manager, gave a presentation. The presentation may be found on Council website at the following link:

www.nj.gov/njhighlands/about/calend/2021/feb18/ppt_redev_cibao.pdf

After the presentation, Ms. Green asked if the Council had any questions.

Member Visioli asked how close the proposed project is to the C1 designated stream. Ms. Green responded that the project is outside the 300 foot buffer.

Committee Chair Dressler commented that the Plan Conformance Committee voted unanimously on the project to approve it and this project is an exact example for why we have waivers. The project results in de minimis disturbance to the area and provides additional jobs.

Member Vohden commented that this applicant is going through considerable expense to meet the standards required. Mr. Vohden added that it is a good application. Chair Richko agreed and indicated his support for the use of solar panels.

Chair Richko announced that professionals from T&M Associates were present to make a comment.

Ken Smith, Design Engineer, T&M Associates - Mr. Smith commented that Ms. Green did a great job explaining the project and its benefits and he had nothing to add.

Ericka Naklicki, T&M Associates - Ms. Naklicki reiterated that Ms. Green did a fabulous job presenting the overall project.

Chairman Richko asked for a motion on the resolution.

Member Dressler made a motion. Member Vohden seconded it.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

Council Comment

Member Van Abs commented that the reason the project is a good fit for the redevelopment area process. Member Van Abs added that the timeline for this project moved at lightning speed and wanted to commend the staff for their work with the applicant.

Public Comment

Julia Somers, New Jersey Highlands Coalition – Ms. Somers commented that there is one other benefit and that is the easement that will be placed over most of the environmental resources on the site. Ms. Somers added that the Coalition supports this redevelopment area proposal.

Council Comment

Member James asked Christine LaRocca, Chief Counsel, to phone him regarding a potential conflict of interest with this project.

At this time Ms. Plevin thanked staff members Corey Piasecki and Keri Green for their presentations.

Member James returned to the meeting and recused himself due to a possible conflict of interest on this particular resolution.

A roll call vote was taken. The resolution was APPROVED 11-0.

AUDIT COMMITTEE

Resolution – Acceptance of Audit Report

Committee Chair Walton reported that the audit report had no deficiencies and everything was in order. Committee Chair Walton added that it was recommended by the Committee to have a different vendor conduct future audits for a second set of eyes and also noted that Mercadien does change its auditors each year. Committee Chair Walton concluded that the books are in proper order for Council's consideration.

Chairman Richko asked for a motion on the resolution.

Member Walton made a motion. Member James seconded it.

There was no Council discussion.

There was no Public comment.

A roll call vote was taken. The resolution was APPROVED 12-0.

OLD/NEW BUSINESS:

Member Vohden followed up on last month's discussion regarding receiving zones and the TDR program. Mr. Vohden said he was encouraged to participate in a briefing/informational session regarding the TDR

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

program with other Council members. Member Vohden attended that meeting and commented on a few points that he made at the last meeting. Member Vohden expressed his concerns with the current status of the Highlands Council's TDR program and that no receiving zones have been established.

Chair Richko noted that it is not mandatory for towns to have receiving zones in the Highlands, as it is in the Pinelands.

Ms. Plevin added that briefings were held with several Council members to bring them up to speed on the TDR Program.

Christine LaRocca, Chief Counsel clarified that the Council has met its obligations under Highlands Act with respect to TDR.

Member Walton offered additional comments on Member Vohden's statements.

At this time, Member James indicated he would be leaving the meeting.

Member James left the meeting at 5:05pm.

Ms. Plevin suggested that the appropriate committee to discuss this issue is the RMP Amendment Committee.

Member Vohden indicated that he had not finished with his comments and continued. Member Vohden then made a motion to instruct the Executive Director to have staff recommend and identify 4% of the planning area as receiving zone.

There was no second and discussion continued.

Member Dressler suggested that Member Vohden's written statement be presented to the Council so a satisfactory decision may be made. Chair Richko asked Member Vohden to forward his comments to Ms. Plevin.

Member Van Abs referred to the Highlands Act and expressed his belief that going into committee is appropriate for a report back to the Council on next steps.

Vice Chair Alstede observed that Members Dressler and Vohden are on the RMP Amendment Committee and added that it is healthy to do a review and report back to Council.

Member Vohden noted that he will submit his comments for the record.

Chair Richko noted that this discussion will continue with the RMP Amendment Committee.

On another topic, Member Francis gave an update of the Harmful Algal Blooms (HABs) issue on Lake Hopatcong. Member Francis noted that he has a virtual meeting with new NJDEP leadership on February 23rd. Member Francis stated that he will continue to keep the Council posted on the largest lake in New Jersey.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

Chair Richko noted that Greenwood Lake is also working with Lake Hopatcong Commission on this issue.

Member Walton commented on how the Council has always worked well together and expressed his dissatisfaction with Member James's departure from the meeting.
Chairman Richko opened the meeting to the public for any other comments.

Public Comment

Hank Klumpp, Tewksbury, NJ - Mr. Klumpp expressed his condolences to Vice Chair Alstede on his wife's passing. Mr. Klumpp also acknowledged the passing of Deborah Post. Chair Richko responded that the Council was aware of Ms. Post's passing, her obituary had been forwarded to the Council by the Executive Director and they will hold her in our thoughts. Mr. Klumpp also commented on Member Vohden's comments regarding the TDR Program and asked how much has been spent to get Washington Borough to where they are today. Mr. Klumpp submitted (via hard mail) his January 14 comments for the record.

David Shope, Lebanon Township – Mr. Shope commented on the SPC Endorsement and if they said anything about the TDR Program. Mr. Shope also inquired if Highlands applicants can provide developers with funds necessary to have a level playing field.

Mike Inganamort, Chester Township - Mr. Inganamort thanked Ms. Plevin for her response to his request for a policy change regarding swapping impervious surface limits between municipally owned lands and confirmed that the policy change needs to come from the NJDEP.

Council Comment

Vice Chair Alstede noted that he raised Mr. Inganamort's comment to Council's Executive Director in the past and perhaps the RMP Amendment Committee can discuss this as well.

Chair Richko asked for a motion to adjourn the meeting.

Member Dressler made a motion to adjourn the meeting. Member Walton seconded it. All were in favor. The meeting was adjourned at 5:37pm.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
MEETING MINUTES OF FEBRUARY 18, 2021

CERTIFICATION

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

Date: 04/15/2021

Name: Annette Tagliareni
Annette Tagliareni, Executive Assistant

Vote on the Approval of Minutes	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler			√			
Councilmember Francis			√			
Councilmember Holtaway	√		√			
Councilmember James			√			
Councilmember Sebetich			√			
Councilmember Van Abs			√			
Councilmember Visioli		√	√			
Councilmember Vohden			√			
Chairman Richko			√			



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.nj.gov/njhighlands



PHILIP D. MURPHY
Governor

CARL J. RICHKO
Chairperson

SHEILA Y. OLIVER
Lt. Governor

LISA J. PLEVIN
Executive Director

MEETING AGENDA Thursday, February 18, 2021 at 4pm

Join Zoom Meeting:

<https://zoom.us/j/95103354877>

Audio only:

Dial: 1-929-436-2866

Meeting ID: 951 0335 4877

Participant ID: when prompted for a participant ID, press #

1. CALL TO ORDER
2. ROLL CALL
3. OPEN PUBLIC MEETINGS ACT STATEMENT
4. PLEDGE OF ALLEGIANCE
5. CHAIR'S REPORT
6. EXECUTIVE DIRECTOR'S REPORT
7. APPROVAL OF HIGHLANDS COUNCIL MINUTES – January 14, 2021
8. APPROVAL OF HIGHLANDS COUNCIL EXECUTIVE SESSION MINUTES – January 14, 2021
9. PLAN CONFORMANCE COMMITTEE – Michael Dressler
 - a. CONSIDERATION OF RESOLUTION – Approval of the Petition for Plan Conformance and Center Designation for The Borough of Washington, Warren County (*voting matter with public comment*)
 - b. CONSIDERATION OF RESOLUTION – Determination on Application for Highlands Redevelopment Area Designation for Township of Rockaway, Morris County, Block 22103, Lot 16 (*voting matter with public comment*)
10. AUDIT COMMITTEE – Rob Walton
 - CONSIDERATION OF RESOLUTION – Acceptance of Audit (*voting matter with public comment*)
11. OLD & NEW BUSINESS
12. PUBLIC COMMENTS (*to ensure ample time for all members of the public to comment, we will respectfully limit comments to three (3) minutes. Questions raised in this period may not be responded to at this time but, where feasible, will be followed up by the Council and its staff.*)
13. EXECUTIVE SESSION, *if deemed necessary*
14. ADJOURN

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the New Jersey Highlands Region (Highlands Region) is an area of over 859,358 acres that consists of 88 municipalities in parts of seven counties – Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex and Warren; and

WHEREAS, the New Jersey Legislature found that the Highlands Region is an essential source of drinking water, providing clean and plentiful drinking water for one-half of the population of the State of New Jersey, and also contains other exceptional natural resources such as clean air, contiguous forest lands, agricultural lands, wetlands, pristine watersheds, and habitat for fauna and flora, as well as sites of historic significance and recreational opportunities; and

WHEREAS, the Legislature found that the Highlands Region also provides a desirable quality of life and place where people live and work, that it is important to ensure the economic viability of Highlands communities and that residential, commercial, and industrial development, redevelopment, and economic growth in certain appropriate areas of the Highlands are also in the best interests of all the citizens of the State, providing innumerable social, cultural, and economic benefits and opportunities; and

WHEREAS, the Legislature found that the Highlands Region contains agricultural lands in active production and that these lands are important resources of the State that should be preserved, that the agricultural industry in the Region is a vital component of the economy, welfare, and cultural landscape of the Garden State and that maintenance of agricultural production and a positive agricultural business climate should be encouraged to the maximum extent possible; and

WHEREAS, the Legislature found that the pace of development in the Highlands Region has dramatically increased, that the Region, because of its proximity to rapidly expanding suburban areas, is at serious risk of being fragmented and consumed by unplanned development and that the existing land use and environmental regulation system cannot protect the water and natural resources of the Highlands against the environmental impacts of sprawl development; and

WHEREAS, deeming protection of the Highlands Region an issue of State level importance, the Legislature enacted the Highlands Water Protection and Planning Act, N.J.S.A. 13:20-1 et seq. (Highlands Act), to establish a regional approach to land use planning for the Highlands Region; and

WHEREAS, the Highlands Act delineates two areas in the Highlands Region: a Preservation Area, containing approximately 415,000 acres, and a Planning Area, containing approximately 445,000 acres; and

WHEREAS, the Legislature created a public body corporate and politic with corporate succession known as the Highlands Water Protection and Planning Council (Highlands Council) to advance a new regional approach to land use planning and to prepare a Regional Master Plan to protect and enhance the significant values of the Highlands resources throughout the entire Highlands Region; and

WHEREAS, the Preservation Area is an area with exceptional natural resource value that should be subject to stringent water and natural resource protection standards, policies, planning and regulation; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Planning Area is the area outside of the Preservation Area that should likewise be part of a comprehensive planning approach that serves to protect the water and other significant resources of the entire Highlands Region while also accommodating appropriate patterns of development, redevelopment and economic growth; and

WHEREAS, the Highlands Act establishes development goals in the Preservation Area, to prohibit or limit, to the maximum extent possible, construction or development which is incompatible with the Preservation Area; and

WHEREAS, the Highlands Act establishes development goals in the Planning Area, to 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 to 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 individual and cumulative adverse impacts; and

WHEREAS, the Highlands Act creates a bifurcated system for municipal conformance with the Regional Master Plan – mandatory Plan Conformance for any portion of a municipality located wholly or partially in the Preservation Area and voluntary Plan Conformance for the municipalities with lands wholly in the Planning Area or for any portion of a municipality lying within the Planning Area; and

WHEREAS, Section 14 of the Highlands Act expressly requires mandatory Plan Conformance where municipalities, located wholly or partially in the Preservation Area, must revise and conform their local master plan and development regulations, as they relate to development and use of land in the Preservation Area, with the goals, requirements and provisions of the Regional Master Plan; and

WHEREAS, Section 15 of the Highlands Act provides for voluntary Plan Conformance where any municipality located wholly or partially in the Planning Area may voluntarily revise and conform their local master plans and development regulations, as they relate to the development and use of land in the Planning Area, with the goals, requirements and provisions of the Regional Master Plan at any time; and

WHEREAS, pursuant to Sections 14 and 15 of the Highlands Act, the Highlands Council shall approve, reject, or approve with conditions the revised plan and development regulations, as it deems appropriate, after public hearing, within 60 days after the date of submission thereof; and

WHEREAS, the Highlands Act provides that an approval of a Petition for Plan Conformance entitles the conforming municipality with specific benefits including planning grants, technical assistance, state aid, priority for projects, tax stabilization funds, a strong presumption of validity and extraordinary deference in the event of legal challenge, and legal representation; and

WHEREAS, the Highlands Council adopted Highlands Plan Conformance Procedures as an update to the Regional Master Plan as Addendum 2019-2 that provide guidelines for the submission, review, and approval of municipal and county Petitions for Plan Conformance; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Plan Conformance Procedures contained in Addendum 2019-2 provide a process for Plan Conformance requiring the submission of plans and regulations that are immediately necessary to ensure protection of the Highlands resources and resource areas with more complex tasks to be completed in accordance with an Implementation Plan and Schedule as a condition of Plan Conformance; and

WHEREAS, Section 18 of the Highlands Act obligates the Highlands Council to establish a grant funding program to reimburse municipalities for reasonable expenses associated with Plan Conformance; and

WHEREAS, on December 18, 2008, the Highlands Council approved Resolution 2008-73 to provide grant funding for Highlands municipalities to cover the reasonable expenses associated with revisions to master plans, development regulations or other regulations to conform them to the Regional Master Plan; and

WHEREAS, under Resolution 2008-73, the Highlands Council authorized the Executive Director to develop and implement a process for the solicitation and distribution of the Plan Conformance Grants; and

WHEREAS, Washington Borough is located in Warren County and the full extent of its 1,259 acres lies within the Highlands Region Planning Area; and

WHEREAS, on October 26, 2020, Washington Borough submitted a Petition for Plan Conformance and Center Designation including a resolution for all lands lying in the Planning Area; and

WHEREAS, the Highlands Council analysis determined that the proposed designation of a Highlands Center within Washington Borough, which is intended to advance the goals and intent of both the Washington Borough Master Plan and the RMP, is appropriate; and

WHEREAS, on November 23, 2020, the Highlands Council staff deemed the Petition for Plan Conformance and Center Designation administratively complete, and on the same day, posted the Petition documents on the Highlands Council website and thereafter commenced staff review of the Petition for consistency with the Regional Master Plan; and

WHEREAS, on November 23, 2020, the Highlands Council provided Washington Borough with a Draft Consistency Review and Recommendations Report, which provides the staff's assessment of the Petition for Plan Conformance, the level of conformance with the Regional Master Plan, and recommendations for any further actions necessary for Plan Conformance; and

WHEREAS, on November 23, 2020, the Highlands Council staff completed the Draft Consistency Review and Recommendations Report and posted a Public Notice, the Draft Consistency Review and Recommendations Report, and the complete Petition documents on the Highlands Council website for a public review and comment period with written comments due on or before December 23, 2020; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Highlands Implementation Plan and Schedule includes a detailed accounting of the existing Plan Conformance grants and the allocation of additional grant funding in order to address the Highlands Act requirements for Plan Conformance funding; and

WHEREAS, no public comments on the Petition documents were received; and

WHEREAS, on February 12, 2020, the Highlands Council posted the Final Consistency Review and Recommendations Report and Draft Highlands Implementation Plan and Schedule on the Highlands Council website; and

WHEREAS, on February 18, 2021, the Highlands Council held a public hearing on the Borough of Washington Petition for Plan Conformance and provided an opportunity for public comment; and

WHEREAS, the Highlands Council accepts the staff recommendation as stated in the Final Consistency Review and Recommendations Report; and

WHEREAS, according to the Highlands Act and the Plan Conformance Procedures, Washington Borough's compliance with an approved Final Consistency Review and Recommendations Report shall maintain the Borough's status as conforming to the Regional Master Plan and all statutory benefits associated with Plan Conformance; and

WHEREAS, pursuant to N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

NOW, THEREFORE, BE IT RESOLVED that the Highlands Council hereby approves Washington Borough's Petition for Plan Conformance and Center Designation with conditions, as set forth in the Final Consistency Review and Recommendations Report; and

BE IT FURTHER RESOLVED, that the Executive Director or designee is authorized to make any amendments and publicly release the Final Consistency Review and Recommendations Report, Highlands Implementation Plan and Schedule, and amend the Plan Conformance Grant Agreement consistent with direction from the Highlands Council and the Department of the Treasury, to properly effectuate the intent of the Council and thereafter execute the Report and Schedule on behalf of the Council; and

BE IT FURTHER RESOLVED, that Washington Borough is hereby entitled to the statutory benefits associated with Plan Conformance and Center Designation as detailed in the Highlands Act, the Regional Master Plan and the Plan Conformance Procedures in Addendum 2019-2, so long as Washington Borough remains in conformance with the Regional Master Plan and to the extent such funds are made available by the State; and

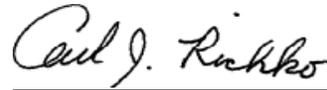
BE IT FURTHER RESOLVED, the Executive Director or designee is authorized, consistent with direction from the Council, to oversee and monitor Washington Borough's compliance with this Resolution and to take any and all action necessary in coordination with the Highlands Council.

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 18th day of February 2021.



Carl J. Richko, Chairman

Vote on the Approval of The Resolution	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler	√		√			
Councilmember Francis			√			
Councilmember Holtaway			√			
Councilmember James			√			
Councilmember Sebetich			√			
Councilmember Van Abs		√	√			
Councilmember Visioli			√			
Councilmember Vohden			√			
Councilmember Walton				√		
Chairman Richko			√			

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the New Jersey Highlands Region (Highlands Region) is an area of over 859,358 acres that consists of 88 municipalities in parts of seven counties – Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex and Warren; and

WHEREAS, the New Jersey Legislature found that the Highlands Region is an essential source of drinking water, providing clean and plentiful drinking water for one-half of the population of the State of New Jersey, and also contains other exceptional natural resources such as clean air, contiguous forest lands, agricultural lands, wetlands, pristine watersheds, and habitat for fauna and flora, as well as sites of historic significance and recreational opportunities; and

WHEREAS, the Legislature found that the Highlands Region also provides a desirable quality of life and place where people live and work, that it is important to ensure the economic viability of Highlands communities and that residential, commercial, and industrial development, redevelopment, and economic growth in certain appropriate areas of the Highlands are also in the best interests of all the citizens of the State, providing innumerable social, cultural, and economic benefits and opportunities; and

WHEREAS, the Legislature found that the Highlands Region contains agricultural lands in active production and that these lands are important resources of the State that should be preserved, that the agricultural industry in the Region is a vital component of the economy, welfare, and cultural landscape of the Garden State and that maintenance of agricultural production and a positive agricultural business climate should be encouraged to the maximum extent possible; and

WHEREAS, the Legislature found that the pace of development in the Highlands Region has dramatically increased, that the Region, because of its proximity to rapidly expanding suburban areas, is at serious risk of being fragmented and consumed by unplanned development and that the existing land use and environmental regulation system cannot protect the water and natural resources of the Highlands against the environmental impacts of sprawl development; and

WHEREAS, deeming protection of the Highlands Region an issue of State level importance, the Legislature enacted the Highlands Water Protection and Planning Act, N.J.S.A. 13:20-1 et seq. (Highlands Act), to establish a regional approach to land use planning for the Highlands Region; and

WHEREAS, the Highlands Act delineates two areas in the Highlands Region: a Preservation Area, containing approximately 415,000 acres, and a Planning Area, containing approximately 445,000 acres; and

WHEREAS, the Legislature created a public body corporate and politic with corporate succession known as the Highlands Water Protection and Planning Council (Highlands Council) to advance a new regional approach to land use planning and to prepare a Regional Master Plan to protect and enhance the significant values of the Highlands resources throughout the entire Highlands Region; and

WHEREAS, the Preservation Area is an area with exceptional natural resource value that should be subject to stringent water and natural resource protection standards, policies, planning and regulation; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Planning Area is the area outside of the Preservation Area that should likewise be part of a comprehensive planning approach that serves to protect the water and other significant resources of the entire Highlands Region while also accommodating appropriate patterns of development, redevelopment and economic growth; and

WHEREAS, the Highlands Act establishes development goals in the Preservation Area, to prohibit or limit, to the maximum extent possible, construction or development which is incompatible with the Preservation Area; and

WHEREAS, the Highlands Act establishes development goals in the Planning Area, to 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 to 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 individual and cumulative adverse impacts; and

WHEREAS, the Highlands Act creates a bifurcated system for municipal conformance with the Regional Master Plan – mandatory Plan Conformance for any portion of a municipality located wholly or partially in the Preservation Area and voluntary Plan Conformance for the municipalities with lands wholly in the Planning Area or for any portion of a municipality lying within the Planning Area; and

WHEREAS, Section 14 of the Highlands Act expressly requires mandatory Plan Conformance where municipalities, located wholly or partially in the Preservation Area, must revise and conform their local master plan and development regulations, as they relate to development and use of land in the Preservation Area, with the goals, requirements and provisions of the Regional Master Plan; and

WHEREAS, Section 15 of the Highlands Act provides for voluntary Plan Conformance where any municipality located wholly or partially in the Planning Area may voluntarily revise and conform their local master plans and development regulations, as they relate to the development and use of land in the Planning Area, with the goals, requirements and provisions of the Regional Master Plan at any time; and

WHEREAS, pursuant to Sections 14 and 15 of the Highlands Act, the Highlands Council shall approve, reject, or approve with conditions the revised plan and development regulations, as it deems appropriate, after public hearing, within 60 days after the date of submission thereof; and

WHEREAS, the Highlands Act provides that an approval of a Petition for Plan Conformance entitles the conforming municipality with specific benefits including planning grants, technical assistance, state aid, priority for projects, tax stabilization funds, a strong presumption of validity and extraordinary deference in the event of legal challenge, and legal representation; and

WHEREAS, the Highlands Council adopted Highlands Plan Conformance Procedures as an update to the Regional Master Plan as Addendum 2019-2 that provide guidelines for the submission, review, and approval of municipal and county Petitions for Plan Conformance; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Plan Conformance Procedures contained in Addendum 2019-2 provide a process for Plan Conformance requiring the submission of plans and regulations that are immediately necessary to ensure protection of the Highlands resources and resource areas with more complex tasks to be completed in accordance with an Implementation Plan and Schedule as a condition of Plan Conformance; and

WHEREAS, Section 18 of the Highlands Act obligates the Highlands Council to establish a grant funding program to reimburse municipalities for reasonable expenses associated with Plan Conformance; and

WHEREAS, on December 18, 2008, the Highlands Council approved Resolution 2008-73 to provide grant funding for Highlands municipalities to cover the reasonable expenses associated with revisions to master plans, development regulations or other regulations to conform them to the Regional Master Plan; and

WHEREAS, under Resolution 2008-73, the Highlands Council authorized the Executive Director to develop and implement a process for the solicitation and distribution of the Plan Conformance Grants; and

WHEREAS, Washington Borough is located in Warren County and the full extent of its 1,259 acres lies within the Highlands Region Planning Area; and

WHEREAS, on October 26, 2020, Washington Borough submitted a Petition for Plan Conformance and Center Designation including a resolution for all lands lying in the Planning Area; and

WHEREAS, the Highlands Council analysis determined that the proposed designation of a Highlands Center within Washington Borough, which is intended to advance the goals and intent of both the Washington Borough Master Plan and the RMP, is appropriate; and

WHEREAS, on November 23, 2020, the Highlands Council staff deemed the Petition for Plan Conformance and Center Designation administratively complete, and on the same day, posted the Petition documents on the Highlands Council website and thereafter commenced staff review of the Petition for consistency with the Regional Master Plan; and

WHEREAS, on November 23, 2020, the Highlands Council provided Washington Borough with a Draft Consistency Review and Recommendations Report, which provides the staff's assessment of the Petition for Plan Conformance, the level of conformance with the Regional Master Plan, and recommendations for any further actions necessary for Plan Conformance; and

WHEREAS, on November 23, 2020, the Highlands Council staff completed the Draft Consistency Review and Recommendations Report and posted a Public Notice, the Draft Consistency Review and Recommendations Report, and the complete Petition documents on the Highlands Council website for a public review and comment period with written comments due on or before December 23, 2020; and

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

WHEREAS, the Highlands Implementation Plan and Schedule includes a detailed accounting of the existing Plan Conformance grants and the allocation of additional grant funding in order to address the Highlands Act requirements for Plan Conformance funding; and

WHEREAS, no public comments on the Petition documents were received; and

WHEREAS, on February 12, 2020, the Highlands Council posted the Final Consistency Review and Recommendations Report and Draft Highlands Implementation Plan and Schedule on the Highlands Council website; and

WHEREAS, on February 18, 2021, the Highlands Council held a public hearing on the Borough of Washington Petition for Plan Conformance and provided an opportunity for public comment; and

WHEREAS, the Highlands Council accepts the staff recommendation as stated in the Final Consistency Review and Recommendations Report; and

WHEREAS, according to the Highlands Act and the Plan Conformance Procedures, Washington Borough's compliance with an approved Final Consistency Review and Recommendations Report shall maintain the Borough's status as conforming to the Regional Master Plan and all statutory benefits associated with Plan Conformance; and

WHEREAS, pursuant to N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

NOW, THEREFORE, BE IT RESOLVED that the Highlands Council hereby approves Washington Borough's Petition for Plan Conformance and Center Designation with conditions, as set forth in the Final Consistency Review and Recommendations Report; and

BE IT FURTHER RESOLVED, that the Executive Director or designee is authorized to make any amendments and publicly release the Final Consistency Review and Recommendations Report, Highlands Implementation Plan and Schedule, and amend the Plan Conformance Grant Agreement consistent with direction from the Highlands Council and the Department of the Treasury, to properly effectuate the intent of the Council and thereafter execute the Report and Schedule on behalf of the Council; and

BE IT FURTHER RESOLVED, that Washington Borough is hereby entitled to the statutory benefits associated with Plan Conformance and Center Designation as detailed in the Highlands Act, the Regional Master Plan and the Plan Conformance Procedures in Addendum 2019-2, so long as Washington Borough remains in conformance with the Regional Master Plan and to the extent such funds are made available by the State; and

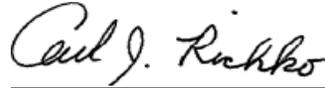
BE IT FURTHER RESOLVED, the Executive Director or designee is authorized, consistent with direction from the Council, to oversee and monitor Washington Borough's compliance with this Resolution and to take any and all action necessary in coordination with the Highlands Council.

RESOLUTION 2021-07

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL APPROVAL OF THE PETITION FOR PLAN CONFORMANCE AND CENTER DESIGNATION FOR THE BOROUGH OF WASHINGTON, WARREN COUNTY

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 18th day of February 2021.



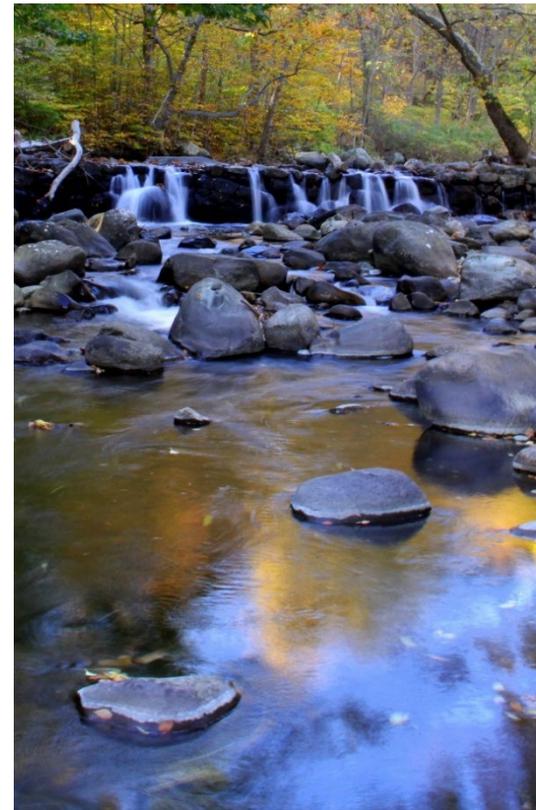
Carl J. Richko, Chairman

Vote on the Approval of The Resolution	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler	√		√			
Councilmember Francis			√			
Councilmember Holtaway			√			
Councilmember James			√			
Councilmember Sebetich			√			
Councilmember Van Abs		√	√			
Councilmember Visioli			√			
Councilmember Vohden			√			
Councilmember Walton				√		
Chairman Richko			√			



Highlands Council Meeting

February 18, 2021



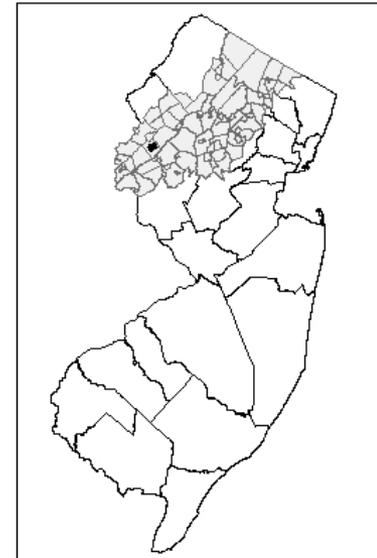
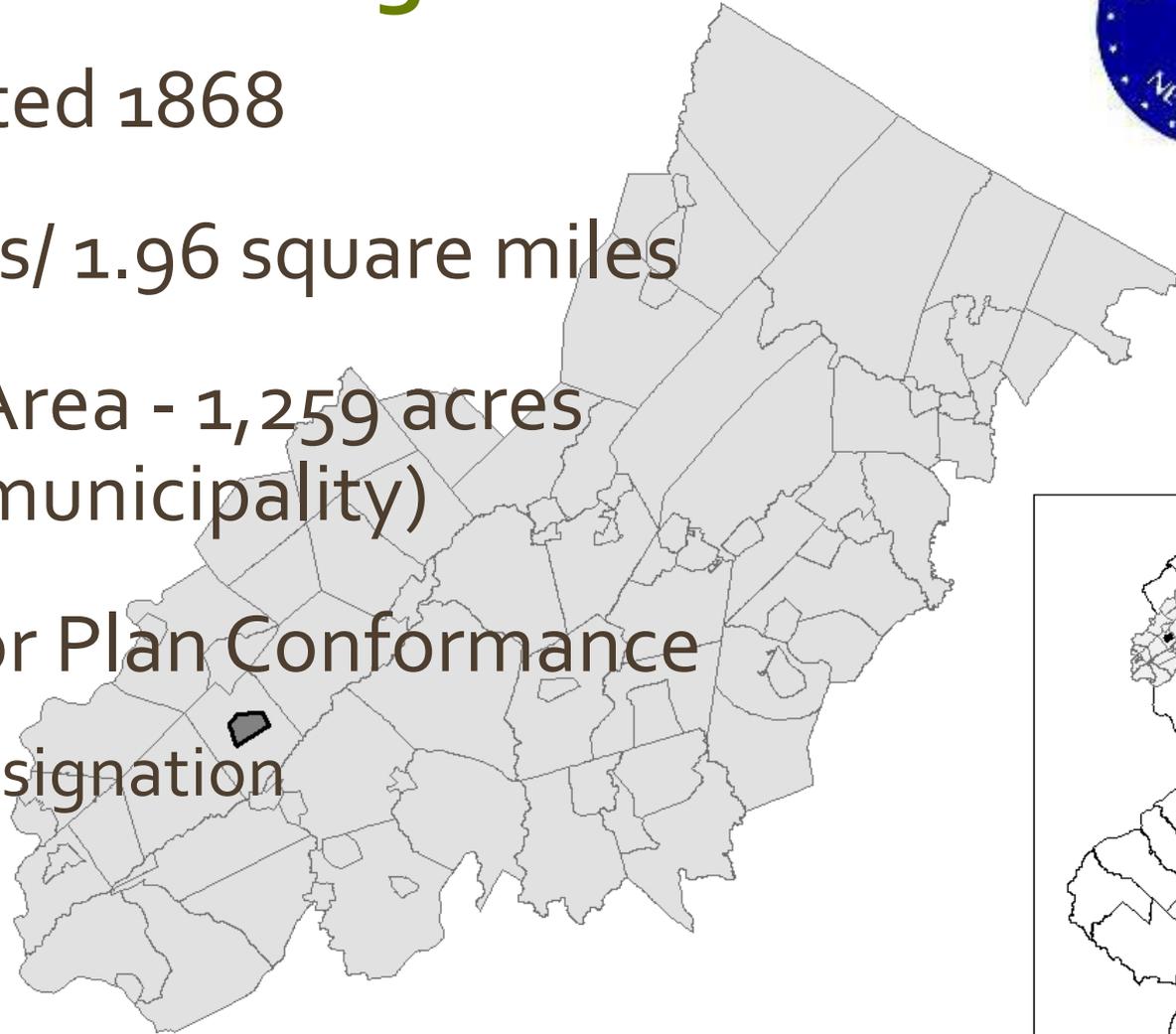
Washington Borough Petition for Plan Conformance and Center Designation



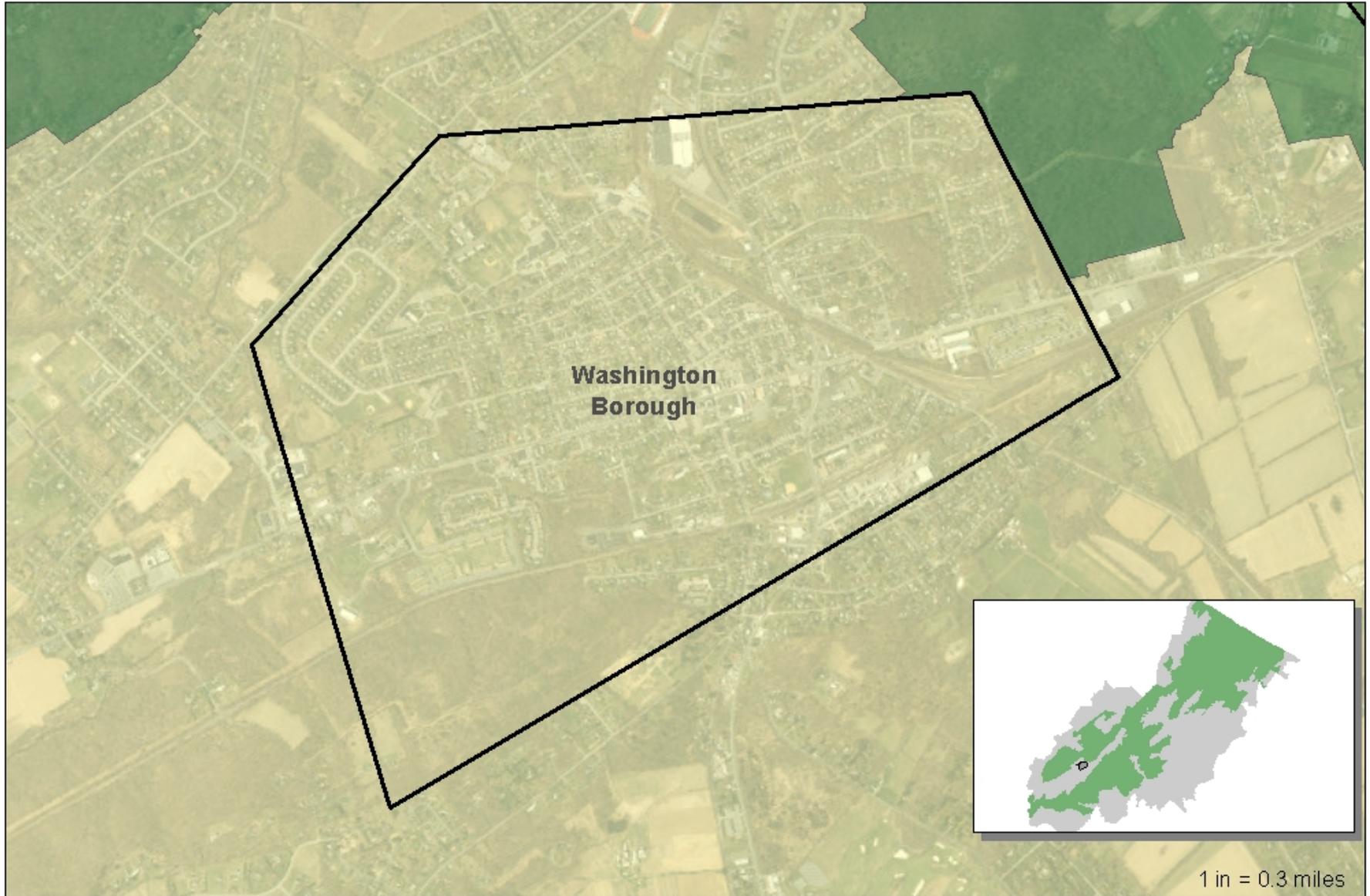
Washington Borough



- Incorporated 1868
- 1,259 acres/ 1.96 square miles
- Planning Area - 1,259 acres (100% of municipality)
- Petition for Plan Conformance
 - Center Designation



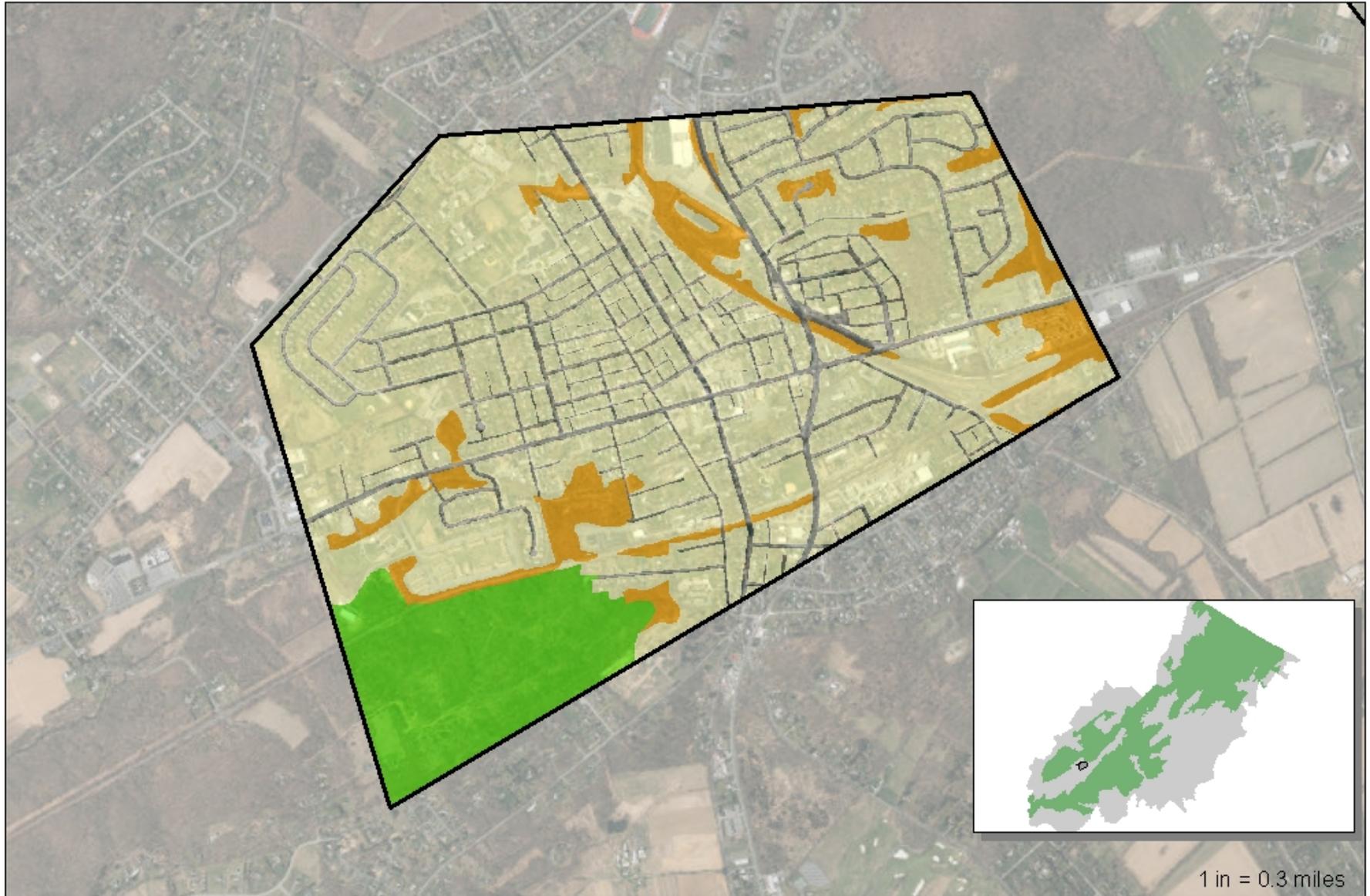
Washington Borough - Preservation Area



-  Municipal Boundaries
-  Highlands Planning Area
-  Highlands Preservation Area

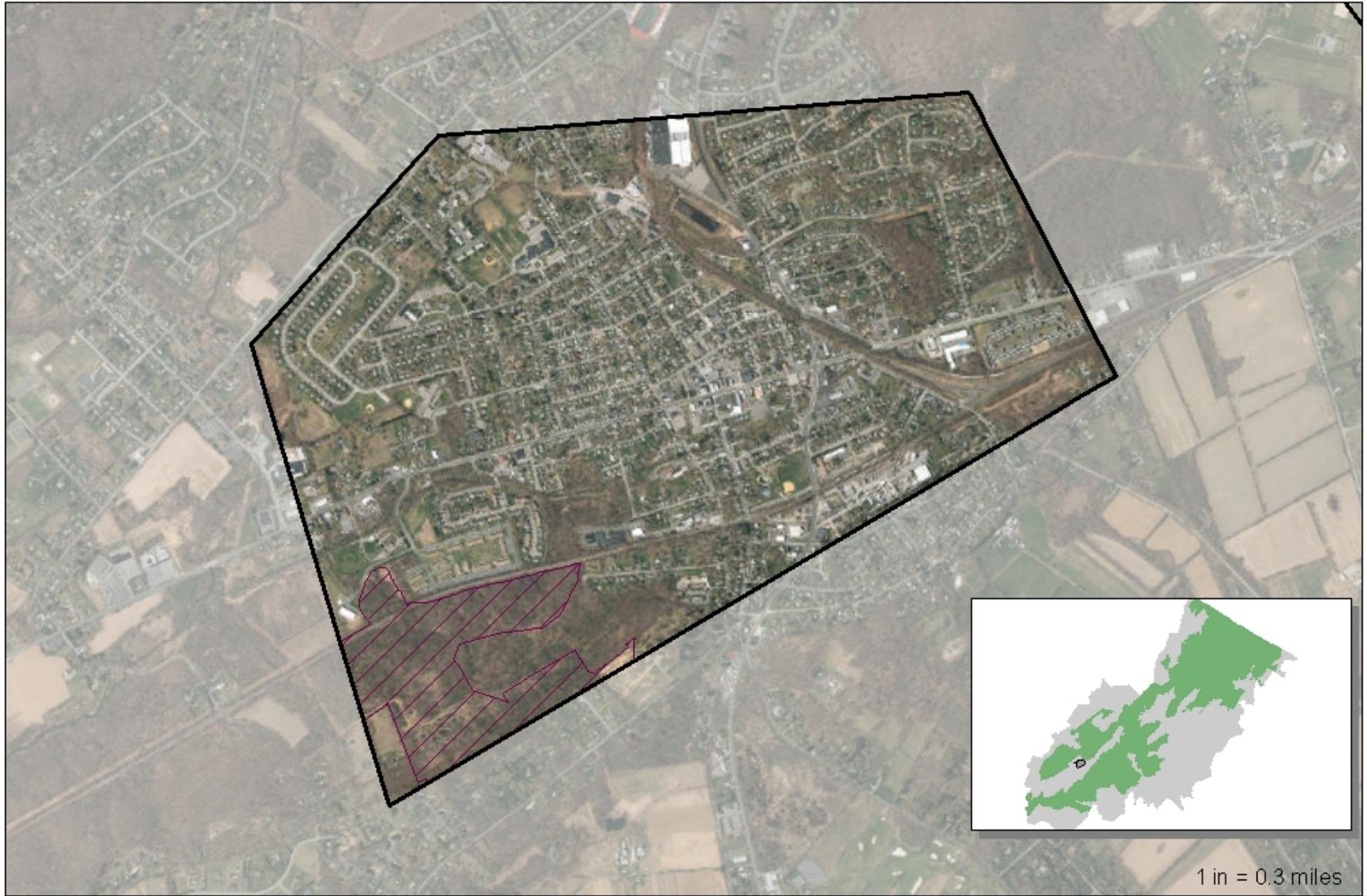


Washington Borough - Land Use Capability Zones



-  Municipal Boundaries
-  Existing Community Zone
-  Protection Zone
-  Existing Community Environmentally Constrained Subzone

Washington Borough - Highlands Environmental Resource Zones



-  Municipal Boundaries
-  Highlands Environmental Resource Zone

Public Comment Summary

- Public Comment Period:
November 23 – December 23, 2020
- No comments received.

Implementation Funding

- Implementation Plan and Schedule includes funding to address:
 - Master Plan Reexamination Report
 - Downtown Redevelopment Planning
 - Wastewater Management
 - Center Planning
 - Phase 1 TDR Assessment

Staff Recommendation:

Approve with conditions

- Adoption of approved:
 - Highlands Land Use Ordinance
 - Master Plan Highlands Element
 - Highlands ERI
 - Water Use and Conservation Management Plan
 - Wastewater Management Planning
- Adherence to Implementation Plan and Schedule

Washington Borough

Petition for Plan Conformance and Center Designation

Questions?



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.nj.gov/njhighlands



PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

CARL J. RICHKO
Chair

LISA J. PLEVIN
Executive Director

Contact:

Carole Ann Dicton, Manager of Communications
(908) 879-6737 ext. 105 or caroleann.dicton@highlands.nj.gov

FOR IMMEDIATE RELEASE
February 18, 2021

Washington Borough to Address Downtown Revitalization and Other Priorities through Highlands Plan Conformance

CHESTER, N.J. — At its most recent meeting the Highlands Council approved a petition for Plan Conformance and Highlands Center Designation for Washington Borough, Warren County. The approved petition includes an Implementation Plan and Schedule (ISP) that allocates up to \$101,000 in grant funding to address a number of local efforts including Highlands Center planning and downtown redevelopment planning.

“For Washington Borough, conformance with the Highlands Regional Master Plan (RMP) helps advance a number of efforts the town already has underway,” explained Highlands Council Executive Director Lisa Plevin. “The Borough is very committed to maximizing the potential of its downtown and the designation as a Highlands Center will build on previous planning efforts aimed at revitalization and redevelopment. The town is also eager to address some wastewater challenges and we are glad to support them in that work.”

Strategically situated at the intersection of State Highways 31 and 57, Washington Borough offers easy access to a small retail and commercial center amid the largely rural character of southern Warren County. The Borough had previously developed revitalization and redevelopment plans that, while more than ten years old, guide much of the future development goals of the Borough. These plans will be updated as part of the Plan Conformance process to reflect revised goals and strategies and current conditions.

The Borough is located entirely within the Planning Area of the Highlands Region where conformance with the RMP is voluntary. Washington Borough’s Highlands Center designation includes the entire municipality. A Highlands Center is an area within a municipality that the town and the Highlands Council staff have jointly determined is appropriate for development. Designation as a Highlands

Center launches a very specific approach to conformance with the RMP designed to identify the goals, best uses and densities for a specific area within a municipality.

“The benefit of designating a Highlands Center is that it provides the town with a planning process that supports development and redevelopment, while remaining consistent with the Highlands RMP,” said Carl Richko, Highlands Council Chairman. “Washington Borough is an ideal location for a Highlands Center and we look forward to working in partnership with the Borough on projects that will benefit both the municipality and the overall Highlands region.”

The majority of the proposed Highlands Center in Washington Borough is currently developed. Undeveloped portions that contain Highlands resources will be protected within the parameters of a “Highlands Environmental Resource Zone” (HERZ). The delineation of the HERZ recognizes that a designated Center, while generally suitable for future development and redevelopment, may contain areas of sensitive resources that may require additional protections.

Today’s approval by the Council brings the total number of approved municipal petitions for Plan Conformance to 51. Additional details about the Borough’s Petition, including Highlands Council recommendations and specific funding allocations related to Plan Conformance implementation, are available in the “Final Draft Consistency Review & Recommendations Report,” which can be found along with all other Petition materials on the Washington Borough page of the Highlands Council website: www.nj.gov/njhighlands/planconformance/wash_boro.html.

Actions taken by the Council at this meeting will take effect following the Governor’s review and consideration of the meeting minutes, up to 10 business days from receipt of the minutes. Materials related to this meeting including resolutions, presentations, audio and minutes will be posted at: www.nj.gov/njhighlands/about/calend/index.html (click on February 18 meeting).

The Highlands Council is a regional planning agency, established in 2004 with the passage of the Highlands Water Protection and Planning Act and charged with implementation of the Act. More information is available at www.nj.gov/njhighlands.

###

2021-08
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
BLOCK 22103, LOT 16

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

WHEREAS, Section 9 and 11 of the Highlands Act, N.J.S.A. 13:20-9.b. and N.J.S.A. 13:20-11.a.(6)(h), specifies that in preparing the Highlands Regional Master Plan (RMP), the Highlands Council may, in conjunction with municipalities in the Preservation Area, identify areas in which redevelopment shall be encouraged and shall identify areas appropriate for redevelopment in order to promote the economic well-being of the municipality, provided that the redevelopment conforms with the goals of the Preservation Area and the Highlands Act, with the rules and regulations adopted by the New Jersey Department of Environmental Protection (NJDEP), and further, that any area so identified for possible redevelopment shall be either a brownfield site designated by the NJDEP or a site at which at least 70% of the area thereof is covered with impervious surface; and

WHEREAS, Section 35 of the Highlands Act, N.J.S.A. 13:20-33.b.(2), authorizes the NJDEP to grant 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 Areas identified by the Highlands Council pursuant to Section 9.b. or Section 11.a.(6)(h); and

WHEREAS, the NJDEP has adopted rules at N.J.A.C. 7:38-1.1 et seq. (Highlands Rules) governing the NJDEP's review of projects in the Highlands Region; and

WHEREAS, the Highlands Rules, at N.J.A.C. 7:38-6.4, specifies that as provided for in Highlands Act, the NJDEP may waive any provision of the rules for redevelopment in certain previously developed areas in the Preservation Area identified by the Highlands Council pursuant to the Highlands Act; and

WHEREAS, the Highlands Council prepared and adopted Procedures for Highlands Redevelopment Areas Designation (Procedures) by Resolution 2008-43 dated October 30, 2008; and

WHEREAS, on September 27, 2017 the Council approved a Resolution adopting the final "RMP Addendum 2018-1 Procedure for Considering Proposals to Amend the Highlands Regional Master Plan" (Amendment Procedure) as an amendment of, and addendum to, the RMP; and

WHEREAS, the Council prepared a document entitled "RMP Addendum 2019-1 Procedures for Highlands Redevelopment Area Designation" (Redevelopment Procedures); and

WHEREAS, on December 6, 2018, the Highlands Council adopted a resolution authorizing Council staff to conduct the requisite public hearings under the Amendment Procedure before the Redevelopment Procedures may be adopted as an amendment to the RMP; and

WHEREAS, the Highlands Council adopted the final "RMP Addendum 2019-1 Procedures for Highlands Redevelopment Area Designation," as an addendum to the RMP on March 21, 2019; and

2021-08

**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
BLOCK 22103, LOT 16**

WHEREAS, the Applicant, Cibao Meat Product, submitted a Petition for Block 22103 Lot 16, Township of Rockaway, Morris County, for a Highlands Redevelopment Area Designation; and

WHEREAS, the Highlands Council deemed the application administratively complete on December 14, 2020; and

WHEREAS, the Highlands Council released the Highlands Council Staff Draft Recommendation Report dated January 6, 2021 for public comment, and

WHEREAS, the Highlands Council held a public comment period concerning the proposed Highlands Redevelopment Area Designation commencing January 6, 2021 and ending February 4, 2021; and

WHEREAS, the Highlands Council duly considered the Draft Recommendation Report and all public comments on the proposed Highlands Redevelopment Area Designation; and

WHEREAS, after Highlands Council staff review, staff recommended that the Highlands Council approve the proposed Highlands Redevelopment Area Designation with the following conditions set forth in the Highlands Council Staff Final Recommendation Report, dated February 9, 2021 which is incorporated by reference into this Resolution:

1. Applicant shall provide additional green infrastructure and low impact development stormwater planning;
2. Applicant shall obtain a NJDEP waiver for greater than 3% impervious surface;
3. Applicant shall place a conservation restriction on remainder of undeveloped property; and
4. Applicant shall submit the project for review by the Highlands Council as required under the Adopted Highlands Referral Ordinance; and

WHEREAS, pursuant to N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to the expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

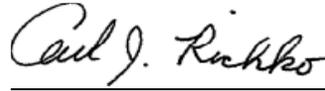
NOW, THEREFORE, BE IT RESOLVED, the Highlands Council hereby

- (1) Adopts the findings of fact and conclusions based thereon set forth in the Final Recommendation Report, dated February 9, 2021; and
- (2) Based on said findings of fact and conclusions, approves the Block 22103, Lot 16, Township of Rockaway, Morris County, Highlands Redevelopment Area Designation with conditions as set forth in the Final Recommendation Report and recited above; and
- (3) Authorizes the Executive Director to prepare a document informing the NJDEP of the Highlands Redevelopment Area Designation.

2021-08
**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
 DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
 AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
 BLOCK 22103, LOT 16**

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its meeting held on 18th day of February 2021.



Carl J. Richko, Chairman

Vote on the Approval of The Resolution	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler	√		√			
Councilmember Francis			√			
Councilmember Holtaway			√			
Councilmember James						Recused
Councilmember Sebetich			√			
Councilmember Van Abs			√			
Councilmember Visioli			√			
Councilmember Vohden		√	√			
Councilmember Walton			√			
Chairman Richko			√			



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.nj.gov/njhighlands



PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

CARL J. RICHKO
Chair

LISA J. PLEVIN
Executive Director

Contact:

Carole Ann Dicton, Manager of Communications
(908) 879-6737 ext. 105 or caroleann.dicton@highlands.nj.gov

FOR IMMEDIATE RELEASE
February 18, 2021

Washington Borough to Address Downtown Revitalization and Other Priorities through Highlands Plan Conformance

CHESTER, N.J. — At its most recent meeting the Highlands Council approved a petition for Plan Conformance and Highlands Center Designation for Washington Borough, Warren County. The approved petition includes an Implementation Plan and Schedule (ISP) that allocates up to \$101,000 in grant funding to address a number of local efforts including Highlands Center planning and downtown redevelopment planning.

“For Washington Borough, conformance with the Highlands Regional Master Plan (RMP) helps advance a number of efforts the town already has underway,” explained Highlands Council Executive Director Lisa Plevin. “The Borough is very committed to maximizing the potential of its downtown and the designation as a Highlands Center will build on previous planning efforts aimed at revitalization and redevelopment. The town is also eager to address some wastewater challenges and we are glad to support them in that work.”

Strategically situated at the intersection of State Highways 31 and 57, Washington Borough offers easy access to a small retail and commercial center amid the largely rural character of southern Warren County. The Borough had previously developed revitalization and redevelopment plans that, while more than ten years old, guide much of the future development goals of the Borough. These plans will be updated as part of the Plan Conformance process to reflect revised goals and strategies and current conditions.

The Borough is located entirely within the Planning Area of the Highlands Region where conformance with the RMP is voluntary. Washington Borough’s Highlands Center designation includes the entire municipality. A Highlands Center is an area within a municipality that the town and the Highlands Council staff have jointly determined is appropriate for development. Designation as a Highlands

Center launches a very specific approach to conformance with the RMP designed to identify the goals, best uses and densities for a specific area within a municipality.

“The benefit of designating a Highlands Center is that it provides the town with a planning process that supports development and redevelopment, while remaining consistent with the Highlands RMP,” said Carl Richko, Highlands Council Chairman. “Washington Borough is an ideal location for a Highlands Center and we look forward to working in partnership with the Borough on projects that will benefit both the municipality and the overall Highlands region.”

The majority of the proposed Highlands Center in Washington Borough is currently developed. Undeveloped portions that contain Highlands resources will be protected within the parameters of a “Highlands Environmental Resource Zone” (HERZ). The delineation of the HERZ recognizes that a designated Center, while generally suitable for future development and redevelopment, may contain areas of sensitive resources that may require additional protections.

Today’s approval by the Council brings the total number of approved municipal petitions for Plan Conformance to 51. Additional details about the Borough’s Petition, including Highlands Council recommendations and specific funding allocations related to Plan Conformance implementation, are available in the “Final Draft Consistency Review & Recommendations Report,” which can be found along with all other Petition materials on the Washington Borough page of the Highlands Council website: www.nj.gov/njhighlands/planconformance/wash_boro.html.

Actions taken by the Council at this meeting will take effect following the Governor’s review and consideration of the meeting minutes, up to 10 business days from receipt of the minutes. Materials related to this meeting including resolutions, presentations, audio and minutes will be posted at: www.nj.gov/njhighlands/about/calend/index.html (click on February 18 meeting).

The Highlands Council is a regional planning agency, established in 2004 with the passage of the Highlands Water Protection and Planning Act and charged with implementation of the Act. More information is available at www.nj.gov/njhighlands.

###

2021-08
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
BLOCK 22103, LOT 16

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

WHEREAS, Section 9 and 11 of the Highlands Act, N.J.S.A. 13:20-9.b. and N.J.S.A. 13:20-11.a.(6)(h), specifies that in preparing the Highlands Regional Master Plan (RMP), the Highlands Council may, in conjunction with municipalities in the Preservation Area, identify areas in which redevelopment shall be encouraged and shall identify areas appropriate for redevelopment in order to promote the economic well-being of the municipality, provided that the redevelopment conforms with the goals of the Preservation Area and the Highlands Act, with the rules and regulations adopted by the New Jersey Department of Environmental Protection (NJDEP), and further, that any area so identified for possible redevelopment shall be either a brownfield site designated by the NJDEP or a site at which at least 70% of the area thereof is covered with impervious surface; and

WHEREAS, Section 35 of the Highlands Act, N.J.S.A. 13:20-33.b.(2), authorizes the NJDEP to grant 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 Areas identified by the Highlands Council pursuant to Section 9.b. or Section 11.a.(6)(h); and

WHEREAS, the NJDEP has adopted rules at N.J.A.C. 7:38-1.1 et seq. (Highlands Rules) governing the NJDEP's review of projects in the Highlands Region; and

WHEREAS, the Highlands Rules, at N.J.A.C. 7:38-6.4, specifies that as provided for in Highlands Act, the NJDEP may waive any provision of the rules for redevelopment in certain previously developed areas in the Preservation Area identified by the Highlands Council pursuant to the Highlands Act; and

WHEREAS, the Highlands Council prepared and adopted Procedures for Highlands Redevelopment Areas Designation (Procedures) by Resolution 2008-43 dated October 30, 2008; and

WHEREAS, on September 27, 2017 the Council approved a Resolution adopting the final "RMP Addendum 2018-1 Procedure for Considering Proposals to Amend the Highlands Regional Master Plan" (Amendment Procedure) as an amendment of, and addendum to, the RMP; and

WHEREAS, the Council prepared a document entitled "RMP Addendum 2019-1 Procedures for Highlands Redevelopment Area Designation" (Redevelopment Procedures); and

WHEREAS, on December 6, 2018, the Highlands Council adopted a resolution authorizing Council staff to conduct the requisite public hearings under the Amendment Procedure before the Redevelopment Procedures may be adopted as an amendment to the RMP; and

WHEREAS, the Highlands Council adopted the final "RMP Addendum 2019-1 Procedures for Highlands Redevelopment Area Designation," as an addendum to the RMP on March 21, 2019; and

2021-08

**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
BLOCK 22103, LOT 16**

WHEREAS, the Applicant, Cibao Meat Product, submitted a Petition for Block 22103 Lot 16, Township of Rockaway, Morris County, for a Highlands Redevelopment Area Designation; and

WHEREAS, the Highlands Council deemed the application administratively complete on December 14, 2020; and

WHEREAS, the Highlands Council released the Highlands Council Staff Draft Recommendation Report dated January 6, 2021 for public comment, and

WHEREAS, the Highlands Council held a public comment period concerning the proposed Highlands Redevelopment Area Designation commencing January 6, 2021 and ending February 4, 2021; and

WHEREAS, the Highlands Council duly considered the Draft Recommendation Report and all public comments on the proposed Highlands Redevelopment Area Designation; and

WHEREAS, after Highlands Council staff review, staff recommended that the Highlands Council approve the proposed Highlands Redevelopment Area Designation with the following conditions set forth in the Highlands Council Staff Final Recommendation Report, dated February 9, 2021 which is incorporated by reference into this Resolution:

1. Applicant shall provide additional green infrastructure and low impact development stormwater planning;
2. Applicant shall obtain a NJDEP waiver for greater than 3% impervious surface;
3. Applicant shall place a conservation restriction on remainder of undeveloped property; and
4. Applicant shall submit the project for review by the Highlands Council as required under the Adopted Highlands Referral Ordinance; and

WHEREAS, pursuant to N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to the expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval.

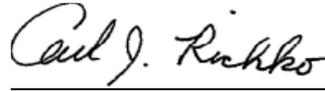
NOW, THEREFORE, BE IT RESOLVED, the Highlands Council hereby

- (1) Adopts the findings of fact and conclusions based thereon set forth in the Final Recommendation Report, dated February 9, 2021; and
- (2) Based on said findings of fact and conclusions, approves the Block 22103, Lot 16, Township of Rockaway, Morris County, Highlands Redevelopment Area Designation with conditions as set forth in the Final Recommendation Report and recited above; and
- (3) Authorizes the Executive Director to prepare a document informing the NJDEP of the Highlands Redevelopment Area Designation.

2021-08
**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
 DETERMINATION ON APPLICATION FOR HIGHLANDS REDEVELOPMENT
 AREA DESIGNATION FOR TOWNSHIP OF ROCKAWAY, MORRIS COUNTY,
 BLOCK 22103, LOT 16**

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its meeting held on 18th day of February 2021.



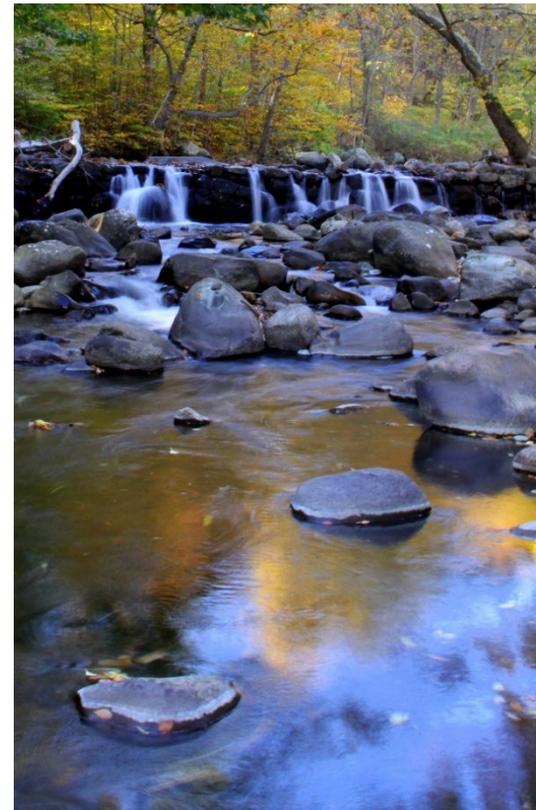
Carl J. Richko, Chairman

Vote on the Approval of The Resolution	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler	√		√			
Councilmember Francis			√			
Councilmember Holtaway			√			
Councilmember James						Recused
Councilmember Sebetich			√			
Councilmember Van Abs			√			
Councilmember Visioli			√			
Councilmember Vohden		√	√			
Councilmember Walton			√			
Chairman Richko			√			



Highlands Council Meeting

February 18, 2021



Highlands Redevelopment Area Designation Cibao Meats, Rockaway Township

Project Overview

- Manufacturing facility seeking to increase parking to accommodate growing workforce.
- 53 additional parking spaces and solar car port proposed.
- Project is located in an industrial area within the Highlands Preservation Area.
- Addition of 0.46 acres of impervious surface exceeds max permitted under Exemption #4, prompting the need for an NJDEP Highlands Preservation Area Approval (HPAA) with Redevelopment Area Waiver.
- Highlands Council Redevelopment Area Designation is pre-requisite for the HPAA with Waiver.

Proposed Redevelopment Area

More than satisfies 70%
impervious requirement.

Existing Impervious Surface	3.57 acres
Proposed Development	0.75 acres
Total Highlands Redevelopment Area	4.32 acres
$3.57 / 4.32 (100) = 82.64\%$	

Figure 1 - Cibao Meats
Highlands Redevelopment Area
Rockaway Township
Block 22103 Lot 16
January 6, 2021



Site Photographs

View to north along Green Pond Road, area to be converted into parking and solar car port.



Site Photographs

View of existing parking area with solar car port.



Site Photographs

View of forested area to remain.



Highlands Resources

Land Use Capability Zones:

-  Protection Zone
-  Existing Community Zone
-  Existing Community-Environmentally Constrained Subzone



Highlands Resources

Highlands Open Waters Protection Area and Riparian Area would not be affected by the construction of the parking area. The buffer areas within the Redevelopment Area are already disturbed.



Highlands Resources

Highlands Total Forest Area would not be affected by the construction of the parking area.



Highlands Resources

Highlands Critical Habitat would not be affected by the construction of the parking area.



Additional Considerations

- No expansion of sewer service area or public water supply.
- A mitigation planting plan has been provided.
- Construction will occur only in previously disturbed areas.
- Compliance with all remaining NJDEP standards will be addressed through the HPAA with redevelopment waiver permit process.
- A conservation easement will be placed on the undeveloped portions of the parcel.

Administrative Process

- The Applicant provided all materials required for the pre-requisite Pre-Application Meeting held via video conference, with Highlands staff and NJDEP staff.
- The Applicant provided all materials for a complete application, in accordance with the Highlands Redevelopment Area Procedures.
- All appropriate notices and newspaper postings were made.
- Staff prepared a Draft Consistency Determination and Draft Staff Review and Recommendations Report which was posted for public comment.

Public Comment

- A Public Comment period was held from January 6 – February 4, 2021.
- One comment was received from “Jean Public” who disagrees with the expansion of the facility and instead would rather the applicant purchase another property. Also, would prefer a green roof, argues the project is not Smart Growth and objects to meat consumption.
- Comment Response was posted to HC website February 9, 2021

Staff Recommendation:

Approve with conditions

1. Revisions to Stormwater Management plans to incorporate additional green infrastructure and Low Impact Development components.
2. Compliance with NJAC 7:38 Rules regarding 3% impervious surface.
3. Conservation Restriction to be placed on undeveloped portions of the property.
4. Compliance with municipally adopted Highlands Referral Ordinance.
5. Notification to Highlands Council of local government approvals.

Highlands Redevelopment Area Designation

Cibao Meats, Rockaway Township

Questions?

RESOLUTION 2021-09
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
ACCEPTANCE OF AUDIT REPORT

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 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, in order to properly perform independent audits as required by State law, the Highlands Council established the Highlands Council's Audit and Evaluation Committee by Resolution 2006-06 on January 19, 2006; and

WHEREAS, the Highlands Council's Evaluation Committee approved a Request for Proposal (RFP) to provide auditing services on April 21, 2016; and

WHEREAS, after the review and recommendations of the Evaluation Committee and the Audit Committee, the Highlands Council approved Resolution 2016-9 on October 20, 2016 authorizing the Executive Director to enter a contract for auditing services with Mercadien, P.C. (Mercadien); and

WHEREAS, Mercadien completed and prepared the final report on the Highlands Council's financial statement and recommended actions for Fiscal Year 2020 and presented it to the Audit Committee of the Highlands Council; and

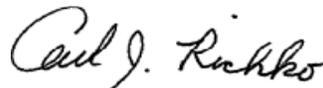
WHEREAS, the Highlands Council Audit Committee reviewed the final report and the annual management letter with Mercadien and recommended that the Highlands Council accept the final report.

NOW, THEREFORE, BE IT RESOLVED that the Highlands Council hereby:

- 1) accepts Mercadien's final audit report for Fiscal Year 2020; and
- 2) directs the Audit Committee to continue to oversee the proper implementation of the audit requirements in accordance with State law.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Highlands Council at its regular meeting held on the 18th day of February 2021.



Carl J. Richko, Chairman

RESOLUTION 2021-09
NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
ACCEPTANCE OF AUDIT REPORT

Vote on the Approval of The Resolution	Motion	Second	Yes	No	Abstain	Absent
Councilmember Alstede			√			
Councilmember Dougherty			√			
Councilmember Dressler			√			
Councilmember Francis			√			
Councilmember Holtaway			√			
Councilmember James		√	√			
Councilmember Sebetich			√			
Councilmember Van Abs			√			
Councilmember Visioli			√			
Councilmember Vohden			√			
Councilmember Walton	√		√			
Chairman Richko			√			

**NEW JERSEY HIGHLANDS WATER
PROTECTION AND PLANNING COUNCIL**

DIRECTLY ADMINISTERED FUNDS

FINANCIAL STATEMENTS

June 30, 2020

**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS**

TABLE OF CONTENTS

June 30, 2020

	<u>Page Number</u>
Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited)	4
Basic Financial Statements	
Statement of Net Position and Governmental Funds Balance Sheet.....	7
Statement of Activities and Governmental Funds Revenues, Expenditures/Expenses and Changes in Fund Balance/Net Position	8
Notes to Financial Statements.....	9
Supplementary Information	
Schedule of Expenditures of Federal Awards.....	16
Notes to the Schedule of Expenditures of Federal Awards.....	17
Schedule of Findings and Questioned Costs	18
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20
Independent Auditors' Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by Uniform Guidance	22

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Members of
New Jersey Highlands Water Protection and Planning Council

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of the directly administered funds of New Jersey Highlands Water Protection and Planning Council (the "Council") as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the directly administered funds of the Council as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Council's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance") is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2021, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Mercadieu, P.C.
Certified Public Accountants

February 3, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the annual financial report for the New Jersey Highlands Water Protection and Planning Council (the "Council") presents our discussion and analysis of the Council's financial performance of directly administered funds during the fiscal year ended June 30, 2020. Please read it in conjunction with the Council's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

Current assets decreased by \$4,072,703 or 55%
 Current liabilities increased by \$3,785 or 1%
 Revenues increased by \$740,756 or 50%
 Expenses decreased by \$960,552 or 13%
 Total net position decreased by \$4,078,634 or 61%

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual financial report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements, which consist of government-wide and governmental funds financial statements, which are linked by a reconciliation. The government-wide financial statements are prepared using the economic resources management focus and the accrual basis of accounting; the governmental funds financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

FINANCIAL ANALYSIS OF THE COUNCIL

Statements of Net Position

The following table summarizes the changes in the statements of net position between June 30, 2020 and 2019. Explanations of significant changes follow the table:

	June 30,		
	2020	2019	Change
ASSETS			
Current assets			
Cash and cash equivalents	\$ 3,302,137	\$ 6,634,840	\$(3,332,703)
Due from the State of New Jersey	-	740,000	(740,000)
Total current assets	<u>3,302,137</u>	<u>7,374,840</u>	<u>(4,072,703)</u>
Capital assets, net	52,941	55,087	(2,146)
Total assets	<u>\$ 3,355,078</u>	<u>\$ 7,429,927</u>	<u>\$(4,074,849)</u>
LIABILITIES AND NET POSITION			
Accounts payable - current	\$ 721,221	\$ 717,436	\$ 3,785
Total liabilities	<u>721,221</u>	<u>717,436</u>	<u>3,785</u>
Net position			
Restricted - regional master plan ("RMP")	1,314,340	1,791,428	(477,088)
Restricted - comprehensive mitigation plan	1,066,212	4,699,682	(3,633,470)
Unrestricted	253,305	221,381	31,924
Total net position	<u>2,633,857</u>	<u>6,712,491</u>	<u>(4,078,634)</u>
Total liabilities and net position	<u>\$ 3,355,078</u>	<u>\$ 7,429,927</u>	<u>\$(4,074,849)</u>

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)

FINANCIAL ANALYSIS OF THE COUNCIL (CONTINUED)

Cash and cash equivalents decreased by approximately 55%, or \$3,332,703, during fiscal year 2020, mostly due to the activity of the comprehensive mitigation plan.

Condensed Statements of Revenues, Expenses and Changes in Net Position

The following table summarizes the changes in the statements of revenues, expenses and changes in net position between June 30, 2020 and 2019. Explanations of significant changes follow the table:

	<u>Years Ended June 30,</u>		<u>Change</u>
	<u>2020</u>	<u>2019</u>	
Revenues			
State appropriations - operating	\$ 500,000	\$ 500,000	\$ -
State appropriations - RMP	-	148,125	(148,125)
Comprehensive mitigation contributions	1,680,000	740,000	940,000
Interest income	45,084	92,480	(47,396)
Other income	3,637	7,360	(3,723)
Total revenues	<u>2,228,721</u>	<u>1,487,965</u>	<u>740,756</u>
Expenses			
Comprehensive mitigation plan	5,343,648	6,335,810	(992,162)
RMP	490,096	113,656	376,440
Highlands Development Credit Bank	-	352,485	(352,485)
Administrative expenses	445,750	435,215	10,535
Depreciation	27,861	30,741	(2,880)
Total expenses	<u>6,307,355</u>	<u>7,267,907</u>	<u>(960,552)</u>
Changes in net position	<u>\$ (4,078,634)</u>	<u>\$ (5,779,942)</u>	<u>\$ 1,701,308</u>

Total revenues increased by \$740,756 primarily due to an increase in grant reimbursements for the mitigation fund offset by reductions in the allocation of State budget appropriations for RMP appropriations and interest income.

Expenses decreased by \$960,552 primarily due to decreases in mitigation program and Highlands Development Credit Bank expenses, offset by an increase in RMP expenses.

**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Council's capital assets include computer equipment, furniture and leasehold improvements made to its facilities. Net capital assets decreased by \$2,146 during fiscal year 2020. The change in net capital assets includes purchases of computer equipment and depreciation. The following table summarizes the changes in capital assets between June 30, 2020 and 2019:

	June 30,		
	2020	2019	Change
Furniture	\$ 57,806	\$ 57,806	\$ -
Vehicles	18,044	18,044	-
Computer equipment	544,411	518,696	25,715
Leasehold improvements	28,451	28,451	-
Total capital assets	648,712	622,997	25,715
Less: accumulated depreciation	595,771	567,910	27,861
Capital assets, net	<u>\$ 52,941</u>	<u>\$ 55,087</u>	<u>\$ (2,146)</u>

Capital Debt

The Council had no debt as of June 30, 2020 and 2019.

MANAGEMENT AT THE COUNCIL

For the period under audit of June 30, 2020, Lisa J. Plevin was the Executive Director and she continues to serve in this position at the Highlands Council.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens, taxpayers and legislators with a general overview of the Council's finances for its directly administered funds and to demonstrate the Council's accountability for its revenues and expenses. If you have questions about this report or need additional financial information, contact the Council at (908) 879-6737 or visit its website at: www.highlands.state.nj.us.

BASIC FINANCIAL STATEMENTS

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
 June 30, 2020

	<u>Governmental Funds</u>	<u>Adjustments (Note E)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 3,302,137	\$ -	\$ 3,302,137
Capital assets, net	<u>-</u>	<u>52,941</u>	<u>52,941</u>
Total assets	<u>\$ 3,302,137</u>	<u>\$ 52,941</u>	<u>\$ 3,355,078</u>
LIABILITIES AND FUND BALANCE/NET POSITION			
Accounts payable	<u>\$ -</u>	<u>\$ 721,221</u>	<u>\$ 721,221</u>
Total liabilities	<u>-</u>	<u>721,221</u>	<u>721,221</u>
Fund balance/net position			
Restricted - RMP	1,359,264	(44,924)	1,314,340
Restricted - Comprehensive Mitigation Plan	1,733,074	(666,862)	1,066,212
Unrestricted	<u>209,799</u>	<u>43,506</u>	<u>253,305</u>
Total fund balance/net position	<u>3,302,137</u>	<u>(668,280)</u>	<u>2,633,857</u>
Total liabilities and fund balance/net position	<u>\$ 3,302,137</u>	<u>\$ 52,941</u>	<u>\$ 3,355,078</u>

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES,
EXPENDITURES/EXPENSES AND CHANGES IN FUND BALANCE/NET POSITION
Year Ended June 30, 2020

	<u>Governmental Funds</u>	<u>Adjustments (Note E)</u>	<u>Statement of Activities</u>
Revenues			
State appropriations - operating	\$ 500,000	\$ -	\$ 500,000
Comprehensive mitigation contributions	2,420,000	(740,000)	1,680,000
Interest income	45,084	-	45,084
Other income	<u>3,637</u>	<u>-</u>	<u>3,637</u>
Total revenues	<u>2,968,721</u>	<u>(740,000)</u>	<u>2,228,721</u>
Expenditures/expenses			
Materials and supplies	25,431	-	25,431
Professional fees	349	9,436	9,785
Rent and utilities	231,642	-	231,642
Depreciation	-	27,861	27,861
Capital outlay	25,715	(25,715)	-
Other operating	178,892	-	178,892
Comprehensive mitigation plan	5,394,222	(50,574)	5,343,648
RMP	<u>445,173</u>	<u>44,923</u>	<u>490,096</u>
Total expenditures/expenses	<u>6,301,424</u>	<u>5,931</u>	<u>6,307,355</u>
Changes in fund balance/net position	(3,332,703)	(745,931)	(4,078,634)
Fund balance/net position, beginning of year	<u>6,634,840</u>	<u>77,651</u>	<u>6,712,491</u>
Fund balance/net position, end of year	<u>\$ 3,302,137</u>	<u>\$ (668,280)</u>	<u>\$ 2,633,857</u>

NOTES TO FINANCIAL STATEMENTS

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

New Jersey Highlands Water Protection and Planning Council (the "Council"), located in Chester, New Jersey, was created by the State of New Jersey (the "State") on November 30, 2004, pursuant to the Highlands Water Protection and Planning Act (the "Act") that preserves open space and protects the State's greatest diversity of natural resources including the precious water resources that supply drinking water to more than half of New Jersey's families. The Act documents the geographical boundary of the Highlands Region and establishes the Highlands Preservation Area and the Highlands Planning Area. The Council is charged with carrying out the provisions of the Act, including the development of a Regional Master Plan ("RMP") for the Highlands Region. State appropriations fund all directly administered expenditures included in these financial statements. Certain other program related activities of the Council are included in the State's financial statements. The Council manages three major programs:

The RMP was developed to restore and enhance the significant values of the abundant and critical resources of the Highlands Region.

The Highlands Development Credit Bank was established to support the Transfer of Development Rights Program for the Highlands Region. This program serves as one mechanism to address some of the equity concerns of property owners in the preservation area that have been affected by the implementation of the Act.

The Comprehensive Mitigation Plan was established with contributions from public utilities to be used by the Council to support the acquisition and stewardship of lands, preservation of farm land, and by the Highlands Development Credit Bank, within the Highlands Region.

Basis of Accounting

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board ("GASB").

The accompanying financial statements include only the accounts and activity of the directly administered funds of the Council. Certain capital fund and grant activities are not included in the financial statements as they are managed through the New Jersey Department of Environmental Protection ("DEP"), though certain revenues are funded through grant reimbursements for allowable program expenditures.

The basic financial statements consist of government-wide and governmental fund financial statements. The Council combines government-wide and governmental fund financial statements, which are linked together by a reconciliation.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities in the current period.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Council considers all highly liquid debt instruments with original maturities of ninety days or less to be cash equivalents.

Concentration of Risk

The Council maintains cash balances which exceed federally insured limits. It historically has not experienced any credit-related losses.

State appropriations and federal grant reimbursements represented 22% and 75% of the Council's revenues for the fiscal year ended June 30, 2020. If these revenues were not made available, the Council's operations would be significantly impacted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes to the financial statements. Actual results could differ from those estimates.

Capital Assets

Capital assets of \$1,000 or more are recorded at cost when purchased in the government-wide financial statements. Depreciation is computed by the straight-line method over the estimated useful lives of the assets, which are three years for computers and computer equipment, and seven years for furniture and equipment. Leasehold improvements are depreciated over the lesser of the length of the related leases or the estimated useful lives of the assets. Property and equipment are expensed when purchased in the governmental fund financial statements. Repairs and maintenance which do not extend the useful lives of the related assets are expensed as incurred.

Income Taxes

As a public body, the Council is exempt from both federal and state taxes under existing statute.

RMP, Highlands Development Credit Bank, and Comprehensive Mitigation Plan Expenditures/Expenses

The Council's RMP and land acquisition, stewardship, and preservation program expenses are not capitalized as these expenses are not for the operational benefit of the Council.

B. CASH AND CASH EQUIVALENTS

Custodial Credit Risk-Deposit

Custodial credit risk is the risk that in the event of a bank failure the Council's deposits may not be returned to it. The Council currently deposits funds in banks that will insure or secure their deposits. At June 30, 2020, the Council's funds were deposited at TD Bank, N.A., through which the Council was provided an irrevocable standby letter of credit ("LOC") from the Federal Home Loan Bank of Pittsburgh ("FHLB") (Aaa rated by Moody's) for \$4,800,000, which was the average amount of the Council's deposits over the course of the fiscal year.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

B. CASH AND CASH EQUIVALENTS (CONTINUED)

This LOC expired on August 26, 2020, and was subsequently renewed in the amount of \$4,000,000 for two additional three-month periods ended November 30, 2020 and March 1, 2021.

Cash and cash equivalents book and bank balances as of June 30, 2020, were as follows:

	<u>June 30, 2020</u>	
	<u>Book</u>	<u>Bank</u>
	<u>Balance</u>	<u>Balance</u>
Insured FDIC	\$ 250,000	\$ 250,000
LOC-FHLB	3,052,137	3,734,307
Total	<u>\$ 3,302,137</u>	<u>\$ 3,984,307</u>

C. CAPITAL ASSETS

Capital assets activity as of and for the year ended June 30, 2020, is as follows:

	<u>Beginning</u>		<u>Ending</u>
	<u>Balance</u>	<u>Increase</u>	<u>Balance</u>
		<u>Decrease</u>	
Leasehold improvements	\$ 28,451	\$ -	\$ 28,451
Furniture and equipment	57,806	-	57,806
Vehicles	18,044	-	18,044
Computers and related equipment	<u>518,696</u>	<u>25,715</u>	<u>544,411</u>
Total cost of capital assets	<u>622,997</u>	<u>25,715</u>	<u>648,712</u>
Less accumulated depreciation for			
Leasehold improvements	24,626	1,530	26,156
Furniture and equipment	57,806	-	57,806
Vehicles	3,007	6,015	9,022
Computers and related equipment	<u>482,471</u>	<u>20,316</u>	<u>502,787</u>
Total accumulated depreciation	<u>567,910</u>	<u>27,861</u>	<u>595,771</u>
Capital assets, net	<u>\$ 55,087</u>	<u>\$ (2,146)</u>	<u>\$ 52,941</u>

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

D. CHANGES IN NET POSITION

Changes in Net Position for the year ended June 30, 2020, are as follows:

	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted - RMP</u>	<u>Restricted - Mitigation</u>
Balance at June 30, 2019	\$ 6,712,491	\$ 221,381	\$ 1,791,428	\$ 4,699,682
State appropriations	500,000	500,000	-	-
Comprehensive mitigation contributions	1,680,000	-	-	1,680,000
Other income	3,637	3,637	-	-
Interest income	45,084	1,898	13,008	30,178
Expenses	(6,279,494)	(445,750)	(490,096)	(5,343,648)
Depreciation	(27,861)	(27,861)	-	-
Balance at June 30, 2020	<u>\$ 2,633,857</u>	<u>\$ 253,305</u>	<u>\$ 1,314,340</u>	<u>\$ 1,066,212</u>

E. ADJUSTMENTS - RECONCILIATION OF DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS AND GOVERNMENT-WIDE FINANCIAL STATEMENTS

(1) When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets is reported as an expenditure in governmental funds. However, the statement of net position includes those capital assets among the assets of the Council as a whole.

	<u>June 30, 2020</u>
Leasehold improvements	\$ 28,451
Vehicles	18,044
Furniture and equipment	57,806
Computers and computer equipment	<u>544,411</u>
Total cost of capital assets	648,712
Accumulated depreciation	<u>595,771</u>
Capital assets, net	<u>\$ 52,941</u>
Capital outlay	<u>\$ 25,715</u>

(2) Governmental fund expenditures reflect expenses that were included in government-wide accounts payable in the prior year and paid this year. Depreciation expense of \$0 in the governmental fund differs from depreciation expense in the statement of activities of \$27,861 for 2020. Governmental fund revenues reflect \$740,000 in comprehensive mitigation contributions that were included in government-wide receivables in the prior year and received this year. The net adjustment of \$745,931 is a result of the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds.

	<u>June 30, 2020</u>
Comprehensive Mitigation Plan Revenue	\$ 740,000
Professional Fees	9,436
Depreciation Expense	27,861
Capital Outlay	(25,715)
Comprehensive Mitigation Plan Expense	(50,574)
RMP Expense	<u>44,923</u>
Total Adjustments	<u>\$ 745,931</u>

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

F. POST-RETIREMENT BENEFITS OTHER THAN PENSION

The Council is a member of the State's cost sharing multiple-employer plan for health and post-retirement medical benefits. Thus, the Council's portion of this liability and cost is included in the State of New Jersey's Comprehensive Annual Financial Report; as such, the liability of Council's employees is covered under the State plan on an annual basis. The Council's payroll is processed through the DEP. As a result, the related payroll expense and fringe benefits, inclusive of health and post-retirement medical benefit costs, are recorded by the DEP with the equal value netted from the Council's revenues derived from State budget appropriations. For the fiscal year ended June 30, 2020, the Council's payroll was \$1,729,114. This amount was netted from the annual appropriation of \$2,315,000 resulting in a remaining appropriation of \$585,886, \$500,000 of which was received during the year and recorded as revenue and \$85,886 of which lapsed and will not be received. Please refer to State website www.state.nj.us for more information regarding the plan.

G. PENSION PLAN

The Council's employees which are part of the DEP participate in the Public Employees Retirement System of New Jersey ("PERS"), a cost sharing multiple-employer defined benefit plan. The Council's contribution is determined by State statute and is based upon an actuarial computation performed by the PERS.

The Council's payroll is processed through the DEP. As a result, the related payroll expense and fringe benefits, inclusive of pension costs, are recorded by the DEP with the equal value netted from the Council's revenues derived from State budget appropriations.

The State's contribution is based on the employer contribution rate developed by the system's actuary. The rate is then applied against the pension eligible salary for all State employees. The State does not keep track of contributions made to PERS for each separate State agency.

The State of New Jersey, Division of Pension and Benefits, issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pension and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at: www.state.nj.us/treasury/pensions.

H. OPERATING LEASE

The Council entered into an operating lease with the Township of Chester for office space that expires December 31, 2021. Rental expense for this lease was \$168,634 for the year ended June 30, 2020.

The future minimum lease payments under the operating lease are as follows:

<u>Years Ending June 30,</u>	
2021	\$ 171,977
2022	<u>86,824</u>
Total	<u>\$ 258,801</u>

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

I. CORONAVIRUS - ORGANIZATION IMPACT

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Council operates. Due to the impact of New Jersey Governor Murphy's Executive Order No. 107 dated March 21, 2020, mandating statewide stay-at-home practices and closure of all non-essential retail businesses, it is reasonably possible certain operating expenses will increase. It is unknown how long these conditions will last and what the complete financial affect will be to the Council.

J. PENDING GOVERNMENTAL ACCOUNTING STANDARDS (GASB) STATEMENTS

The Governmental Accounting Standards Board has issued Statement No. 84, "*Fiduciary Activities*." This statement is required to be adopted by the Authority for the year ending June 30, 2021. The Authority has not determined the effect of Statement No. 84 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 87, "*Leases*." This statement is required to be adopted by the Authority for the year ending June 30, 2022. The Authority has not determined the effect of Statement No. 87 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*." This statement is required to be adopted by the Authority for the year ending June 30, 2022. The Authority has not determined the effect of Statement No. 89 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 90, "*Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*." This statement is required to be adopted by the Authority for the year ending June 30, 2021. The Authority has not determined the effect of Statement No. 90 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 91, "*Conduit Debt Obligations*." This statement is required to be adopted by the Authority for the year ending June 30, 2023. The Authority has not determined the effect of Statement No. 91 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 92, "*Omnibus 2020*." This statement clarifies the effective date of Statement No. 87 and addresses other topics that are required to be adopted by the Authority for the year ended June 30, 2023. The Authority has not determined the effect of Statement No. 92 on the financial statements.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO FINANCIAL STATEMENTS

**J. PENDING GOVERNMENTAL ACCOUNTING STANDARDS (GASB) STATEMENTS
(CONTINUED)**

The Governmental Accounting Standards Board has issued Statement No. 93, "*Replacement of Interbank Offered Rates.*" This statement is required to be adopted by the Authority for the year ending June 30, 2022. The Authority has not determined the effect of Statement No. 93 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements.*" This statement is required to be adopted by the Authority for the year ending June 30, 2023. The Authority has not determined the effect of Statement No. 94 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance.*" This statement postpones the effective dates of applicable pending Statements described above. The effective dates mentioned above are the applicable postponed dates as prescribed by Statement No. 95.

The Governmental Accounting Standards Board has issued Statement No. 96, "*Subscription-Based Information Technology Arrangements.*" This statement is required to be adopted by the Authority for the year ending June 30, 2023. The Authority has not determined the effect of Statement No. 96 on the financial statements.

The Governmental Accounting Standards Board has issued Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a suppression of GASB No. 32.*" This statement is required to be adopted by the Authority for the year ending June 30, 2022. The Authority has not determined the effect of Statement No. 97 on the financial statements.

SUPPLEMENTARY INFORMATION

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Award Amount</u>	<u>Program Award Amount</u>	<u>Grant Period</u>	<u>Current Year Expenditures</u>	<u>Passed Through to Subrecipients</u>	<u>Cumulative Expenditures</u>
U.S. Department of the Interior:							
Highlands Conservation	15.667	\$ 2,420,000	\$ 2,420,000	12/01/17- 12/01/2019	\$ 1,680,000	\$ -	\$ 2,420,000
U.S. Department of the Interior & Federal Program Totals		<u>\$ 2,420,000</u>	<u>\$ 2,420,000</u>		<u>\$ 1,680,000</u>	<u>\$ -</u>	<u>\$ 2,420,000</u>

See notes to schedule of expenditures of federal awards.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards include the federal grant activity of the Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Single Audit Act and Subpart F of Title 2 U.S. Code of Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

B. Significant Accounting Policy

The Council recognizes grant revenue when earned on an accrual basis; that is, activities prerequisite to obtaining benefit have been completed, such as complying with the terms and conditions of the grant agreement.

C. Indirect Cost Rate

The Council does not have an indirect cost rate nor does it use the default rate of 10%.

**NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
DIRECTLY ADMINISTERED FUNDS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2020

Section II - Financial Statement Findings

None reported.

Section III - Federal Awards Findings and Questioned Costs

None reported.

Section IV - Summary Schedule of Prior Year Audit Findings

None reported.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of
New Jersey Highlands Water Protection and Planning Council
Directly Administered Funds

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the directly administered funds of New Jersey Highlands Water Protection and Planning Council (the "Council"), as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated February 3, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Council's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (CONTINUED)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mercadieu, P.C.
Certified Public Accountants

February 3, 2021

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To the Members of
New Jersey Highlands Water Protection and Planning Council
Directly Administered Funds

Report on Compliance for the Major Federal Program

We have audited the financial statements of the governmental activities of the directly administered funds of New Jersey Highlands Water Protection and Planning Council's (the "Council") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Council's major federal program for the year ended June 30, 2020. The Council's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal award applicable to its federal program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Council's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Council's compliance.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE (CONTINUED)

Opinion on the Major Federal Program

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mercadieu, P.C.
Certified Public Accountants

February 3, 2021

PUBLIC COMMENT SUBMITTED AT HIGHLANDS
COUNCIL MEETING ON FEBRUARY 18, 2021

Annette,

These are my comments from the
January 14, 2021 meeting that were
not put into the public comments.
Please include this into the March
public comments next month.

Thank you!

Hank Klumpp

My name is Hank Klumpp. I own 150+ acres in the Highlands Preservation Area, not by choice.

I was at the very first Highlands meeting. On my way home, my wife called me to tell me to meet her at Overlook Hospital because we had a new baby granddaughter who was just born.

Well, I am still attending Highlands meetings, and that new baby girl can drive me to meetings now because she has her driver's permit - Kelly is now sweet sixteen. Sixteen years have passed.

This council has had people come and go, but I am still here. I am waiting for the compensation for my property values being taken that I was promised along with the lie that the Highlands Act would never hurt anyone. Does anyone on this council remember that promise? That promise could be called a joke only it is not funny. The town is willing to give me pennies on the dollar for property that had its value stolen by the Highlands Act.

The original boundaries put in

place by the scientific study did not include my property. I was shown the map. Overnight, the boundary lines were erased and moved, and my property was not only put into the Highlands Area but into the Highlands Preservation Area. Dirty, dishonest politics, not scientific study, took over my land and changed my family's future. I could not believe the second, changed map I was shown. I have asked to see the scientific study that put my land into the Highlands Preservation Area, and no one can find it!!

All objections from those of us who had this happen have fallen on deaf ears for sixteen years. Only word to describe this treatment is disgraceful !!

Could you at least pretend that you care?

Hank Klumpp
24 Longview Road
Lewiston, NJ 08833
908-482-3907



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.nj.gov/njhighlands



PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

CARL J. RICHKO
Chairperson

LISA J. PLEVIN
Executive Director

MEMORANDUM

To: Plan Conformance Committee
From: Lisa J. Plevin, Executive Director
Subject: Committee Meeting Minutes– February 10, 2021
Date: February 17, 2021

A Plan Conformance Committee meeting was held on Wednesday, February 10, 2021 at 2:30pm via Zoom teleconference.

Committee Members present were: Council Chair Richko, Committee Chair Dressler, and Committee Members Van Abs and Vohden

Staff Members present: Lisa J. Plevin, James Humphries, Maryjude Haddock-Weiler, Keri Green, Corey Piasecki, Gabrielle Gallagher, Herb August, Carole Ann Diction, Annette Tagliareni, Karen Castanhas, and Tom Tagliareni.

Also, present was: Lauren Nathan-LaRusso, Senior Counsel, Governor's Authorities Unit

Committee Chair Dressler opened the meeting at 2:32pm.

Committee Chair Dressler announced that there are four (4) items on today's agenda and Ms. Plevin would give an overview.

Ms. Plevin noted that of the 4 items on today's agenda, two (2) items Council staff is requesting the Committee to decide to present these items to the full Council for consideration. The other 2 items Council staff is requesting feedback on next steps. The items on the agenda are:

- Washington Borough's Petition for Plan Conformance
- Highlands Redevelopment Designation – Rockaway Township (Morris County) – Preservation Area
- Union Township – Initial Assessment Grant

- Pre-application review of Highlands Redevelopment Area Designation – Mahwah Township (Bergen County) – Planning Area

Washington Borough Petition for Plan Conformance

Corey Piasecki, Principal Planner, gave a presentation on Washington Borough's Petition for Plan Conformance providing some history, background on staff's relationship with the Borough, resource maps, implementation funding, and staff recommendations.

Mr. Piasecki noted that a public comment period was held from November 23, 2020 to December 23, 2020 and no comments were received. After the presentation, Mr. Piasecki invited questions from the Committee.

Committee Chair Dressler asked if there was a downside to the Borough seeking Plan Conformance and Center Designation. Mr. Piasecki responded that he did not see any downside to the Borough's Conformance.

Committee Member Vohden asked for clarification regarding the Phase I TDR Assessment. Mr. Piasecki responded that the items noted in the Implementation Plan & Schedule (IPS) are fluid and may be adapted to the needs of the municipality over time.

Committee Member Van Abs asked about the care of Shabbecong Creek and if there are ways to improve the water quality of the creek with riparian management. Mr. Piasecki noted that there was no discussion with the Borough regarding the creek. Member Van Abs also asked about the Protection Zone in the southwest corner of the project and asked if development of the property would require a review by the Highlands Council of the Wastewater Management Amendment. Mr. Piasecki noted that Council staff would review any such project for net water availability. Mr. Humphries added that New Jersey Department of Environmental Protection (NJDEP) rules have changed regarding WQMP Amendments in Planning Areas of non-conforming Highlands municipalities. Mr. Piasecki added that sewer service area cannot be extended into the Highlands Environmental Resource Zone (HERZ).

Committee Chair Dressler asked for a roll call vote to move Washington Borough's Petition for Plan Conformance to the full Council for consideration. A roll call vote was taken. All members voted to move Washington Borough's Petition for Plan Conformance for Council consideration.

Union Township – Initial Assessment Grant

Corey Piasecki, Principal Planner, provided background regarding a request from Union Township, Hunterdon County, for \$10,000 to complete an assessment for Plan Conformance in the Preservation Area of the municipality. This funding will be used to assess the impacts conforming with the Highlands Regional Master Plan will have on the municipality's master plan, land use ordinances, and other plans and regulations. Should the Township wish to proceed with Plan Conformance after the assessment is completed, the assessment documents will serve as a complete Petition for Plan Conformance consistent with the revised Plan Conformance Procedures adopted in 2019.

Mr. Piasecki then reviewed the history of Union Township's past work with the Highlands Council. In 2009, the Township completed an initial assessment report and all seven modules of Plan Conformance

to form a complete Petition. During this time, the Township spent \$18,864.84 on an Initial Assessment Grant and \$97,838 on Plan Conformance documents. Approximately \$2,000 remains in the Township's account, which will be used to supplement the \$10,000 requested for a project total of \$12,000. Each of the seven modules originally completed by the Township during the 2009-2010 period is considered outdated and would require a significant investment of resources in order to bring them in line with the current model documents. Instead, Highlands Council staff recommends that the Township begin with a new Municipal Assessment in order to come into compliance with the new Plan Conformance Procedures.

Councilmember Vohden asked if this was a new process or is it a new grant?

Mr. Piasecki replied that Union Township is requesting the \$10,000 in addition to the \$2,000 remaining from their previous grant.

Committee Chair Dressler asked if anyone had any additional questions.

Ms. Plevin advised that the Highlands Council staff recommends proceeding with the \$10,000 request to complete the necessary updates and next steps for Union Township conformance.

Councilmember Van Abs asked staff if they had a sense of how serious Union Township is about this process since it was started and stopped in the past. Mr. Piasecki indicated he felt the Township is very serious and understands that Highlands Plan Conformance will benefit them. Mr. Piasecki added that he frequently receives inquiry calls from the Township's Zoning Officer about the Highlands Preservation Area development and exemptions. Should the Township choose to conform, they would be able to issue many of those exemptions locally if they so choose.

Councilmember Van Abs asked if the Township was considering conformance for only the Preservation Area. Mr. Piasecki answered yes, and the Highlands Council is taking its time with the Township on the conformance as the Preservation Area lands are already subject to NJDEP 7:38 Rules.

Committee Chair Dressler asked if anyone had any additional questions.

Mr. August, Manager of Grants Administration, added this is a low-cost solution for the Township's desire to participate in the program.

Committee Chair Dressler asked for a roll call vote to move forward with Union Township's Initial Assessment Grant under the Executive Director's authority. A roll call vote was taken. All members voted to move forward with Union Township's Initial Assessment Grant under the Executive Directors' authority.

Highlands Redevelopment Area Designation – Rockaway Township (Morris County) – Preservation Area

Ms. Green, Science Manager, gave a presentation on the proposed Highlands Redevelopment Area Designation in Rockaway Township, Morris County, Preservation Area. Ms. Green noted that in accordance with the Highlands Act, RMP, NJDEP Highlands Rules (NJAC 7:38) and the Council's adopted Procedures RMP Addendum 2019-1, the project meets the 70% pre-existing impervious cover threshold to qualify for the Redevelopment Area Designation. The applicant will apply to NJDEP for a

Highlands Preservation Area Approval (HPAA) with redevelopment waiver should the Council approve the Redevelopment Area Designation.

Ms. Green continued the presentation on the project overview, proposed redevelopment area, site photographs, Highlands resource assessment, additional considerations, and administrative process. Ms. Green noted that a public comment period was held from January 6, 2021 to February 4, 2021. One comment was received and was addressed in the Final Draft staff report. Ms. Green added that staff's recommendation is to bring this project to the full Council for its consideration with specific conditions.

Committee Chair Dressler asked if there were any questions.

Committee Member Vohden commented that this is a good project and sees no reason why the Committee should not support it. Committee Chair Dressler agreed. Committee Member Van Abs commented that this project is what redevelopment area designation should accomplish. Member Van Abs applauded staff's comprehensive work on the proposed designation.

Committee Chair Dressler asked for a roll call vote to move the Highlands Redevelopment Area Designation in Rockaway Township (Morris County) to the full Council for consideration. A roll call vote was taken. All members voted to move Highlands Redevelopment Area Designation in Rockaway Township (Morris County) for Council consideration.

Pre-application review of a Highlands Redevelopment Area Designation - Mahwah Township (Bergen County) – Planning Area

Ms. Green, Science Manager, gave a detailed presentation regarding a potential application for the expansion of an existing development in Mahwah Township, a fully conforming municipality. The site is in the Planning Area. For projects which propose resource impacts which cannot be found consistent, waivers are required from RMP standards. The only avenue for the Highlands Council to approve these waivers would be through the designation of the site as a Highlands Redevelopment Area. Because the proposed project would affect resources and require waivers, staff recommended that the applicant appear before the Plan Conformance Committee for their pre-application meeting to receive feedback prior to submitting the application.

Prior History: In May 2019, Highlands Council staff conducted a Consistency Determination (CD) review for a project in Mahwah Township on Block 135 Lot 62.02, known as 555 MacArthur Boulevard. The application was found to be Consistent with Conditions and all conditions were met by the applicant by January 2020. The project included reconfiguration of the existing development on the site, expansion of the parking areas, and green infrastructure stormwater facilities. The facility is currently operating as a distribution point for Amazon deliveries.

In October 2020, the applicant approached Highlands staff regarding the need to expand the parking area. A concept plan was provided for review which depicted the expansion of the facility into adjacent Lot 59, currently owned by Ramapo University. The applicant proposes to develop two (2) acres of the 18-acre parcel. The parcel is in the Planning Area in the Protection Zone and lies between the original project and Interstate 287. The entire parcel is forested and contains Highlands Open Waters Protection Area and Riparian Area, critical wildlife habitat, and Prime Groundwater Recharge Area. Accordingly, the applicant was advised that waivers of the RMP standards would have to be sought, in accordance with RMP Policy 7G2 (2): a Highlands Redevelopment Area in the Planning Area, as is described in the adopted Highlands Redevelopment Area Designation Procedures.

The applicant subsequently provided a concept plan of a potential Highlands Redevelopment Area. The proposed redevelopment area is 16.20 acres in size and includes the previously described development on Lot 62.02. The new development is 1.94 acres. The existing impervious coverage is 11.35 acres. The ultimate impervious coverage will be 13.29 acres. The 70% existing impervious coverage standard has been demonstrated, in accordance with the Procedures.

Staff advised the applicant that waivers of RMP standards require public hearing, preceded by a 30-day public comment period and approval by the Highlands Council. The applicant submitted the requisite documentation for the required pre-application meeting, as laid out in the Procedures. Staff advised the applicant that a discussion with the Plan Conformance Committee would serve as the pre-application Meeting.

Waivers potentially to be requested in a forthcoming application include: Total Forest Area, Policy 1B2; Prime Groundwater Recharge Area, Policy 2D4d; Highlands Open Waters Protection Area, Policy 1D4; Riparian Area, Objective 1D5c. The applicant would have to demonstrate how the project is consistent with the RMP for the avoidance, minimization, and mitigation of these resources.

No application has yet been submitted for review. Upon submittal of an application, Highlands staff will determine if the application is complete in accordance with the Procedures. Staff will prepare a Draft Consistency Determination and Staff Recommendations Report and post these for a public comment period of no less than 30 days. Following the public comment period, staff will address public comments and prepare a final Consistency Determination (CD) and Staff Recommendations Report in advance of a Highlands Council hearing. Members will be asked to designate the site as a Highlands Redevelopment Area in the Planning Area and to grant any waivers as requested in accordance with Policy 7G2.

Upon receipt of waivers, Highlands staff will forward the CD to Mahwah Township's Planning Board, enabling the applicant's site plan application to be found complete in accordance with the Mahwah Township municipal referral ordinance.

Committee Chair Dressler asked if there were any questions.

Mr. Humphries asked about the land use capability zone of the area. Ms. Green advised that the site lies in the Existing Community Zone, the Existing Community-Environmentally Constrained Subzone and the Protection Zone. Lot 59 lies fully in the Protection Zone.

Councilmember Van Abs raised a question about a stormwater basin from the initial site improvement being excluded from the proposed Redevelopment Area. Mr. Humphries stated it may have a bearing on the designation of the Redevelopment Area. Councilmember Van Abs expressed concern that if the stormwater basin remains outside of the Highlands Redevelopment Area and future modification of the basin is required - that this could be an issue.

Councilmember Vohden brought up a point about the two (2) different block and lots and wanted to know if that could be a potential problem. Ms. Green stated the undeveloped parcel is under contract for purchase. The property is currently owned by Ramapo University, but this should not affect the project.

Ms. Plevin added that the Highlands Council staff is looking for the Committee's feedback on how to proceed with this applicant, but this is not a project ready to go in front of the Council.

Mr. Humphries reiterated that the staff has been straight-forward with the applicant and wanted to bring this project to the Plan Conformance Committee looking to get feedback on how to proceed with this applicant.

At this time, the Plan Conformance Committee welcomed to the meeting Mr. Richard Burrow, PE, Managing Principal, Langan Engineering and Mr. John Bancroft, SVP, Customer Lead Development, Prologis.

Mr. Burrow introduced himself as well as Mr. Bancroft and thanked the Committee for making time for them to present their project.

Mr. Burrow gave a detailed presentation about Block 135, L 61.02 & 62, a project in Mahwah Township, in the designated Highlands Center. The project is a proposed parking expansion for 161 vehicle parking spaces. The applicant will be requesting a variety of waivers. The preservation of the remainder of the target lot is proposed as mitigation for forest removal needed for the project. The remainder of Lot 62 (59) is 15.1 acres and the permanent preservation would prevent future deforestation along MacArthur Blvd. Regarding Policy 2D4 prime groundwater recharge, geotechnical investigations demonstrated that the entirety of the site consists of glacial till soils which currently do not recharge at all, and they are refuting the mapping of Prime Groundwater Recharge in this area. Regardless, they plan to add three (3) new rain gardens to the existing ten (10) rain gardens located on the property. Also existing on the property is the basin area with plantings and added trees.

Regarding Policy 1D4, the 300-foot Highlands Open Waters Protection Area, Mr. Burrow stated that the wetlands area is small, as is the open water protection area. The NJDEP has established a 50-foot buffer for the wetlands and the stream and they will be applying for a wetland General Permit 11 for the stormwater outfalls and wetlands transition area averaging for the wetlands. They have proposed a compensation area to offset wetlands mitigation requirements. They also propose to plant 181, 2-2 1/2 inch balled and burlapped trees in areas around the property to mitigate for forest removal and the permanent preservation of the remainder of the parcel also serves as mitigation.

Committee Chair Dressler asked if there were any questions.

Councilmember Van Abs indicated the existing stormwater basin on the west side of the parking lot which was not included with the proposed Redevelopment Area boundary and questioned how will that basin be handled with the application?

Mr. Burrow explained that the basin is protected by a maintenance plan approved by Mahwah Township. Mr. Bancroft also explained that as the first phase of the renovation of the site was completed last fall, the need for added van vehicle parking became apparent and this new project became necessary. Mr. Bancroft appreciates the assistance from the Highlands Council staff.

Committee Chair Dressler thanked Mr. Burrow for his presentation asked if there were any additional questions.

Messrs. Burrow and Bancroft left the meeting.

Council Chair Richko asked about the size of the vehicles for these parking spaces, as they look small. Ms. Green explained they are delivery vans, a little bigger than a car. The parking spaces are standard size. Council Chair Richko had concerns regarding vehicle parking lots which can add gas, oil, and runoff to surrounding resources. Chair Richko also had concern with the number of trees proposed for removal.

Committee Chair Dressler agreed with Council Chair Richko's concerns and commented that the project needs a lot of waivers to proceed.

Councilmember Vohden added they are replanting 181 trees for the forested area.

Councilmember Van Abs noted that the applicant plans to remove 800 existing trees.

Committee Chair Dressler and Council Chair Richko indicated they felt the project should not proceed any further, as proposed.

Councilmember Van Abs stated that for this applicant to move forward with this project, they have significant items to add in terms of mitigation for resource impacts.

Mr. Humphries suggested that the applicant can work with Mahwah Township, for mitigation planning, as part of enhanced Highlands Center planning.

Committee Chair Dressler said the applicant has a lot of additional work to do.

Council Chair Richko agreed with Mr. Humphries's suggestion of having the applicant work with the Township.

Councilmember Vohden suggested the applicant move forward.

Committee Chair Dressler stated the Highlands Council staff has the direction to advise the applicant to move forward with the project, but that much additional work will be needed for the Council to determine consistency and to be able to consider issuing waivers.

Ms. Plevin thanked Ms. Green and Mr. Piasecki for their presentations.

The meeting was adjourned at 3:44pm.