



State of New Jersey

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HIGHLANDS REGIONAL MASTER PLAN MONITORING PROGRAM MUNICIPAL NORTH STAKEHOLDER MEETING

DATE: January 12, 2015
TIME: 3:00PM – 5:00PM
LOCATION: Sussex County Vocational Technical School
102 N Church Road
Sparta, NJ

ATTENDEES:

First Name	Last Name	Organization
Tom	Carroll	Borough of Wanaque
Carrine	Kaufer	Hardyston Township
Richard	Kunze	Borough of Oakland
Steve	Lydon	Burgis Association (representing Borough of Oakland)
Vic	Marotta	Vernon Township
Margaret	Nordstrom	NJ Highlands Council - Staff
Chris	Danis	NJ Highlands Council - Staff
James	Humphries	NJ Highlands Council - Staff
Judy	Thornton	NJ Highlands Council - Staff
Corey	Piasecki	NJ Highlands Council - Staff
Courtenay	Mercer	Regional Plan Association
Janani	Shankaran	Regional Plan Association

HIGHLANDS REGIONAL MASTER PLAN MONITORING PROGRAM



MEETING PURPOSE:

To provide an overview of the Highlands Regional Master Plan Monitoring Program and process; brainstorm topics and data availability for ongoing monitoring; identify potential technical advisory committee members; and discuss next steps.

- 1) Introductions
- 2) Overview of Monitoring Program Process
- 3) Discussion Items:
 - a) Thoughts on the current state of RMP utilization and collaboration by the municipalities.
 - b) Thoughts on opportunities for improvement to the RMP.
 - c) How can outreach and education from the Highlands Council be improved?
 - d) What RMP topics/information are most appropriate for ongoing monitoring?
 - e) Do you have access to and/or relevant information about data that can be used for the ongoing monitoring of the RMP?
- 4) Identification of Potential TAC Members
- 5) Wrap up/Next Steps

MEETING SUMMARY:

The meeting opened with welcome remarks by Courtenay Mercer, New Jersey Director at Regional Plan Association (RPA), the project consultant. Attendees introduced themselves. Ms. Mercer gave a short PowerPoint presentation with background on the Highlands Regional Master Plan (RMP) Monitoring Program and process. Key points included:

- The RMP is continually updated as new factual information is made available, but the Monitoring Program evaluates progress toward achieving the goals of the RMP by identifying and measuring indicators and milestones.
- Stakeholder meetings are being conducted now to identify potential indicators and data sources that may not be readily available. Public outreach stakeholder meetings were held in mid-December and January.
- Two series of technical advisory committee (TAC) meetings will take place, the first to review draft indicators and the second to review the baseline analysis and determine milestones.
- The process will result in the Monitoring Program Recommendations Report (MPRR) and a science and research agenda.
- A Fiscal Impact Assessment (FIA) will be conducted concurrently to measure the economic state of the Highlands region as well as provide comparisons to other regions.

Participants then engaged in discussion, facilitated by Ms. Mercer, about local experiences with the Highlands Council and RMP, and opportunities for improvement.

In Vernon, local officials have generally had a positive experience with the Highlands Council. Through a Highlands Council grant, the township is exploring the potential to implement a municipal transfer of development rights (TDR) program. The township is also exploring expansion of its town center, and recently signed a contract with United Water to supply water to the center.

HIGHLANDS REGIONAL MASTER PLAN MONITORING PROGRAM



Officials are pleased with the Highlands Council's willingness to collaborate with local officials to solve problems unique, community-specific challenges. Nevertheless, participants expressed that the Highlands Act has had an adverse impact on the economy.

With very limited developable land, Hardyston officials appreciate the Highlands Council's checklist ordinance approach. One participant expressed that the checklist ordinance is both easy to understand and implement. Hardyston has had a positive experience with exemption delegation, particularly since the local review process is more expedited than NJ Department of Environmental Protection's (NJDEP) review process.

Wanaque, containing land in both the planning and preservation areas, has a Center designation through 2015. Currently, the borough is working on preservation area conformance because the process seems simpler than planning area conformance.

Oakland's plan conformance petition was approved in May 2014. The borough is studying TDR implementation.

Participants conveyed uncertainty about post-plan conformance activities; municipal officials are unsure about how to move forward once conformance is achieved. Participants conveyed the importance of continued dialogue between the Highlands Council and local officials, particularly after a political transition.

Ms. Mercer asked participants how the conformance process could be improved. In Hardyston, water deficit issues have fostered concerns about Highlands regulation implementation by the NJDEP in the planning area. Despite optional conformance, the Highlands Council evaluates water deficits when the potential for development arises in the planning area. Hardyston municipal officials cannot require developers and others in the planning area to conduct water deficit mitigation. Local officials want to opt out of planning area conformance without facing pressure to deal with water deficit mitigation issues. Participants expressed that there are too many layers of regulation within the planning area. In Hardyston, developers should not have to bear the burden of water deficit mitigation.

A participant conveyed that, in Vernon, NJDEP septic permit regulations render planning area development almost equivalent to preservation area development. Due to the nitrate dilution model, densities of up to 12 acres per residential unit are required in Vernon's planning area. Highlands Council staff replied that a non-conforming planning area community must adhere to statewide NJDEP regulations. Based on soils and nitrate dilution, 12 acres per unit could be reasonable for conforming planning area communities; whereas in the preservation area, densities are between 25 to 88 acres per unit. Commenting that several communities in Hunterdon County faced a similar challenge, Ms. Mercer asked Highlands Council staff what would happen to planning area communities currently adhering to the NJDEP 2% nitrate dilution model if they conformed. Council staff replied that conforming communities would need to follow Highlands septic density standards. An Excel spreadsheet is provided online as a tool for municipalities to estimate the change to development density if a planning area community were to conform.

HIGHLANDS REGIONAL MASTER PLAN MONITORING PROGRAM



In terms of Highlands water usage, participants conveyed that substantial watershed protection in New Jersey has occurred in the Highlands region, yet there is little knowledge of Highlands water usage by residents in eastern New Jersey. Participants agreed that usage of Highlands water should be better tracked. Further, an enhanced financial connection should be fostered between the open space stewards of the Highlands and the end users of its water. Highlands communities have been developing a coalition to support such an effort.

As a result of reduced development in the Highlands and the property tax cap, municipalities are facing budget shortfalls and are unable to provide adequate public services. Municipalities are faced not only with Highlands Act and NJDEP regulations, but must also bear the costs of unfunded mandates from other state agencies, collectively straining local budgets. With New Jersey's eastern, more urban communities growing in population – which will result in greater water demand – participants emphasized the need for equity between Highlands communities and end water user communities to be addressed.

Previously, local officials within the Highlands communities have engaged in dialogue with elected officials from end water user communities, such as Newark. Participants expressed that at the time, these elected officials were receptive to the concept of equity. Vernon and Hardyston have a great deal of preserved land, and also have lands within the Newark watershed. The City of Newark owns the Newark watershed, and recently succeeded in reducing the water authority property tax. Participants conveyed that the coalition will research and advocate for new ways to assess watershed properties. In regard to equity, one participant stated that the City of Newark profits over \$7 million on water that they receive for free from the Highlands. Ms. Mercer requested that participants provide further information on the coalition.

Oakland is split between the preservation and planning area. The community is exploring opportunities to both expand downtown and preserve its character. However, connecting additional sewers presents a challenge. The borough is investigating TDR as a means to balance potential water deficit from piping sewerage out of the watershed by permanently preserving Highlands lands. There is hope that the Highlands can assist the community in convincing NJDEP that regional solution will work best. In response, Council staff conveyed that the challenges they confront are often larger than individual municipalities, but as a regional planning agency, the Council is well-equipped to confront these challenges.

Participants stated that the Council's work to facilitate interaction between the municipalities and state agencies has been valuable. Council staff agreed, conveying the need for state agencies to focus on change rather than regulation. Participants expressed appreciation for the great level of collaboration between municipalities and the Highlands Council.

Ms. Mercer asked participants to share thoughts on the proposed indicator topics, and in particular, those within economic development. Participants conveyed that the greatest share of economic development has occurred in the planning area. However, moving forward, Council on Affordable Housing (COAH) obligations will present a challenge. Participants conveyed that the initial projections created from the last proposed set of COAH rules were overstated and failed to account for Highlands regulations, NJDEP regulations, and existing developer commitments. With slowed development in the Highlands region, it will be difficult to meet COAH obligations in the future.

HIGHLANDS REGIONAL MASTER PLAN MONITORING PROGRAM



Regarding economic development, one participant suggested that employment be monitored. Ms. Mercer replied that as part of the Fiscal Impact Assessment (FIA) process, the project team will be examining confidential employment data and completing a comparative analysis of other regions. Participants conveyed that demographic trends and shifts to urban places could result in gentrification of cities. Meanwhile, suburbs will become the places where less wealthy people can afford to live. Demographic shifts are very pronounced in Vernon, where school enrollment has decreased by almost half over the last 15 years. The region's aging population, coupled with reduced birthrates, will present a challenge.

With regard to a question about the monitoring program process, Ms. Mercer explained that the Act requires a re-examination, and the process was loosely described in the RMP. Council staff elaborated that this evaluation will set the baseline for future monitoring.

As the meeting concluded, Ms. Mercer remarked that participants are encouraged to send further feedback on indicators and data via email and through the online comment portal. Participants are also encouraged to identify potential TAC members. The TACs will have approximately 15-20 participants and will meet in two series, the first set of meetings to discuss draft indicators, and the second set of meetings to review the baseline analysis and select milestones. Interested stakeholders should send resumes.

Next Steps/Action Items

- Participants should submit via email: additional feedback on indicators, additional feedback on data sources; as well as TAC member suggestions and resumes.