

HIGHLANDS REGIONAL



MASTER PLAN
2008

Highlands Council Meeting

June 24, 2010



Executive Director's Report

- Update on Highlands Plan Conformance
- Work Session
- Highlands Project Review Update
- TDR Program Update
- Delegated Actions

Plan Conformance Update

Plan Conformance Update

Plan Conformance Petitions: To date, 40 (of 55 submitted with Resolution/Ordinance) Petitions for Plan Conformance have been deemed Administratively Complete and posted to the Highlands Council website.

- Wharton Borough's Petition was received on June 14, 2010 making it the 55th municipality to petition.
- Council staff has completed review of 13 full Petitions, thus far, and prepared Draft Consistency Review and Recommendations Reports ("Draft Consistency Reports") for each. Nine of these are now under internal review, while four have been completed.
- Draft Consistency Reports were sent to Byram Township, Chester Township, Lebanon Borough and Mahwah Township. For Byram Township, specific conditions related to the proposed Highlands Village Center are included.

Plan Conformance Update

Plan Conformance Grant Program: A total of \$238,217.25 has been paid out since the May 20, 2010 meeting to 9 participating municipalities. To date, a total of 53 municipalities have sought at least partial reimbursement for their Plan Conformance Grants totaling over \$1,557,000.

Initial Assessment Grant Program: There are 51 Highlands municipalities that have prepared an Initial Assessment Report. A total of 72 municipalities and 4 counties have signed up for the Initial Assessment Grant for a total of \$1,134,767 committed dollars.

Plan Conformance Update

Plan Conformance Grant Program: The following are the average payments made to towns with the base amount. On average, the payments to date are within the estimated base amount:

	<u>Base Amount</u>	<u>Average</u>	<u>Number of Towns</u>
Module 1	\$15,000	\$13,224	53
Module 2	\$10,000	\$ 5,977	45
Module 3	\$7,500	\$ 7,472	22
Module 4	\$2,000	\$ 3,152	33
Module 5	\$2,500	\$ 5,032	27
Module 6	\$5,000	\$ 2,954	23
Module 7	<u>\$8,000</u>	<u>\$ 5,758</u>	20
Total	\$50,000	\$43,569	

Plan Conformance Update

Byram Plan Conformance Grant Extension: Byram worked extensively with the Council as a pilot project for the development of a Highlands Center and held numerous extra public meetings. As a result, their expenses follow:

Module 1 –	\$ 19,365
Module 2 –	\$ 5,882
Module 3 –	\$ 11,781
Module 4 –	\$ 1,550
Module 5 –	\$14,924
Module 6 –	\$ 9,401
<u>Module 7 –</u>	<u>\$ 9,992</u>
Total	\$ 72,895

Reflecting recent work on a Highlands Center and related issues, they submitted additional invoices of \$29,375 (Module 3: \$15,088, Module 5: \$11,823, Module 7: \$2,464) and this will use the remainder of the grant award of \$100,000.

Additional work is necessary to respond to the Draft Consistency Report, to revise and finalize modules, and to adopt Modules 4 through 6. Accordingly, a grant award modification of \$25,000 is recommended.

Work Session

Highlands Plan Conformance Process

The work session on the Highlands Plan Conformance process will focus on the issuance of a **Draft Consistency Review and Recommendations Report** by Council staff.

The Highlands Act requires that municipalities “submit to the council such revisions of the municipal master plan and development regulations ... as may be necessary in order to conform them with the goals, requirements, and provisions of the regional master plan. After receiving and reviewing the revisions, the council shall approve, reject, or approve with conditions the revised plan and development regulations, as it deems appropriate.”

To expedite the Plan Conformance process, model documents were prepared for Highlands municipalities. These models are being revised to reflect specific municipal issues.

Model Documents

- Environmental Resource Inventory – with maps and data tables
- Highlands Element for Municipal Master Plans – with maps
 - Preservation and Planning Areas
 - Preservation Area Only
 - Planning Area Only
- Highlands Land Use Ordinance – with maps
 - Also in 3 versions, as with Highlands Element

Petition Review Process

- Process after a Petition for Plan Conformance is deemed complete:
 - ❖ Petition documents posted on Highlands Council website
 - ❖ Draft Consistency Review and Recommendations Report
 - ❖ Local Review Period to address issues in the Report
 - ❖ Public Notice, Final Report, and Council consideration

- Public can track Plan Conformance Process through the Plan Conformance Petition Tracking Sheet to follow:
 - ❖ Date a Petition is received by the Highlands Council
 - ❖ Administrative Completeness
 - ❖ Consistency Review and Recommendation Reports
 - ❖ Municipal/County Review Period
 - ❖ Public notice and public comment periods
 - ❖ Highlands Council meetings to review Petitions

Highlands Plan Conformance Process

Byram, Chester Township, Lebanon Borough and Mahwah have been provided, and upcoming municipalities will be provided, a CD-ROM which includes the following specific items, including a staff review and mark-up of modules 3 through 7:

1. Transmittal Letter
2. Plan Conformance Grant Status Report
3. Draft Consistency Review and Recommendations Report
4. Module 3 (Fair Share Plan/Housing Element)
5. Module 4 (Environmental Resource Inventory or ERI)
6. Module 5 (Highlands Element of the Municipal Master Plan)
7. Module 6 (Highlands Land Use Ordinance)
8. Module 7 (Petition Support Materials)

Highlands Plan Conformance Process

Draft Consistency Report

This Report summarizes the status of Plan Conformance and any issues identified in the review of work products for Modules 3 through 7, along with remaining items that need to be addressed prior to Highlands Council approval of Plan Conformance for the municipality. While Modules 4, 5 and 6 are based on models prepared by the Highlands Council, these models are refined at the local level to address specific issues for each municipality.

Plan Conformance Grant Status Report

This summary has all reimbursements to date under the 2009 Plan Conformance Grant. The summary indicates the dollar amount remaining, based on all invoices submitted, and references the additional grant funding that will accompany the Highlands Council formal approval of the Petition for Plan Conformance.

Highlands Plan Conformance Process

Module 3 (Fair Share Plan/Housing Element)

Review forms completed by staff responding to the draft Housing Element and Fair Share Plan. The purpose for these reviews was to identify any potential RMP consistency issues prior to filing of a completed Housing Element and Fair Share Plan with COAH or the Law Division of Superior Court. Discussion regarding the final June 8, 2010 submittal is included in the Draft Report as appropriate.

Module 4 (Environmental Resource Inventory or ERI)

Municipalities have submitted a mark-up of the Highlands Council model ERI and Highlands Council staff responses are provided in the document as appropriate.

Highlands Plan Conformance Process

Module 5 (Highlands Element of the Master Plan)

Municipalities have submitted a mark-up of the Highlands Council model Highlands Element and the Council staff have provided responses in the document.

The Council staff has modified the model Highlands Element since it was first issued to municipalities, to address a number of valuable recommendations from municipal professionals that were received after release of the 2009 version. The primary modifications include:

- Land Use Plan – Simplified Septic Density Provisions
- Housing Plan - Added goals and objectives of RMP
- Historic Preservation Plan - Clarified that implementation of an Historic Preservation Ordinance is optional

Highlands Plan Conformance Process

Module 6 (Highlands Land Use Ordinance)

Municipalities have submitted a mark-up of the model Highlands Land Use Ordinance and Council staff provided responses in the document. In addition, parcel-based ordinance maps are being prepared by Council staff for each Highlands municipality.

The Council staff has modified the model Highlands Land Use Ordinance to address recent statutory changes and a number of valuable recommendations from municipal professionals that were received after release of the 2009 version. The primary modifications include:

- Revisions to the Highlands Act regarding impervious cover for solar installations
- Clarified language on exclusions and exemptions, specifically including provisions for Planning Area delegation
- Simplified septic system density ordinance

Highlands Plan Conformance Process

Module 7 (Petition Support Materials)

Municipalities have submitted a mark-up of the model Municipal Self-Assessment Report and the Highlands Implementation Plan and Schedule.

The Highlands Implementation Plan and Schedule is a critical component of the Council staff review. It includes estimated funds in support of ongoing Plan Conformance grants and estimates of how long the municipal public involvement and adoption process will require for each component. The final version, which will be adopted as a part of the Highlands Council resolution on Plan Conformance, will set the agenda for the following grant cycle and all anticipated Plan Conformance activities.

Highlands Plan Conformance Process

Municipal Response Period and Next Steps

Municipalities have been requested to provide responses to the Draft Report and work products within 45 calendar days or more, depending on complexity. Municipal comments are encouraged on the Draft Report and all Module 3 through 7 work products.

Upon completion of this process, the Highlands Council will release for public comment (via the Council's website) a Final Draft Consistency Review and Recommendations Report, along with clean copies of all Module 1 through 7 work products.

Upon conclusion of the public comment period, a Final Consistency Review and Recommendations Report will be prepared for formal consideration by the Highlands Council.

Highlands Plan Conformance Process

Highlands Council Action

Formal consideration by the Highlands Council on Plan Conformance Petitions is expected to begin in September. Depending on complexities of the issues, it is anticipated that two to three municipal Plan Conformance resolutions could be heard each Council meeting.

The major issues anticipated include:

- Schedule/Priority/Funding for next steps (e.g., Module 4 through 6 adoption, Water Use and Conservation Management Plans, Stream Corridor Plans)
- Highlands Center designations
- Map Adjustments
- Highlands Redevelopment Areas
- TDR Receiving Zones
- Substantive deviations from model documents, such as alternative methods for meeting RMP policies and objectives
- Delegation of authority

TDR Program Update

TDR Program Update

HDC Bank Offers: On June 9, 2010, the HDC Bank extended offer letters to five properties owners that qualified for hardship consideration during the Bank's first hardship round.

- Four of the property owners qualified on the basis that they have extenuating financial circumstances; the fifth property owner qualified on the basis that it just missed qualifying for Exemption #3 under the Highlands Act.
- If all 5 accept, the Bank would acquire 107.75 HDCs valued at \$1,724,000; a total of 220.89 acres will be placed under deeds of easement.
- To date, 2 property owners have accepted the offers.

TDR Program Update

Second Round of Hardship Applications: Also on June 9, 2010, the HDC Bank authorized a second hardship round.

- HDC Allocation Applications will have to be submitted to the Highlands Council by July 15, 2010, for consideration, while HDC Certificate Applications will have to be filed with the HDC Bank by August 12, 2010.
- The HDC Bank will consider those applications that qualify for hardship at its next meeting on September 2, 2010.

TDR Program Update

Update on HDC Allocations: The Highlands Council has received three additional HDC Allocations Applications, for a total of 19:

- To date, the Highlands Council has allocated 312 HDCs to 10 properties totaling 499.59 acres.
- The total value of allocated HDCs is \$4,992,000 based upon the \$16,000 initial HDC price; average per acre price for the eligible parcels is \$9,992.19 .
- Allocations represent total of 127 pre-Highlands Act residential development opportunities reduced and 63,117 square feet of pre-Act non-residential development.
- Three applicants requested HDC Allocation Reconsideration.
- Of the remaining nine applications, four are ineligible for consideration; five continue to be under consideration pending additional information.

TDR Program Update

HDC Certificate Applications:

- To date, the HDC Bank has received 7 HDC Certificate Applications including the 5 applicants that qualified for hardship.
- The remaining 2 applications are for properties that are being considered for HDC allocation and hardship under the second round, but further documentation had to be provided by the applicants.

Delegated Actions

Delegated Actions

On November 12, 2009, the Highlands Council specifically delegated certain actions to the Executive Director. This delegation was approved in Resolution 2009-57. The Resolution specifies that the Highlands Council shall reassess this matter on or before July 1, 2010 and annually thereafter.

In general, the Highlands Council retained authority for the substantive determinations regarding municipal and county Plan Conformance. The delegated authority generally addressed more ministerial determinations (such as exemptions) and consistency determinations where other State agencies are making final determinations.

Delegated Actions

The Resolution delegated five different categories to the Executive Director:

- 1) Plan Conformance recommendations and determinations on RMP Updates to verify updated, relevant factual information
- 2) HDC Allocation Determinations and any related documents and deeds of easement
- 3) Federal, State and regional agency coordination, review and issue determinations on all requests for consultation, coordination, recommendation or consistency determinations
- 4) Highlands Act exemption determinations
- 5) Review and issue comments or determinations on the following matters, unless Council review is required: adoption of any master plan, development regulation, or other regulation by a local government unit not in Plan Conformance; development applications submitted to and approved by local government units; call-up of local government unit approvals, and capital and other projects of State entities and local government units.

Delegated Actions

Summary of actions taken since November 2009:

Plan Conformance recommendations and determinations on Petitions and RMP Updates to verify updated, relevant factual information

- Petition Completeness Determinations: 40 deemed complete; 16 currently deemed incomplete
- Draft Consistency Review and Recommendations Reports: Four Draft Reports issued to Byram, Chester Twp, Lebanon Borough and Mahwah
- RMP Updates: 146 reviews for 18 municipalities. Six formal RMP Update reports for municipalities to date.

See the Municipal and County Plan Conformance Petition Tracking Sheet at:

http://www.highlands.state.nj.us/njhighlands/planconformance/pc_tracking_sheet.pdf

Municipality	RMP Update	Not RMP Update	More Info Required	Total
Bethlehem Twp		5	1	6
Clinton Town	1	5		6
Clinton Twp	2	8	2	12
Hampton Borough	2	6		8
Lebanon Borough	1	2		3
Randolph Twp	9	6	1	16
Washington Twp (Morris)	1	2	8	11
Wharton Borough	1	12	2	15
Passaic County	2			2
Far Hills Borough		2		2
Vernon Twp	2	6	3	11
Alpha Borough	3	8		11
Lopatcong Twp	2	1		
Hackettstown	14	4		18
Phillipsburg	1	3		4
Pohatcong		4		4
White Twp	1	9	4	14
Total	42	83	21	146

Delegated Actions

Other actions taken since November 2009:

HDC Determinations

HDC Allocation Determinations: Eleven (11) HDC Allocation Determinations, three requested HDC Allocation Reconsideration
Deeds of Easement: No (0) recorded Deeds of Easement

Highlands Project Review

Consistency Determinations: Four (4) Consistency Determinations
Highlands Act Exemption Determinations: Two (2) Exemption Determinations

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