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HDC Bank approves three offers for Highlands Land Preservation

CHESTER, N.J.—The New Jersey Highlands Development Credit Bank (HDC Bank) approved three offers to landowners in Sussex and Morris County to preserve over 150 acres of land, providing up to \$1,497,000 for land preservation in the Highlands Preservation Area.

The HDC Bank was provided \$10,000,000 in initial capital funding to purchase development rights under the Highlands Transfer of Development Rights (TDR) Program, an essential tool of the Highlands Regional Master Plan. Yesterday marked the end of the fourth round of TDR offers to sixteen landowners in the Bank's initial purchase program. To date, the HDC Bank has preserved 248 acres in the Highlands Preservation Area and has pending offers to preserve an additional 238 acres for a total of 486 acres in an amount of \$7,966,500.

If the HDC Bank's offers are accepted by landowners, lands in the Highlands Preservation Area will be protected through deed restrictions. The TDR Program allows participating owners to retain ownership of their land while safeguarding the region's significant environmental and agricultural resources, which include the drinking water supply for 5.4 million New Jersey residents.

"The important role of the HDC Bank is to provide an opportunity for relief for Highlands landowners while preserving Highlands resources," said Theodore J. Maglione, chairman of the HDC Bank's board. "The acquisition program is critical both for landowners in financial hardship and those who might not qualify for the Green Acres or Farmland Preservation programs."

The HDC Bank also approved a fifth round of the initial purchase program. To be eligible, interested landowners may submit an application to the Highlands Council for an HDC Allocation before April 27, 2012. Should they wish to be considered by the HDC Bank to purchase the

development rights, there is a June 29, 2012 deadline to submit an HDC Certificate application to the HDC Bank.

The Highlands TDR program awards credits to eligible property owners as a means of offsetting the loss of pre-Highlands Act development opportunities. To determine the number of credits a property may be eligible to receive, the program evaluates a property's size and location and considers local zoning and environmental laws that were in effect the day prior to adoption of the Highlands Act (August 9, 2004). Credits may be sold to the HDC Bank or a conservation organization after the landowner records a deed of easement limiting a property's potential development. In the future, credits may also be sold to developers, who can use them to increase the density of a residential development project, or to intensify commercial or industrial development, within an approved Highlands TDR receiving zone.

The Council's HDC Allocation Application is available at:

http://www.highlands.state.nj.us/njhighlands/hdcbank/application_allocation.pdf

Owners of residentially zoned property within the Highland Preservation Area can receive an estimate of potential credits by using a feature on the Highlands Council website (HDC estimator application at: <http://maps.njhighlands.us/hgis/hdc/>). Property owners are then encouraged to apply for confirmation of credits. Landowners of commercially zoned parcels should apply directly to the Highlands Council. Properties within the priority acquisition categories will be considered by the Bank at its meeting scheduled on August 2, 2012.

“The Highlands TDR Program helps to steer development away from green spaces and toward areas that have the infrastructure to accept more development,” said Eileen Swan, Executive Director of the Highlands Council and the HDC Bank. “To date, the Highlands Council has approved nine Highlands Centers to encourage economic growth, redevelopment and voluntary receiving zones to create a free market where HDC credits can be bought and sold.”

The actions by the bank do not take effect until 10 business days after minutes from the Highlands Council's next meeting have been delivered to Governor Christie for his review. For further information on the Highlands Development Credit Bank and the Highlands TDR program, see: <http://www.highlands.state.nj.us/njhighlands/hdcbank/>.