

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE HIGHLANDS WATER PROTECTION AND PLANNING COUNCIL AND
THE COUNCIL ON AFFORDABLE HOUSING**

This MEMORANDUM OF UNDERSTANDING, dated this 30th day of October 2008 is entered into by and between the New Jersey Highlands Water Protection and Planning Council ("Highlands Council") and the New Jersey Council on Affordable Housing ("COAH") to establish a cooperative planning process that will foster the constitutional and legislative mandates outlined in the Highlands Water Protection and Planning Act ("Highlands Act", N.J.S.A. 13:20-1 et seq.) and the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

WHEREAS, the New Jersey Supreme Court determined, in its Mount Laurel decisions, that every New Jersey municipality in a growth area has a constitutional obligation to provide, through its land use regulations, a realistic opportunity for a fair share of the region's present and prospective needs for housing that is affordable to low and moderate income families; and

WHEREAS, the New Jersey Supreme Court, in its 1983 Mount Laurel decision, opined that: "The Constitution of the State of New Jersey does not require bad planning. ... There is nothing in our Constitution that says that we cannot satisfy our constitutional obligation to provide lower income housing and, at the same time, plan the future of the state intelligently;" and

WHEREAS, the Supreme Court additionally opined that: "We emphasize here that our concern for protection of the environment is a strong one and that we intend nothing in this opinion to result in environmentally harmful consequences. ... We are, however, convinced that meeting housing needs is not necessarily incompatible with protecting the environment;" and

WHEREAS, in response to the Mount Laurel decisions, the New Jersey Legislature enacted the Fair Housing Act, on July 2, 1985, and created COAH as the administrative alternative to the court and granted COAH primary jurisdiction in determining municipal compliance with the Fair Housing Act in accordance with sound regional planning considerations; and

WHEREAS, the Fair Housing Act specifies that the interest of all citizens, including low and moderate income families in need of affordable housing, would be best served by a comprehensive planning and implementation response to this constitutional obligation; and

WHEREAS, the Fair Housing Act recognizes that the Supreme Court, in its Mount Laurel decisions, demands that municipal land use regulations affirmatively afford a reasonable opportunity for a variety and choice of housing including low and moderate cost housing, to meet the needs of people desiring to live there, and that, while provision for the actual construction of that housing by municipalities is not required, they are encouraged but not mandated to expend their own resources to help provide low and moderate income housing; and

WHEREAS, the Legislature, recognizing that an adequate response to judicial mandates respecting housing for low and moderate-income persons requires sound planning to prevent sprawl and to promote suitable use of land, also enacted the State Planning Act (N.J.S.A. 52:18A-196 et seq.) as companion legislation to the Fair Housing Act to be effective on January 2, 1986; and

WHEREAS, the State Planning Act created a State Planning Commission (“SPC”) to develop, adopt, and periodically revise a State Development and Redevelopment Plan (“State Plan”) which shall provide a coordinated, integrated and comprehensive plan for the growth, development, renewal and conservation of the State and its regions, which shall identify areas for growth, agriculture, open space conservation and other appropriate designations, and which may be used as a tool for assessing suitable locations for infrastructure, housing, economic growth, and conservation; and

WHEREAS, the State Plan, in 2001, designated the New Jersey Highlands Region as a Special Resource Area in New Jersey based upon its unique characteristics and resources of statewide importance; and

WHEREAS, the Legislature, in 2004, enacted the Highlands Act recognizing that the Highlands Region is an essential source of drinking water, provides clean and plentiful 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 for fauna and flora, includes many sites of historic significance, and provides abundant recreational opportunities for the citizens of the State; and

WHEREAS, the Highlands Act creates two areas within the Highlands Region – the Preservation Area, an area of the New Jersey Highlands with exceptional natural resource value that should be subject to stringent water and natural resource protection standards, policies, planning and regulation and the Planning Area, the area outside of the Preservation Area that should be part of a comprehensive planning approach that serves to protect the water and other significant resources of the entire Highlands Region while also accommodating appropriate patterns of development, redevelopment and economic growth; and

WHEREAS, the Highlands Act creates the Highlands Council, a regional planning and protection entity, to develop, adopt and periodically revise a Regional Master Plan (“RMP”), after consulting with the SPC and other governmental entities, with a goal of protecting and enhancing the significant values of the resources of the Highlands Region; and

WHEREAS, the Highlands Act creates a bifurcated system for municipal and county conformance with the RMP (Plan Conformance), consisting of mandatory Plan Conformance for any portion of a municipality and county located wholly or partially in the Preservation Area and voluntary Plan Conformance for the municipalities and counties with lands wholly in the Planning Area or for any portion of a municipality and county lying within the Planning Area; and

WHEREAS, under Plan Conformance, the Highlands Act requires municipalities and counties located wholly or partially in the Preservation Area to submit to the Highlands Council, within nine to fifteen months after the adoption of the RMP, such revisions of the municipal master plan and development regulations or county master plan and associated regulations as may be necessary for those portions of the municipality and County within the Preservation Area in order to conform them with the goals, requirements, and provisions of the RMP; and

WHEREAS, under voluntary Plan Conformance, the Highlands Act provides that municipalities and counties with lands in the Planning Area have the option to petition, at their discretion, the Highlands Council to revise their master plans and associated regulations, as

applicable to the development and use of land in the Planning Area, to conform with the goals, requirements, and provisions of the RMP; and

WHEREAS, the Highlands Act establishes preservation goals for the RMP, for both the Preservation Area and Planning Area, to protect, restore, and enhance the quality and quantity of the waters of the Highlands, to preserve environmentally sensitive lands, to preserve lands needed for recreation and conservation, to promote brownfield remediation and redevelopment, to preserve farmland, historic sites and other historic resources, to preserve outdoor recreation opportunities, to promote water resource conservation, and to promote compatible agricultural, horticultural, recreational, and cultural uses and opportunities (collectively “Highlands Resources”); and

WHEREAS, the Highlands Act establishes development goals, in the Preservation Area, to prohibit or limit, to the maximum extent possible, construction or development which is incompatible with the Preservation Area; and

WHEREAS, the Highlands Act establishes development goals, in the Planning Area, to encourage, consistent with the State Plan and smart growth strategies and principles, appropriate patterns of compatible residential, commercial, and industrial development, redevelopment, and economic growth, in or adjacent to areas already utilized for such purposes, and to discourage piecemeal, scattered, and inappropriate development, in order to accommodate local and regional growth and economic development in an orderly way while protecting the Highlands environment from individual and cumulative adverse impacts; and

WHEREAS, the Highlands Act requires that the RMP include opportunities for development, redevelopment, and economic growth through the development of a smart growth component, based on the resource assessment; and

WHEREAS, the Highlands Act requires the Highlands Council to create a regional transfer of development rights (“TDR”) program for the Highlands Region which includes a program of benefits for voluntary receiving zones for any municipality within the seven Highlands Counties; and

WHEREAS, the Highlands Act requires the Highlands Council to set a goal of identifying areas within the Planning Area that may be appropriate for development as voluntary receiving zones for TDR that, combined together, constitute four percent of the land area of the Planning Area, to the extent that the goal is compatible with the amount and type of human development and activity that would not compromise the integrity of the ecosystem of the Planning Area; and

WHEREAS, the Highlands Act requires the Highlands Council to, within sixty days of adoption of the final RMP, submit the RMP to the SPC for plan endorsement exclusively for the Planning Area of the Highlands Region; and

WHEREAS, the State Planning Act and the Highlands Act mandate that the provisions of the State Planning Act not be construed to affect the plans and regulations of the Highlands Council for that portion of the Highlands Region lying within the Preservation Area; and

WHEREAS, the Fair Housing Act requires COAH to determine housing regions of the State, estimate the present and prospective need for low and moderate income housing at the State

and regional levels, and provide population and household projections for the State and housing regions; and

WHEREAS, the Fair Housing Act requires COAH to adopt criteria and guidelines for municipal determination of its present and prospective fair share of the housing need and for municipal adjustment of the present and prospective fair share based upon available vacant and developable land, infrastructure considerations or environmental or historic preservation factors; and

WHEREAS, the Fair Housing Act authorized COAH to give “appropriate weight to pertinent research studies, government reports, decisions of other branches of government, and implementation of the State Development and Redevelopment Plan;” and

WHEREAS, the Legislature declared in the Fair Housing Act that the statutory scheme is in the public interest in that it comprehends a low and moderate income housing planning and financing mechanism in accordance with regional considerations and sound planning concepts which satisfies the constitutional obligation enunciated by the Supreme Court, and further declared that the State's preference for the resolution of existing and future disputes involving exclusionary zoning is the mediation and review process set forth in this act and not litigation, and that it is the intention of this act to provide various alternatives to the use of the builder's remedy as a method of achieving fair share housing; and

WHEREAS, the Fair Housing Act specifies that a municipality which has filed a housing element may, at any time during a two-year period following the filing of the housing element, petition the council for a substantive certification of its element and ordinances or institute an action for declaratory judgment granting it repose in the Superior Court; and

WHEREAS, the Legislature, in enacting the Highlands Act, recognizes the need to coordinate the respective responsibilities of the Highlands Council and COAH and specifically required COAH to “take into consideration the regional master plan prior to making any determination regarding the allocation of the prospective fair share of the housing need in any municipality in the Highlands Region under the ‘Fair Housing Act,’ P.L.1985, c. 222 (C.52:27D-301 et al.) for the fair share period subsequent to 1999;” and

WHEREAS, the Highlands Council and COAH acknowledge the requirement in the Highlands Act requiring COAH to take into consideration the RMP prior to making any determination applies to any of the eighty-eight municipalities in the Highlands Region under COAH's jurisdiction; and

WHEREAS, the Highlands Act additionally addresses the need to coordinate the impact of the Highlands Act upon municipalities by including the clause that “[n]othing in this act shall affect protections provided through a grant of substantive certification or a judgment of repose granted prior to the date of enactment of this act;” and

WHEREAS, COAH has adopted administrative rules (“Third Round rules”) which require the submission of a Housing Element and Fair Share Plan which projects affordable housing need based on historic residential and non-residential development activity, actual growth, and estimates of available vacant land by region; and

WHEREAS, under COAH's third round rules the requirement to construct affordable housing is based upon residential and non-residential development as measured by certificates of occupancy issued after January 1, 2004; and

WHEREAS, on July 17, 2008, the Highlands Council adopted the Highlands Regional Master Plan; and

WHEREAS, on July 17, 2008, the Fair Housing Act was amended by P.L. 2008, Chapter 46, to create a responsibility for the Highlands Council to identify and coordinate opportunities for affordable housing on a regional basis with consideration for infrastructure, employment opportunities, and transportation and to require a 20 percent affordable housing set-aside in residential developments; and

WHEREAS, on September 5, 2008, Governor Corzine signed Executive Order 114 to further protect the Highlands Region and the Highlands Regional Master Plan thereby became effective on September 8, 2008; and

WHEREAS, Executive Order 114 specifies that “[t]he Highlands Council shall work in cooperation with the Council on Affordable Housing (“COAH”), the Department of Environmental Protection (“DEP”), and the Department of Community Affairs to: (a) review COAH's third round growth projections for consistency with the Highlands Plan and assist COAH in developing adjusted growth projections within the Highlands Region, consistent with the Highlands Plan, to be utilized by municipalities that conform to the Highlands Plan; (b) create realistic opportunities for municipalities to address the actual growth share obligation resulting from residential and non-residential development between January 1, 2004, and December 31, 2018, in the Highlands Region based on a growth share methodology under which affordable housing must be built when growth occurs, including the actual obligation accrued to date of approximately 3,000 affordable units, with consideration for innovative affordable housing mechanisms that further the resource protection standards of the Highlands Plan; (c) ensure that municipalities that voluntarily conform to the Highlands Plan support redevelopment and development pursuant to the Highlands Plan to maximize affordable housing opportunities while preserving critical environmental resources; (d) identify sites and opportunities for affordable housing within the Highlands Region, including, in accordance with P.L.2008, c.46, the creation of a realistic opportunity for at least 20 percent affordable housing set-asides in all new residential developments, with consideration for economic feasibility, and the coordination of regional affordable housing opportunities in areas with convenient access to infrastructure, employment opportunities, and public transportation; (e) identify additional sites, opportunities, and funding sources for 100 percent affordable housing developments that could aid in addressing the Highlands Region's affordable housing needs while preserving its critical resources; (f) coordinate the deadlines for revision of municipal master plans and third round fair share plans to be in conformance with both the Highlands Act and the Fair Housing Act, including reasonable extensions of deadlines; (g) preserve scarce land, water, and sewer resources and dedicate these resources on a priority basis for the production of affordable housing consistent with the Highlands Plan, and provide priority review for proposed affordable housing projects; and (h) provide that conforming municipalities adopt Housing Elements and Fair Share Plans consistent with the Fair Housing Act.”; and

WHEREAS, Executive Order 114 further specifies that “[t]he Highlands Council and COAH shall enter into a joint Memorandum of Understanding (MOU) as soon as practicable but no later than 60 days from the effective date of this Order to implement the provisions of Paragraph One of this Order. In accordance with the Court’s recognition in the Mt. Laurel cases of the clear obligation to preserve open space and natural resources, in implementing Paragraph One of this Order the relevant State agencies shall give priority to the protection of the critical water resources in the Highlands Region that provide drinking water to over five million people in New Jersey. The Highlands Council and COAH, with appropriate input from DEP and the Department of Community Affairs, shall provide to the Governor quarterly written reports on the status of the coordinated efforts required pursuant to Paragraph One of this Order.”; and

WHEREAS, as directed by Executive Order 114, the Highlands Council and COAH enter into this Memorandum of Understanding to develop a cooperative planning process that will enable each agency to carry out their respective statutory responsibilities; and

WHEREAS, the cooperative planning process developed pursuant to this Memorandum of Understanding will advance coordinated and comprehensive planning in the State, will result in greater predictability and transparency in planning with respect to meeting the mandates of the Highlands Council and COAH and will benefit State agencies, counties, municipalities and the public.

NOW THEREFORE, in consideration of the principles, assurances and premises contained in this Memorandum of Understanding, the Highlands Council and COAH hereby agree to the following:

A. Coordination of Planning Process

1. A cooperative planning process will be established and maintained between the Highlands Council, COAH, and their respective staff to advance coordinated and comprehensive regional planning, and provide consistent planning policies on which municipalities may rely.
2. Both the Highlands Council and COAH will share all available information and data useful or necessary to achieve the objectives of this Memorandum of Understanding.
3. The Highlands Council shall provide COAH, in a timely manner, such reports, petitions, recommendations or reviews that are necessary for COAH to carry out its responsibilities, including reports, petitions, recommendations or reviews generated through Plan Conformance and the continued development of the RMP.
4. COAH shall provide the Highlands Council, in a timely manner, such reports, petitions, recommendations or reviews that are necessary for the Highlands Council to carry out its responsibilities, including reports, petitions, recommendations or reviews generated through COAH’s filing and petition process.

B. Implementation of P.L. 2008, Chapter 46

5. The Highlands Council shall, in order to implement the new requirements of P.L. 2008, Chapter 46, create, identify and coordinate opportunities for affordable housing in the Highlands Region based on regional planning considerations.
6. The Highlands Council shall identify sites and opportunities for affordable housing within the Highlands Region, including, in accordance with P.L.2008, Chapter 46, the creation of a realistic opportunity for at least 20 percent affordable housing set-asides in all new residential developments, with consideration for economic feasibility, and the coordination of regional affordable housing opportunities in areas with convenient access to infrastructure, employment opportunities, and public transportation.
7. The Highlands Council shall ensure that developments consisting of newly-constructed residential units located, or to be located, within the jurisdiction of the Council shall be required to reserve for occupancy by low or moderate income households at least 20 percent of the residential units constructed, to the extent this is economically feasible.
8. The Highlands Council shall identify and coordinate regional affordable housing opportunities in cooperation with municipalities in areas with convenient access to infrastructure, employment opportunities, and public transportation. Coordination of affordable housing opportunities may include methods to regionally provide housing in line with regional concerns, such as transit needs or opportunities, environmental concerns, or such other factors as the council may permit; provided, however, that such provision may not result in more than a 50 percent change in the fair share obligation of any municipality.
9. The Highlands Council shall coordinate with COAH and other regional planning entities to ensure a coordinated implementation of P.L. 2008, Chapter 46. The Highlands Council and COAH shall share the findings of any studies or analyses conducted to implement P.L.2008, Chapter 46, and shall consult with each other prior to taking final agency action to implement P.L. 2008, Chapter 46.
10. As set forth above, the Highlands Council shall take the steps necessary to ensure that P.L.2008, Chapter 46 is implemented in the Highlands Region.

C. Implementation of Executive Order 114

11. The Highlands Council shall, in cooperation with COAH, the Department of Environmental Protection, and the Department of Community Affairs, ensure that the provisions of Executive Order 114 are fully implemented.

Adjusted Growth Projections

12. The Highlands Council shall review COAH's third round growth projections for consistency with the Highlands RMP and assist COAH in developing adjusted growth projections within the Highlands Region, consistent with the RMP, to be utilized by municipalities that conform to the RMP.
13. The Highlands Council shall prepare adjusted growth projections for the fair share period from 2004 to 2018 through the development of a build out analysis at a municipal scale for

conforming municipalities consistent with the RMP. While a municipality may adopt revisions to its master plan, development regulations, or other regulations that are stricter, as determined by the Highlands Council, than the minimum necessary to obtain approval of conformance with the RMP, the adjusted growth projections shall be solely based upon consistency with the RMP and shall be independently verified by the Highlands Council. The Highlands Council shall consult with COAH in adjusting the local build-out consistent with the RMP for the fair share period from 2004 to 2018.

14. COAH shall ensure that any of the eighty-eight (88) municipalities in the Highlands Region under COAH's jurisdiction that choose to conform to the RMP utilize the adjusted growth projections prepared by the Highlands Council in the development of Housing Elements and Fair Share Plans.
15. COAH shall ensure that municipalities that choose not to conform to the RMP, for the Planning Area, may not utilize the adjusted growth projections prepared by the Highlands Council in the development of Housing Elements and Fair Share Plans.

Growth Share Obligations

16. The Highlands Council shall create realistic opportunities for municipalities to address the actual growth share obligation resulting from residential and non-residential development between January 1, 2004, and December 31, 2018, in the Highlands Region based on a growth share methodology under which affordable housing must be built when growth occurs, including the actual obligation accrued to date of approximately 3,000 affordable units, with consideration for innovative affordable housing mechanisms that further the resource protection standards of the Highlands Plan.
17. COAH shall provide the Highlands Council with regularly updated information and data regarding actual residential and non-residential development between January 1, 2004, and December 31, 2018 and the actual obligation accrued to date for all 88 municipalities in the Highlands Region.
18. The Highlands Council shall create realistic opportunities for municipalities to address projected affordable housing need based upon the adjusted third round growth projections, consistent with the RMP, to be utilized by municipalities that conform to the RMP.
19. The Highlands Council shall ensure that municipalities, during Plan Conformance, address growth share obligations resulting from actual residential and non-residential development between January 1, 2004, and December 31, 2018 consistent with the RMP.

Provide Affordable Housing Opportunities and Protect Highlands Resources

20. The Highlands Council shall ensure that municipalities that voluntarily conform to the Highlands Plan support redevelopment and development pursuant to the Highlands Plan to maximize affordable housing opportunities while preserving critical environmental resources.

21. The Highlands Council shall ensure that municipalities, during Plan Conformance, meet the policies of the RMP to both protect Highlands resources and provide affordable housing opportunities.
22. The Highlands Council shall identify additional sites, opportunities, and funding sources for affordable housing developments that could aid in addressing the Highlands Region's affordable housing needs while preserving its critical resources.
23. The Highlands Council shall, in the implementation of P.L.2008 c.46 as set forth above, and during Plan Conformance specifically identify sites, opportunities and funding sources for affordable housing developments.

100 Percent Affordable Developments

24. The Highlands Council shall identify additional sites, opportunities, and funding sources for 100 percent affordable housing developments that could aid in addressing the Highlands Region's affordable housing needs while preserving its critical resources.
25. The Highlands Council shall, in the implementation of P.L.2008 c.46 as set forth above, and during Plan Conformance specifically identify sites, opportunities and funding sources for 100 percent affordable housing developments.

Extension of Deadlines

26. The Highlands Council shall coordinate the deadlines for revision of municipal master plans and third round fair share plans to be in conformance with both the Highlands Act and the Fair Housing Act, including reasonable extensions of deadlines.
27. The Highlands Council's Plan Conformance Guidelines specifies that a municipality may formally declare its intention to conform to the RMP through the adoption of a Notice of Intent resolution.
28. COAH shall grant a waiver from the December 31, 2008 deadline to December 8, 2009 for any municipality under COAH's jurisdiction that, before December 31, 2008: 1) submits a duly adopted Notice of Intent in accordance with the Highlands Council's Plan Conformance Guidelines; and 2) submits a duly adopted resolution notifying COAH of its intent to petition COAH no later than December 8, 2009.
29. For any municipality under the jurisdiction of the Superior Court, the Highlands Council shall support a municipal motion for an extended judgment of repose where the municipality submits a duly adopted Notice of Intent in accordance with the Highlands Council's Plan Conformance Guidelines.
30. For any municipality not under COAH's jurisdiction or the jurisdiction of the Superior Court, the municipality may submit at any time a filing pursuant to N.J.A.C. 5:96-2.1 which shall provide a municipality with two years to petition or a petition pursuant to N.J.A.C. 5:96-3.1; however, where such a municipality seeks to achieve conformance with the RMP, including utilization of adjusted growth projections in its petition pursuant to this MOU, it

must submit a duly adopted Notice of Intent in accordance with the Highlands Council's Plan Conformance Guidelines by February 1, 2009, and submit a petition to COAH, no later than December 8, 2009.

Scarce Resources and Priority Review

31. The Highlands Council shall preserve scarce land, water, and sewer resources and dedicate these resources on a priority basis for the production of affordable housing consistent with the Highlands Plan, and provide priority review for proposed affordable housing projects.
32. The Highlands Council shall, consistent with the RMP, ensure that municipalities that petition for Plan Conformance preserve scarce resources for the production of affordable housing. The goals, policies, and objectives of the RMP relating to protecting these scarce resources include: the highest priority given to available water supply in Objective 2B4a, Objective 2B4b, and Objective 2J4c; priority consideration for wastewater capacity in Objective 2K3e; and priority consideration for land-based Map Adjustments in Objective 6G2b.
33. In accordance with the goals, policies, and objectives of the RMP, the Highlands Council shall provide priority review for proposed affordable housing projects during Plan Conformance and Highlands Project Review.
34. COAH shall issue a scarce resource order for all municipalities in the Highlands Region under COAH's jurisdiction in order to preserve scarce land, water, and sewer resources and dedicate these resources on a priority basis for the production of affordable housing until such time as the municipality receives substantive certification from COAH or demonstrates that appropriate measures have been taken pursuant to the paragraph below. The scope of this scarce resource order shall not apply to any activity that is formally determined to be exempt from the Highlands Act or is formally granted a waiver under the Highlands Act or the RMP. Nor shall the order apply to any residential development that includes at least a 20 percent set-aside on-site for affordable housing.
35. Prior to taking final agency action to lift a scarce resource order imposed on a Highlands municipality, COAH shall consult with the Highlands Council to determine whether appropriate measures have been taken to preserve scarce land, water, and sewer resources.

Conforming Municipalities

36. The Highlands Council shall require that conforming municipalities adopt Housing Elements and Fair Share Plans consistent with the Fair Housing Act.

D. Coordination during Plan Conformance

37. The Highlands Council shall provide COAH with copies of all documents requested for its review when a municipality submits a petition to the Highlands Council for Plan Conformance and shall consult with and consider any recommendation from COAH before approving, rejecting, or approving with conditions any revised plans and development regulations of conforming municipalities.

- 38. COAH shall provide the Highlands Council with copies of all documents concerning any petition for Substantive Certification received from any of the 88 municipalities in the Highlands Region and shall consult with and consider the RMP and any recommendation from the Highlands Council before approving, rejecting, or approving with conditions a Petition for Substantive Certification.
- 39. COAH and the Highlands Council shall coordinate the review of municipal submissions in assessing the suitability of sites that are zoned to produce affordable housing to ensure that the land use policies delineated in Highlands Act, the regulations promulgated under the Highlands Act, and the provisions of the RMP are adhered to.

E. Coordination of the Transfer of Development Rights

- 40. The Highlands Council and its staff shall provide notice to, and consult with, COAH when a municipality in the Highlands Region or in any of the Highlands counties expresses an interest in, or submits an application for, participation in establishing a Receiving Zone through the Highlands TDR program.
- 41. The Highlands Council and COAH shall work cooperatively to examine the affordable housing component of a potential TDR Receiving Zone.

BE IT FURTHER AGREED that COAH and the Highlands Council authorize this Memorandum of Understanding to be duly executed by their authorized representatives to be effective on the date first written above.

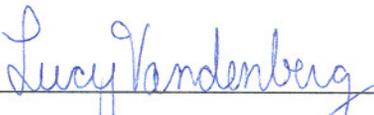
BE IT FURTHER AGREED that this Memorandum of Understanding shall remain in effect unless either party determines with 60 days written notice to the other party, to terminate the Memorandum of Understanding.

NEW JERSEY HIGHLANDS COUNCIL

By: 

Title: Executive Director

NEW JERSEY COUNCIL ON AFFORDABLE HOUSING

By: 

Title: Executive Director