MEMORANDUM

To: Land Owner Equity and Land Preservation Committee

From: Margaret Nordstrom, Executive Director

Subject: Committee Meeting Minutes – October 23, 2014

Date: November 13, 2014

A Land Owner Equity and Land Preservation Committee meeting was held on Thursday, October 23, 2014 at the Highlands Council office in Chester. Committee Members present: Committee Chair Walton; and Committee Members present via phone: Council Chair Rilee, Members Dressler, Francis, and Visioli.

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

New Jersey Builder’s Association (NJBA) members present: Stephen Shaw, David Fisher (NJBA President; Planner & K. Hovnanian.); George Vallone (NJBA Vice President & Hoboken Brownstone Company); and Elizabeth George-Cheniara, Esq.

Also present via phone: Tyler Yingling, Assistant Counsel, Governor’s Authorities Unit

Committee Chair Walton opened the meeting at 3:04pm and welcomed the New Jersey Builder representatives to the meeting.

Mr. Shaw began the discussion that the New Jersey Builders Association (NJBA) hopes to assist with the work of the Highlands TDR Program. Ms. Shaw added that the program has to work for the private sector and building community.

Mr. Fisher referred the committee members to the National Association of Home Builders (NAHB) memorandum dated July 29, 2014 regarding transfer of development rights in the Highlands. Mr. Fisher pointed out that factors that determine a good program from a bad program. Mr. Fisher referred to Maryland’s Transfer of Development Rights Programs which created incentives for builders, which included density bonuses and expedited approvals.

Mr. Shaw stated that a free market base is what builders are about and should be in play to accomplish TDRs.
Mr. Fisher noted that unlike the Pinelands Commission, the Highlands did not create growth zones.

Committee Chair Walton commented on Council’s current credit values and the need for reassessment.

Mr. Vallone commented that the building boom is on the gold coast where all municipalities share common characteristics and the need for infrastructures. Mr. Vallone added that an effort should be made with mayors in targeted areas. Committee Chair Walton asked why a mayor would want to work with the Highlands. Mr. Vallone responded to get funding for a duality vision; improve infrastructure and buy in the Highlands.

Ms. Nordstrom noted that Vernon Township wants to put a program in place and the mayor has a vision. Mr. Vallone raised doubts about builders’ desires to develop in such areas, which are not along the train lines/transit-served areas. He suggested that staff consider assessing municipalities and areas that are 45 minutes from Manhattan for possible receiving areas, and then to engage in discussion with local officials. Staff suggested coordination with Department of Transportation and NJ Transit.

There was then a discussion about the cost of Highlands Development Credits (HDCs) and what determines a credit for residential and commercial units/properties. Mr. Vallone stated he believed that the (HDC Bank) initial purchase program is hindering the creation of a market for credits and that the Highlands Council should end the practice of purchasing credits and allow the free market to take over. It was suggested that Council use its website as a market place to sell credits.

NJBA members left the meeting at 4:00pm

Land Owner Equity and Land Preservation Program

At the next Council meeting on December 4, Committee Chair Walton will report out on the committee’s recommendation regarding the Land Owner Equity and Land Preservation Program. Ms. Nordstrom will provide a presentation on this program to Council for discussion. Chief Counsel Davis gave an overview of the process for Council’s review and adoption of the program. Committee Chair Walton added that Council Members should be provided with a final draft program for their review well in advance of the December meeting.

Water Fee

Committee Chair reported that water use data in the region is not available. Ms. Danis referred the committee to an excerpt from Highlands Water Resource Volume II - Water Use and Availability Technical Report (page 98-99) from 2003 which gave data on Highlands water uses by use type. Ms. Danis noted that Highlands staff can update this information utilizing additional technical consultants, but that it, may require Highlands Council consideration in order to authorize staff and technical resources to conduct and update further study on this topic.

Mr. Humphries gave an update on the TDR Receiving Area Feasibility grants.

Ms. Nordstrom gave an update on the potential open space projects in the Highlands Region.

The Committee adjourned at 4:15pm.