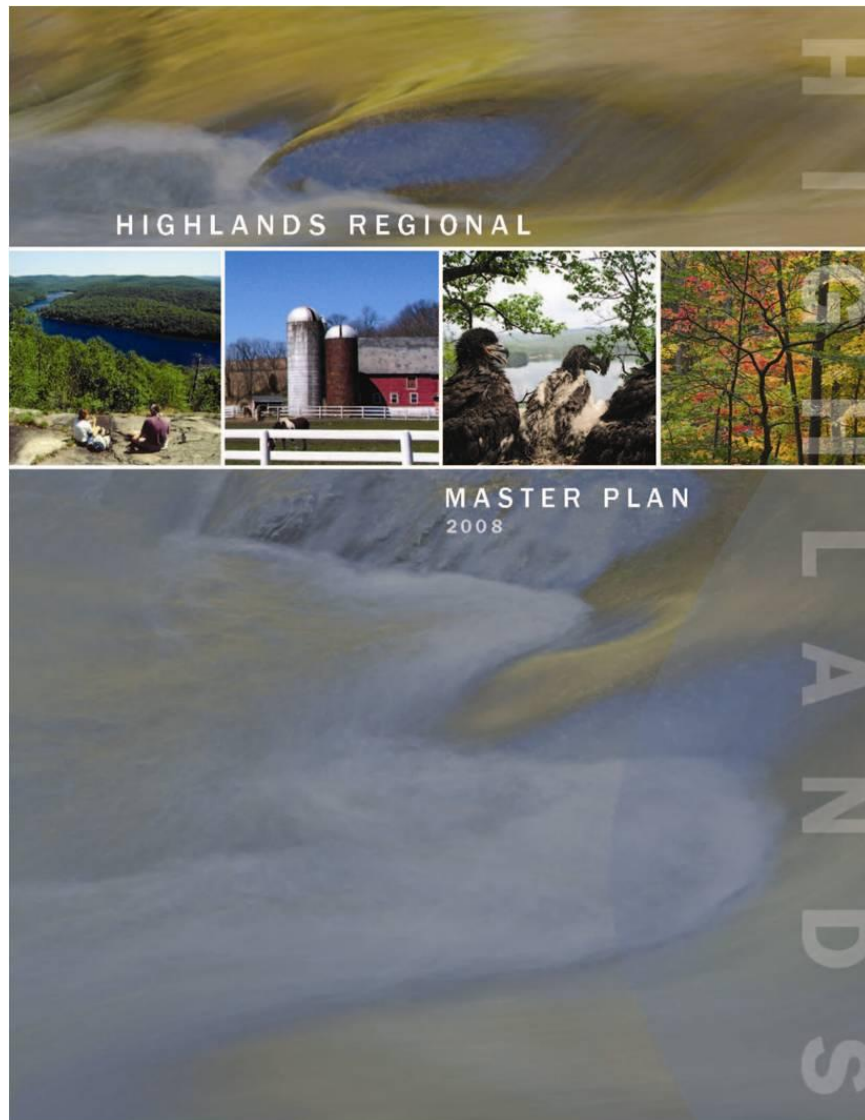




2011 Annual Report



New Jersey Highlands Water Protection and Planning Council

March 30, 2012



State of New Jersey

Highlands Water Protection and Planning Council
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CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

JIM RILEE
Chairman

A Message from the Chairman

Dear Friend of the New Jersey Highlands:

I am pleased to present the Highlands Water Protection and Planning Council's annual report for 2011. The Highlands Council's seventh year was one of tremendous progress, particularly in the area of Plan Conformance as the Council continued to work in partnership with municipalities, ensuring local needs and goals remained at the forefront of all our efforts.

In 2011, the Council approved petitions for Plan Conformance from 29 municipalities and one county, bringing the total number of approved petitions to 39. To date, 60 of the 88 Highlands municipalities have submitted petitions to conform to the Highlands Regional Master Plan. This results in 97-percent conformance in the Preservation Area (401,903 acres) and 32-percent conformance in the Planning Area (142,422 acres) where Plan Conformance under the Highlands Act is entirely voluntary. Importantly, more than half of the municipalities with lands in both the Preservation and Planning Areas (24 of the 47) have submitted petitions to include Planning Area lands. In addition, 9 municipalities that are entirely in the Planning Area have submitted a Petition for Plan Conformance.

The Council also approved seven additional Highlands Centers Designations in 2011. The creation of Highlands Centers helps fulfill the Regional Master Plan's commitment to sustainable economic development and redevelopment in or adjacent to areas with the infrastructure capacity for growth. The designation of Highlands Centers provides a focus for economic development opportunities and simultaneously discourages growth in sensitive areas designated for environmental protection and agricultural viability.

Also in 2011, Council member appointments brought a wealth of diverse experience to the table, with the addition of seven new members. In the past year, the Council welcomed Timothy P. Dougherty, Mayor of Morristown; Michael R. Dressler, Bergen County Surrogate; Bruce James, Passaic County Freeholder; James E. Mengucci, a Councilman in Lopatcong Township; Michael J. Sebetich, Professor of Biology at William Paterson University; and Robert G. Walton, Hunterdon County Freeholder. Lastly, I was honored to be approved by the Senate to serve on the Council and to be selected by Governor Christie to serve as Chairman.

Finally, 2011 was marked by a notable shift from Plan Conformance to Implementation. With 60 conformance petitions received and 39 approved by the Highlands Council, implementation activity became an increasing area of focus for Highlands Council staff as they help municipal leaders move closer to full adoption of the Regional Master Plan, while increasing control at the local level. Some specific examples of assistance provided by the Council in 2011 include: technical assistance and grant funding to complete environmental inventories, build-out analyses, wastewater management plans, affordable housing plans, and designated Highlands Redevelopment Areas to allow for growth in the Preservation Area.

Following is a summary of other key accomplishments in 2011:

- **Plan Conformance Approvals Surpass 50%:** With 29 new municipal approvals in 2011, the Highlands Council has approved more than half of the Petitions for Plan Conformance presented.
- **Regional Master Plan Upheld in Appellate Court.** In August 2011, the Highlands Council received a strong affirmation of its efforts when the Appellate Division of the Superior Court of New Jersey released five decisions upholding adoption of the Regional Master Plan in response to various challenges.
- **Highlands Development Credit Bank Completes Third Round:** In 2011, the Bank completed the third round of its initial purchase program, offering \$4.1 million to property owners with land in the Preservation Area. Through this program the Bank has approved offers in the amount of \$6,452,000 to thirteen owners of land in the Preservation Area to acquire the development rights on their properties.

Implementation of the Highlands Act through the Regional Master Plan provides the opportunity to effectively balance protection of drinking water with economic growth—both critical to the long-term health of New Jersey. It is with great pride and appropriate respect that the Council carries out this mission.

Sincerely,



Jim Rilee, Chairman
Highlands Water Protection and Planning Council



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Sparta Glen, Sussex County

Highlands Water Protection and Planning Council

March 2012

Jim Rilee, Chairman

Roxbury, Morris County
Councilman, Roxbury Township;
Former Mayor, Deputy Mayor, and
Planning Board member

Michael Francis

Hopatcong, Sussex County
Councilman, Hopatcong Borough

Michael Sebetich

Hawthorne, Passaic County
Professor of Biology,
William Paterson University

Kurt Alstede, Vice Chairman

Chester Township, Morris County
Founder, Alstede Farms
Former Councilman, Chester Township

Robert Holtaway

Bedminster, Somerset County
Mayor, Bedminster Township

Michael Tfank

West Milford, Passaic County
Former Planning Board Chair, West Milford

Tracy Carluccio

East Amwell, Hunterdon County
Deputy Director,
Delaware Riverkeeper Network

Bruce James

Clifton, Passaic County
Freeholder, Passaic County

James A. Visioli

Dover, Morris County
Alderman, Dover Town

Timothy P. Dougherty

Morristown, Morris County
Mayor, Town of Morristown

James Mengucci

Lopatcong, Warren County
Councilman, Lopatcong Township

Richard Vohden

Andover, Sussex County
Freeholder, Sussex County

Michael R. Dressler

Cresskill, Bergen County
Bergen County Surrogate

Carl J. Richko

West Milford, Passaic County
Former Mayor, West Milford Township

Robert G. Walton

Hampton, Hunterdon County
Freeholder, Hunterdon County

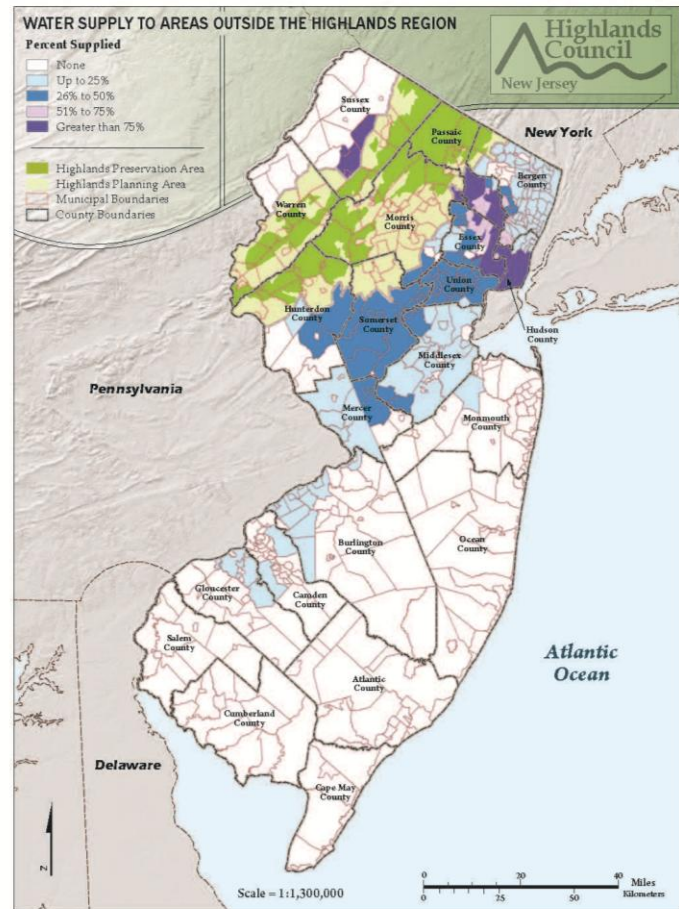


Deer Park Pond, Allamuchy Mountain State Park, Warren County

Highlands Overview

Through passage of the Highlands Water Protection and Planning Act (Highlands Act) on August 10, 2004, the New Jersey Highlands Water Protection and Planning Council (Highlands Council) was created and charged with the important task of developing a Regional Master Plan (RMP) to restore and enhance the significant values of the abundant and critical resources of the Highlands Region. The Act establishes a fundamental goal to protect, restore and enhance water quality and water quantity in the Highlands Region and also includes important goals relating to the protection of agricultural viability, ecosystems, as well as scenic and historic resources.

The Highlands Act divided the 859,267-acre Highlands Region into the Preservation Area (414,936 acres), where conformance to the RMP is mandatory, and the Planning Area (444,331 acres), where conformance is voluntary. The Highlands Region has 88 municipalities in Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex, and Warren Counties.



The Highlands Region supplies more than one half of New Jersey residents with drinking water and thus a major purpose of the RMP is to “determine the amount and type of human development and activity which the ecosystem of the Highlands Region can sustain.” The RMP establishes the capacity limitations for future growth within the Highlands Region related to both natural systems, such as protection of our drinking water supplies and natural ecosystems, and the built environment, such as wastewater and transportation infrastructure.

The RMP embodies a regional vision for the Highlands and is being implemented at all levels of government, through conformance by municipalities and counties, financial, and technical assistance by the Highlands Council, and State and federal coordination.

The RMP, adopted by the Highlands Council on July 17, 2008, became effective on September 8, 2008. The Highlands Council is working intensely in partnership with the municipalities and seven counties in the Highlands Region to design new resource protection methods and provide greater regional coordination. To this end, the Highlands Council initiated the RMP Plan conformance process (Plan Conformance) and has provided all Highlands municipalities and counties with important cutting edge scientific, technical and planning information to update master plans and land use ordinances to enable them to better meet the regional goals of critical resource protection and economic viability.

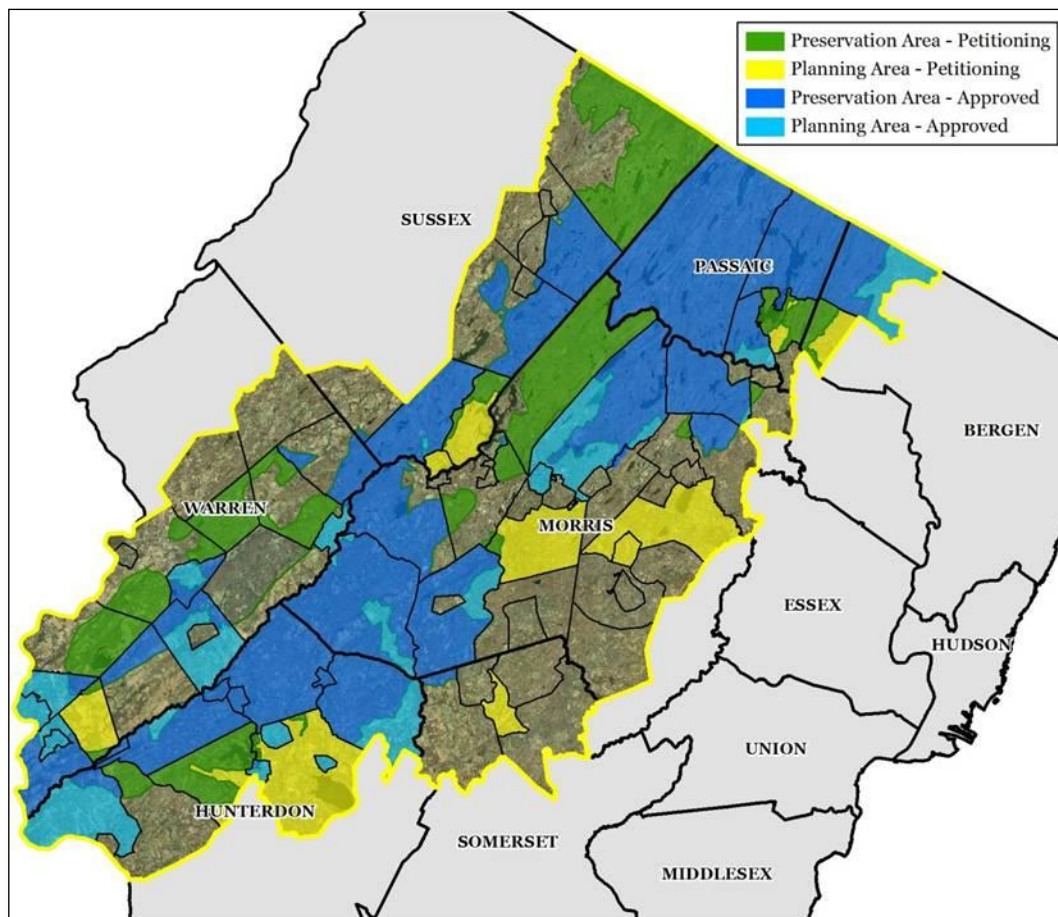
“...the New Jersey Highlands is an essential source of drinking water...for one-half of the State's population...contains other exceptional natural resources such as clean air, contiguous forest lands, wetlands, pristine watersheds, and habitat ... many sites of historic significance... abundant recreational opportunities.” — The Highlands Water Protection and Planning Act (Highlands Act, P.L. 2004, c. 120)

2011: The Year in Review

Plan Conformance

Without question, 2011 was a year of tremendous progress for the Highlands Council. Petitions for Plan Conformance were approved for 29 municipalities: Bloomsbury Borough, Clinton Town, High Bridge Borough, Holland Township, Lebanon Township, and Tewksbury Township in Hunterdon County; Denville Township, Kinnelon Borough, Mount Arlington Borough, Mount Olive Township, Rockaway Township, Washington Township, and Wharton Borough in Morris County; Bloomingdale Borough, Ringwood Borough, and West Milford Township in Passaic County; Bedminster Township in Somerset County; Green Township, Hardyston Township, and Sparta Township in Sussex County; Allamuchy Township, Alpha Borough, Franklin Township, Hackettstown Town, Lopatcong Township, Oxford Township, Phillipsburg Town, Pohatcong Township, and Washington Township in Warren County.

In March of 2011, the Highlands Council also approved its second County Petition for Plan Conformance, submitted by Somerset County. The County submitted a petition for its 1,009 acres in the Preservation Area, and was also approved for grant funding to support continued collaboration throughout the entire 47,555 acres of the county located within the Highlands Region. Future projects will include: an inventory and mapping of conservation easements; development of a Sustainable Economic Plan Element; and a collaborative effort to examine the potential for Transfer of Development Receiving Areas in the County outside of the Highlands Region.



In the first quarter of 2012, the Council approved an additional two municipal Petitions for Plan Conformance in the Preservation Area including Montville in Morris County (3,400 acres) and Ogdensburg in Sussex County (197 acres). This brings the total number of approved conforming municipalities to 39, with 288,551 acres in the Preservation Area and 73,056 acres in the Planning Area.

To date, 60 municipalities representing 97 percent of the Preservation Area (401,910 acres) and 34 percent of the Planning Area (148,995 acres) have submitted Petitions for Plan Conformance to the Highlands Council. The total acreage is 550,905 acres, representing 64 percent of the entire Highlands Region. Five counties have submitted Petitions for Plan Conformance as well. The remaining two counties and one municipality with lands in the Preservation Area continue to work with the Highlands Council staff.

The table below lists all Highlands municipalities by county indicating total acreage in the Preservation and Planning Areas. Blue highlighting indicates petitions submitted and orange indicates petitions approved.

MUNICIPALITY	PLANNING AREA	PRESERVATION AREA	TOTAL
BERGEN COUNTY			
Mahwah Township	7,083	9,481	16,564
Oakland Borough	3,007	2,605	5,612
<i>Total Acres For Bergen County</i>	10,090	12,086	22,176
HUNTERDON COUNTY			
Alexandria Township	15,038	2,721	17,760
Bethlehem Township	1,141	12,146	13,287
Bloomsbury Borough	0	632	632
Califon Borough	0	629	629
Clinton Town	777	141	918
Clinton Township	21,064	643	21,706
Glen Gardner Borough	0	991	991
Hampton Borough	136	835	971
High Bridge Borough	1,555	0	1,555
Holland Township	13,352	1,973	15,324
Lebanon Borough	577	0	577
Lebanon Township	6	20,264	20,270

MUNICIPALITY	PLANNING AREA	PRESERVATION AREA	TOTAL
Milford Borough	818	0	818
Tewksbury Township	6,857	13,469	20,326
Union Township	2,667	10,502	13,169
<i>Total Acres For Hunterdon County</i>	63,989	64,945	128,934
MORRIS COUNTY			
Boonton Town	1,590	0	1,590
Boonton Township	4,943	493	5,437
Butler Borough	1,318	0	1,318
Chester Borough	1,020	0	1,020
Chester Township	2,906	15,789	18,695
Denville Township	8,144	7	8,151
Dover Town	1,745	0	1,745
Hanover Township	6,878	0	6,878
Harding Township	13,162	0	13,162
Jefferson Township	3,303	24,080	27,384
Kinnelon Borough	325	11,984	12,309
Mendham Borough	3,826	0	3,826
Mendham Township	11,527	0	11,527
Mine Hill Township	1,918	0	1,918
Montville Township	8,792	3,440	12,232
Morris Township	10,118	0	10,118
Morris Plains Borough	1,657	0	1,657
Morristown Town	1,924	0	1,924
Mountain Lakes Borough	1,861	0	1,861
Mount Arlington Borough	1,663	132	1,795

MUNICIPALITY	PLANNING AREA	PRESERVATION AREA	TOTAL
Mount Olive Township	4,133	15,859	19,992
Netcong Borough	611	0	611
Parsippany-Troy Hills Township	16,223	0	16,223
Pequannock Township	4,074	475	4,549
Randolph Township	12,961	581	13,542
Riverdale Borough	1,323	0	1,323
Rockaway Borough	1,357	0	1,357
Rockaway Township	11,582	17,789	29,371
Roxbury Township	9,738	4,303	14,041
Victory Gardens Borough	93	0	93
Washington Township	3,491	25,235	28,726
Wharton Borough	1,362	0	1,362
<i>Total Acres For Morris County</i>	155,569	120,167	275,736
PASSAIC COUNTY			
Bloomington Borough	1,762	4,155	5,917
Pompton Lakes Borough	2,000	0	2,000
Ringwood Borough	0	18,230	18,230
Wanaque Borough	1,303	4,665	5,968
West Milford Township	0	51,848	51,848
<i>Total Acres For Passaic County</i>	5,065	78,897	83,963
SOMERSET COUNTY			
Bedminster Township	15,866	1,009	16,875
Bernards Township	15,570	0	15,570
Bernardsville Borough	8,265	0	8,265
Far Hills Borough	3,149	0	3,149

MUNICIPALITY	PLANNING AREA	PRESERVATION AREA	TOTAL
Peapack-Gladstone Borough	3,696	0	3,696
<i>Total Acres For Somerset County</i>	46,546	1,009	47,555
SUSSEX COUNTY			
Byram Township	236	14,300	14,536
Franklin Borough	2,833	0	2,833
Green Township	10,169	260	10,429
Hamburg Borough	747	0	747
Hardyston Township	8,281	12,603	20,885
Hopatcong Borough	5,333	2,615	7,948
Ogdensburg Borough	1,240	197	1,437
Sparta Township	13,335	11,488	24,822
Stanhope Borough	1,341	0	1,341
Vernon Township	15,464	29,305	44,769
<i>Total Acres For Sussex County</i>	58,980	70,769	129,749
WARREN COUNTY			
Allamuchy Township	7,695	5,278	12,973
Alpha Borough	1,098	0	1,098
Belvidere Town	950	0	950
Franklin Township	11,288	3,763	15,051
Frelinghuysen Township	15,275	0	15,275
Greenwich Township	5,994	786	6,780
Hackettstown Town	2,171	203	2,374
Harmony Township	7,003	8,413	15,416
Hope Township	11,706	0	11,706
Independence Township	6,510	6,276	12,786

MUNICIPALITY	PLANNING AREA	PRESERVATION AREA	TOTAL
Liberty Township	543	7,090	7,633
Lopatcong Township	3,672	1,049	4,721
Mansfield Township	5,969	13,032	19,001
Oxford Township	1,672	2,206	3,878
Phillipsburg Town	2,133	0	2,133
Pohatcong Township	1,208	7,571	8,780
Washington Borough	1,259	0	1,259
Washington Township	7,953	3,595	11,547
White Township	9,993	7,800	17,793
<i>Total Acres For Warren County</i>	104,093	67,062	171,155
Total Acres For Highlands Region	444,331.67	414,935.71	859,267.38

More information can be found on the Plan Conformance page on the Highlands Council website:
<http://www.highlands.state.nj.us/njhighlands/planconformance/>

With Conformance Petitions received representing 97% of the Preservation Area, where conformance is mandatory, and more than half of those Petitions approved by the Highlands Council, the focus in 2011 began to shift toward implementation. In the past year, council staff solidified the implementation process and timeline, created guidance documents, refined model documents, and updated maps to provide municipalities with the tools necessary to enable ongoing conformance to the Regional Master Plan at the local level. In 2011, 32 municipalities entered the implementation phase with receipt of final model documents prepared by Council staff.

The Borough of High Bridge in Hunterdon County made the most progress by the end of 2011 in implementation adopting five key elements of implementation: a Planning Area Petition Ordinance; a Master Plan Reexamination Report and Resolution; an Environment Resource Inventory; a Master Plan Element; and a Land Use Ordinance. Neighboring Holland Township, also in Hunterdon County, has also made solid progress adopting a Planning Area Petition Ordinance, a Master Plan Reexamination Report and Resolution, and an Environment Resource Inventory.

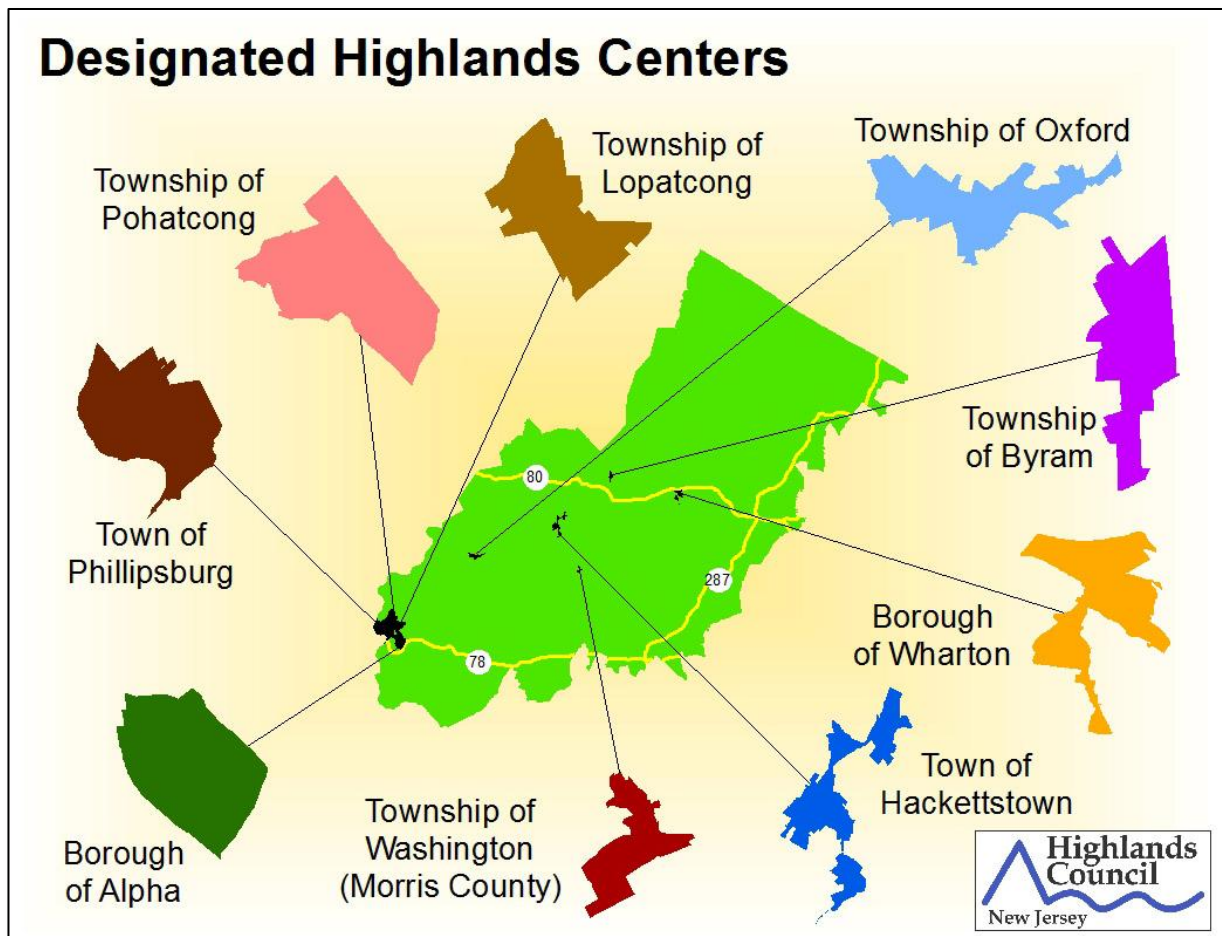
Success in the Planning Area

Of particular note is progress in the Planning Area where conformance is voluntary. By the end of 2011, more than half (53%) of the municipalities with lands in both the Preservation Area and Planning Area had submitted petitions to conform in their Planning Area lands. Nine of the 36 municipalities that are located entirely within the Planning Area (25%) have also submitted Petitions to Conform. In all, 34 of the 83 municipalities with lands in the Planning Area (41%) have chosen to conform to the Highlands Regional Master Plan.

Success in these areas in which conformance is voluntary, speaks directly to the perceived and real value municipalities have found in partnering with the Highlands Council. Once a municipality submits a petition for Plan Conformance, a liaison is assigned from the Highlands Council staff. This ensures the designated professional lead from each municipality has a single point of contact within the Council staff. Staff liaisons are involved in reviewing and revising—with the municipality—draft master plans, municipal ordinances, zoning maps, and other final documents. The Highlands Council staff provides model documents that are tailored to each municipality. This collaborative approach ensures compliance with the Highlands Act, the Regional Master Plan, and the conditions of Plan Conformance approval, while respecting the goals and needs of the local government.

Highlands Centers

The Highlands Act specifically requires encouragement of centers-based development and redevelopment, which is achieved through Highlands Center designations. The designation of a Highlands Center provides a focus for economic development opportunities and simultaneously discourages growth in sensitive areas designated for environmental protection and agricultural viability. In 2011, the Highlands Council designated seven additional Highlands Centers in the municipalities of Alpha, Hackettstown, Oxford, Phillipsburg, and Pohatcong in Warren County; and Washington Township and Wharton in Morris County. With the addition of Byram Township, which received its Highlands Center Designation in 2010, and Lopatcong which received its designation early in 2012, this brings the total number of Highlands Centers to nine.



Success Story:

Byram Highlands Center Earns New Jersey Future Smart Growth Award

In 2010, Byram Township in Sussex County was the first municipality to receive a Highlands Center designation. The town plans to create “Byram Village Center,” a mixed-use core development area with a village green, civic space, commercial and retail space, apartments, townhomes, multi-family homes, and single family homes, including deed-restricted units to address the township’s affordable housing obligation. In 2011 the plan was among eight projects to be recognized with a [New Jersey Future Smart Growth Award](#).



Presentation of New Jersey Future Smart Growth Award for Byram Village Center, the first designated Highlands Center.

(l to r) Paul Gleitz, Planner, Heyer Gruel & Associates; Pam Mount, Trustee, New Jersey Future and Chair of the 2011 Awards Selection Committee; Jack Schrier, Acting Chairman, Highlands Council; Peter Kasabach, Executive Director, New Jersey Future; James Oscovitch, Mayor, Byram Township.

Plan Conformance Grant Programs

The Highlands Act requires that the Highlands Council provide grant funding for the reasonable expenses associated with Plan Conformance requirements. In order to provide municipalities and counties with funding to complete plans for Highlands Centers, stream corridor plans, agricultural retention plans, sustainable economic development plans and other plans that are required through Plan Conformance, the Highlands Protection Fund was created in the Act to offset these expenses.

In 2011, 29 new municipal Petitions were approved by the Council making them eligible to receive grant funding above the initial \$100,000 awarded following a Notice of Intent. Only municipalities that submitted a Notice of Intent and had their Petition approved by the Highlands Council received an amended grant agreement, providing funding to address the need to complete additional tasks toward the Implementation of Plan Conformance. One county Petition was also approved (Somerset), providing the opportunity to apply for a \$20,000 grant (with the possibility of receiving up to \$50,000 based on need).

Among the municipalities to receive awards to support Plan Conformance activities:

- 13 received awards to support Sustainable Economic Development plans, totaling \$215,000 (average award of \$16,538)/municipality).
- 17 received awards to support Highlands Centers Plans/Redevelopment plans, totaling \$320,000 (average award of \$21,176/municipality).
- 15 received awards to support Water Use and Conservation Management plans, totaling \$870,000 (average award of \$58,000/municipality).
- 23 received awards to support Habitat Conservation & Management plans, totaling \$376,000 (average award of \$16,783/municipality).
- 4 received awards to support Lake Management plans, totaling \$115,000 (average award of \$82,750/municipality).
- 25 received awards to support Wastewater Management plans, totaling \$84,500 (average award of \$3,500/municipality).
- 14 received awards to support Agricultural Retention/Farm Preservation plans, totaling \$165,000 (average award of \$12,857/municipality).
- 5 received awards to support Green Building/Environmental Sustainability/Alternative Energy plans, totaling \$37,500 (average award of \$7,500/municipality).

In addition, the municipality of Hackettstown in Warren County received a grant to support an assessment that will help identify lands in the town that are eligible for the Highlands Council Transfer of Development Right program, and Sussex County completed a Sustainable Agriculture Grant to develop a county-based Commercial Kitchen project (see Success Story below).

In fiscal year 2012, the New Jersey State Budget included an appropriation of \$4,400,000 in the Highlands Protection Fund's Incentive Planning Aid and Regional Master Plan Compliance Aid accounts. Of this total, \$2,218,000 was transferred to the Watershed Moratorium Aid account within the Highlands Protection Fund. This leaves a balance of \$2,182,000 for Plan Conformance grant activities for FY2012. On January 19, 2012, the Highlands Council passed a Highlands Protection Fund Capital Budget for FY2012. The FY2012 Highlands Protection Fund Budget is based upon the almost \$2,200,000 appropriation authorized by Governor Christie in the FY2012 State Budget. This funding will provide additional grant dollars for continued Plan Conformance work for an estimated 30 municipalities and counties in FY2012. The FY2012 budget estimates that \$2,859,470 additional dollars will be encumbered for municipalities and \$230,000 will be encumbered for Highlands counties.

Success Story:

Sustainable Agriculture Grant—Sussex County Commercial Kitchen Project

In 2011, Sussex County Completed a Highlands Council Sustainable Agriculture Grant-funded project to develop a county-based Commercial Kitchen. In a partnership with the County Tech School and local farmers, the County developed an educational program to teach farmers how to develop recipes, produce and market food products using locally grown produce. Funding from the Council specifically supported the purchase of equipment to fill and label product jars. Two products developed through this program can be found in local farm markets throughout the Highlands Region: Garlic Jelly, Jersey Devil Salsa. On March 15, 2012 the Council approved a renewal of this grant to assist Sussex County with this successful program.

Regional Master Plan Upheld in Appellate Court

In August 2011, the Highlands Council received a strong affirmation of its efforts when the Appellate Division of the Superior Court of New Jersey released five decisions upholding adoption of the Regional Master Plan (RMP) in response to various challenges. Appeals were brought by developers and affordable housing advocates challenging the actions of the Council, former Governor Corzine, the Council on Affordable Housing, and the Department of Environmental Protection. All five decisions by the Appellate Division upheld the actions of the Highlands Council in the adoption of the RMP. Two of the five decisions were published decisions providing a detailed analysis of the Highlands Council's actions in the development of the RMP and the transfer of development rights (TDR) program.

Highlands Redevelopment Area Projects

The Highlands Council this year also approved three Highlands Redevelopment Area Designations in the Preservation Area: Former Fenimore Sanitary Landfill in Roxbury, Morris County (construction of solar site capable of generating between 8 to 10 megawatts of power, following capping and final closure of landfill); Givaudan Fragrances Corporation in Mount Olive Township, Morris County (expansion of an existing warehouse by 21,330 square-feet to accommodate business growth); and Sandshore Road in Mount Olive Township, Morris County (designation of 18.92 acres as Redevelopment Area to allow property owners to then request a Highlands Preservation Area Approval to construct a 4,296-square-foot, one-story building for use as congregational center).

More information is available on the [Project Review page](#) of the Highlands Council website.

Transfer of Development Rights Program

In 2011, the Highlands Council continued to make great strides in land preservation through the Highlands Transfer of Development Rights Program and the Highlands Development Credit Bank. In 2011, the Bank completed the third round of its initial purchase program, offering \$4.1 million to property owners with land in the Preservation Area to acquire HDCs allocated to their properties, which represents 144 acres. In February 2012, the Bank completed its fourth round, bringing the total offers to nearly \$8 million. Should the Bank close on all offers, the program will have preserved nearly 500 acres at approximately \$16,346 per acre. More information about the Highlands Transfer of Development Rights program can be found on the [Highlands Development Credit Bank's website](#).



Cider Mill, Chester Township, Morris County

New Council Appointments

The Highlands Act sets specific requirements for Highlands Council membership and its 15 members must include eight elected municipal and county officials and seven public members. In 2011, seven of Governor Chris Christie's appointments to the Highlands Council were approved: Timothy P. Dougherty, the Mayor of Morristown; Michael R. Dressler, Bergen County Surrogate; Bruce James, Passaic County Freeholder; James E. Mengucci, a Councilman in Lopatcong Township; Jim Rilee, Mayor of Roxbury Township in Morris County; Michael J. Sebetich, Professor of Biology at William Paterson University; and Robert G. Walton, Hunterdon County Freeholder.

Also in 2011, Jim Rilee was appointed as Chairman of the Highlands Council. Chairman Rilee has served as Mayor, Deputy Mayor, Councilman and Planning Board member for Roxbury Township for over a decade. He also served as Chairman of the Morris County Open Space & Farmland Preservation Trust Fund. Kurt Alstede was also elected by the Council as Vice Chairman. Alstede is a lifelong resident of the Highlands Region and a full-time family farmer in Chester Township, having founded Alstede Farms in 1982. Also in 2011, Bob Holtaway, Bedminster Mayor, was elected to serve as the Council's Treasurer.

Transparency and Outreach

The Highlands Council is committed to sharing information with the public. Information about the Highlands Council is shared through its [website](#) and at regularly scheduled meetings that are advertised in local newspapers in accordance with the Open Public Meetings Act. The meeting schedule is posted on the Highlands Council website's [calendar page](#). This page also makes available information from previous meetings, including agendas, resolutions, presentations, and other materials, as well as audio recordings and minutes of the meetings themselves.

The Highlands Council has developed cutting edge [Interactive Mapping](#) sites to share the most up-to-date information with municipalities and interested parties. The website also provides information about [projects reviewed by the Highlands Council](#), the activities of the [Highlands Development Credit Bank](#), the status of the [Transfer of Development Rights Program](#), and materials related to [Plan Conformance](#). The [Highlands Development Credit Estimator](#) gives residential property owners the ability to see a range of how many credits their property may be entitled to receive if they enroll in the Transfer of Development Rights program.

In 2011, the website was augmented with two new tracking documents that provide summaries of current activities related to [plan conformance](#) and [project reviews](#).

Also in 2011, the Highlands Council held nine public meetings to discuss and resolve a variety of issues concerning the implementation of the Regional Master Plan. The Highlands Development Credit Bank held two public meetings. All meetings provided opportunities for input from the Highlands Council staff, State agency representatives, and the public.

Moving from Conformance to Implementation

As municipalities move from Plan Conformance to implementation and eventually ongoing resource management and planning, each step is designed to move closer to full implementation of the Regional Master Plan (RMP), while providing an increasing level of control at the local level. The ultimate goal is to provide municipal leaders with tools and information to implement the RMP, largely without the assistance of the Highlands Council. With 60 conformance petitions received and 39 approved by the Highlands Council, implementation activity is increasing and will become a more central focus for the Highlands Council in 2012.

The Highlands Council will continue to partner with municipalities through the use of Highlands



Musconetcong Gorge, Holland Township, Hunterdon County

Protection Fund grants, such as Sustainable Economic Development Plans, Habitat Conservation and Management Plans, Highlands Redevelopment Area Plans, Stream Corridor Restoration Plans, Agricultural Retention Plans and Water Use Conservation Management Plans. In addition, the Highlands Development Credit Bank will offer its fifth round of initial purchase program to purchase development rights from landowners in the Preservation Area, and will continue to work with municipalities inside and outside of the Highlands Region on the creation of voluntary Transfer of Development Rights receiving zones.

Protection of the natural resources of the Highlands Region – including the quality and quantity of drinking water for more than 5 million New Jersey residents – is being accomplished through the collaborative efforts of the regional planning agency and local governments. The Highlands Council also will continue to follow the directives established by Governor Chris Christie to promote transparency in government, coordinate its efforts with other State agencies, minimize costs to local government, and respond to constituents and applicants in a timely and professional manner.

NEW JERSEY HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL
Statement of Activities and Financial Report for the period ending December 31, 2011

General Operating Budget FY11 - July 1, 2010 through June 30, 2011

REVENUES:

State of New Jersey Appropriation FY11	\$ 1,852,000.00
Balance from FY10	\$ 145,713.33
Transfer from Dodge Account	\$ 10,352.72
Transfer from RMP Account	\$ 364,944.08
Miscellaneous Revenues & Reimbursements	\$ 7,567.70
TOTAL	\$ 2,380,577.83

EXPENDITURES:

Salaries	\$ 1,735,661.18
Materials and Supplies	\$ 26,679.25
Other Operating Expenses	\$ 122,980.55
Maintenance and Repairs	\$ 227,739.43
Equipment, Additions, and Improvements	\$ 88,304.48
Balance through June 30, 2011	\$ 179,212.94
TOTAL	\$ 2,380,577.83

General Operating Budget for Portion of FY12 - July 1, 2011 through December 31, 2011

REVENUES:

State of New Jersey Appropriation FY12	\$ 2,315,000.00
Highlands Balance from FY11	\$ 179,212.94
Miscellaneous Revenues & Reimbursements	\$ 7,000.00
TOTAL	\$ 2,501,212.94

EXPENDITURES:

Salaries	\$ 794,415.35
Materials and Supplies	\$ 10,806.99
Other Operating Expenses	\$ 51,502.29
Maintenance and Repairs	\$ 110,891.18
Equipment, Additions, and Improvements	\$ 12,116.22
Transfer to RMP Account	\$ 127,889.47
Balance through June 30, 2012	\$ 1,393,591.44
TOTAL	\$ 2,501,212.94

Regional Master Plan Budget for Portion of FY12 - July 1, 2011 through December 31, 2011

REVENUES:

Balance from FY11	\$ 705,846.22
Transfer in from General Operating Account	\$ 127,889.47
TOTAL	\$ 833,735.69

EXPENDITURES:

Contracts Paid to Date	\$ 41,572.86
Balance on Approved Contracts	\$ 385,375.60
Balance through June 30, 2012	\$ 406,787.23
TOTAL	\$ 833,735.69

