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JIM RILEE
Chairman

MEMORANDUM

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

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

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

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

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

Committee Name Change

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

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

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

Draft Highlands Development Credit Receiving Area Designation Procedures

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

PSE&G Developer's Agreement

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

Update of TDR Receiving Area Feasibility Grants

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

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

The Committee adjourned at 3:49pm.