



**State of New Jersey**  
DEPARTMENT OF STATE  
NEW JERSEY STATE PLANNING COMMISSION  
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TRENTON, NEW JERSEY 08625-0820

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*Acting Executive Director/Acting Secretary*

**State Planning Commission/Sussex County Negotiation Session**  
**July 7, 2025 – 2:00 p.m./July 16, 2025 – 5:00 p.m.**  
**Zoom Video Conference**  
**Meeting ID: 826 8499 1326**  
<https://us02web.zoom.us/j/82684991326>

**AGENDA**

1. Welcome and Introductions
2. Purpose of Negotiation Session  
Walter Lane, Acting Executive Director
3. Public Participation during Negotiation Session  
Walter Lane, Acting Executive Director
4. Negotiation of County Cross Acceptance Response Items  
Appendix A
5. Negotiation of Statewide Policy Items  
Appendix B
6. Public Comment

**Appendix A: Sussex County Cross Acceptance Response Items**  
**Highlands Council Representing: Byram Township, Vernon Township & Green Township**

PSDRP GOAL/SECTION	PSDRP PAGE	CAR PAGE	DESCRIPTION	JURISDICTION	NOTES	AGREE/DISAGREE
State Plan Policy Map		7	Branchville's existing development pattern is characterized by a dense, walkable mixed-use core surrounded by small lot, neighborhood residential development. However, the Borough is designated as PA 4 and PA 5, in spite of the fact that the Borough is almost entirely built out, served by public sewer and water, and ranks medium-high in the NJ Smart Growth Explorer. PA 5 encompasses the southern and western portions of the Borough, including the Borough's downtown and residential neighborhoods. PA 4 encompasses the northern and eastern portions of the Borough, which include the headquarters for the County's largest private employer and compact residential neighborhoods. Approximately 72% of the Borough is identified as urban land in the 2020 NJDEP Land Use Land Cover data.	Branchville Borough	While the Borough may not meet all of the guiding criteria of PA2, it also doesn't meet the defining criteria and intent of PA 4 or PA 5. Lastly, Branchville's Village Center designation expired on December 31, 2018. If the Planning Area designation remains the same, then the County is formally requesting to reinstate the Village Center designation.	
State Plan Policy Map		7	The Borough is mostly designated as PA 5 with pockets of PA 4 and PA 4B. These planning areas generally align with the Borough's future development goals to limit growth and reduce sprawl, but do not align with recentering development along Main Street and the Rt. 23 corridor. Therefore, the planning area designations for those two areas are more suited as PA 2 or PA 3. This would better preserve the surrounding PA 4B and PA 5 areas. The Borough is almost entirely served by public sewer and water, mostly identified as urban land in the 2020 NJDEP Land Use Land Cover data, and ranks medium-high in the NJ Smart Growth Explorer. Furthermore, the Borough has a long history of operating as a regional center, particularly around the Route 23 corridor, and having received Center designation in the past. This redesignation would remain in line with current master plan documents which enthusiastically identify the revitalization and redevelopment of the Route 23 and Main Street corridors as important local goals and objectives. The Borough has also consistently worked toward redeveloping blighted and underused commercial properties.	Franklin Borough	The area located in the sewer service area meets the intent and criteria of PA 2 or PA 3 and should be redesignated. It is noted that the Borough believes PA 5 is consistent with the current and future development of the municipality.	
State Plan Policy Map		7	Hamburg's existing development pattern is characterized by medium density residential neighborhoods, multifamily housing developments, and commercial development along the Route 94 and Route 23 corridors. The Borough also has a downtown center along its historic Main Street. The Borough is also served by public sewer and water throughout. According to the 2020 Land Use Land Cover data, the Borough is primarily identified as urban area, is almost entirely built out, and ranks medium-high in the NJ Smart Growth Explorer.	Hamburg Borough	The State Planning Areas primarily designate the Borough as PA 5, with a small area of PA 4 in the southeastern corner and PA 4B located in the southwestern corner. This is inconsistent with the current and future development of the Borough and the criteria and intent of PA 4, PA 4 B, and PA 5. Therefore, it should be redesignated as PA 2 or PA 3 as it more closely resembles and aligns with the intent of those Planning Areas.	
State Plan Policy Map		8	Hopatcong Borough originally developed as a resort area which later became a year round residential community. This historical development pattern resulted in the proliferation of small residential lots and scattered small business districts serving their respective residential districts. This area of the Borough is primarily designated as PA 5, inconsistent with the current and future development patterns of the Borough. The existing developed areas of the Borough in PA 5 are also in the sewer service area, served by public water, and ranks medium-high in the NJ Smart Growth Explorer.	County, Hopatcong Borough	The PA 5 designation does not accurately reflect the Borough's existing development pattern. A more accurate planning area designation would be PA 2, matching the adjacent Planning Area Designation of neighboring Stanhope Borough. As such, these areas should be redesignated as PA 2.	
State Plan Policy Map		8	The Town of Newton has historically served as the center of the County and was designated as a Regional Center in the 2001 State Development and Redevelopment Plan. It continues to operate as a regional economic hub for the County. However, the majority of the Town is designated as PA 5, which ignores reality and the conditions and development patterns that have existed for decades. The Town is almost entirely builtout, served by public sewer and water, and ranks medium-high in the NJ Smart Growth Explorer. It is also classified as urban land in the NJDEP 2020 Land Use Land Cover data.	Newton Town	The portions of the Town as shown in the attached Town of Newton Consistency Review Map, should be redesignated as PA 2 to correctly align with existing development patterns.	
State Plan Policy Map		8	The Township of Sparta is primarily designated as PA 4, PA 4B, & PA 5. PA 4 is primarily concentrated in and around the Lake Mohawk Lake Community, with a small pocket located near the border with Franklin Borough. Given the existing development patterns of this area, its proximity to State Highway 15, lack of farmland soils and absence of large, contiguous open space, forested and agriculture areas, PA 4 is not an appropriate designation. This area more accurately resembles PA 3. PA 4B is located in the northwestern corner of the Township where there are larger tracts of undeveloped land and is generally consistent with current and future development patterns, except for the area along State Highway 15. The 2007 Strategic Growth Plan identifies the area north of County Route 669 (Limecrest/Houses Corner Rd), along the easterly side of State Highway 15 to the border of Lafayette Township, as a Job Creation Center. Job Creation Centers are defined in the 2007 Strategic Growth Plan as areas located along major highways, and are the focus of industrial development, serving as employment centers for relatively intense land uses. These areas also serve to segregate important employment opportunities not compatible with residential use, from more residentially developed areas and correspond to Nodes as defined in the 2001 SDRP. The existing development patterns in this area are reflective of the Job Creation Center landscape, serving as a Commercial-Manufacturing Node, and having matured into a functional concentration of business and industry in the County. The westerly side of State Highway 15 also includes large commercial & retail developments, mixed-unit housing neighborhoods, an assisted living facility, and an industrial park served by sewer and water. Additionally this area is ranked medium in the NJ Smart Growth model. Perhaps most importantly, the only Class II Regional Freight Railroad in NJ is located in this area.	Sparta Township	This rail line plays a critical role in both Sussex County and New Jersey economies, serving the needs of local and regional deliveries as well as domestic and international trade. As such, this area is more characteristic of PA 3 rather than the PA 4B designation.	
State Plan Policy Map		9	The Township of Stillwater is generally designated as PA 4, PA 4B, PA 5, and PA 8. While these designations are mostly consistent with the future and current development patterns of the Township, the area designated as PA 4, surrounding Fairview Lake, is part of the Blair Creek Preserve and is permanently preserved open space.	Stillwater Township	This area should be redesignated as PA 8. It is also recommended that other large tracts of permanently preserved open space which are owned and operated by a State entity, be designated as PA 8.	
State Plan Policy Map		9	The Borough of Sussex is characterized by medium density residential neighborhoods with a mixed-use downtown core and is generally categorized as urban land in the 2020 Land Use Land Cover. State Route 23 bisects the Borough. The Borough is also served by sewer and water and has a medium high ranking per the NJ Smart Growth Explorer.	Sussex Borough	It is currently designated as PA 4, but given that the Borough is largely built-out and has supportive infrastructure, this designation is not accurate. The Borough meets the intent and guiding criteria for PA 2 and therefore should be redesignated to PA 2.	
State Plan Policy Map		9	The County and several of its municipalities allocated substantial resources to obtain various Center designations as part of the 2001 SDRP planning efforts and 2007 Strategic Growth Plan and Plan Endorsement process. Although these designations have largely expired, the current and future development patterns in these areas remain consistent with the original Center criteria and the County is requesting the reinstatement of all Center designations approved as part of the 2001 SDRP and 2007 Plan Endorsement processes. These Center designations are crucial to the future vitality of the County and its municipalities.	County	The 2007 Strategic Growth Plan successfully designated twelve Centers. They are: o Newton Regional Center o Andover Borough Town Center o Hopatcong Town Center o Stanhope Town Center o Layton Village Town Center o Hainesville Village Center o Montague Village Center o Sparta Town Center o Vernon Town Center o Byram Town Center o Branchville Village Center The State Plan Update Viewer also identifies various proposed town, hamlet, village, and regional centers. The County is requesting that these areas be designated centers as shown in the State Plan Update Viewer. Overall, the current State Planning Area framework captures the preservation and conservation priorities of Sussex County but imprecisely applies them in areas that are already developed and well served by infrastructure. The blanket application of PAs, in particular, fails to reflect local land use patterns, suppresses reinvestment, and restricts smart growth development opportunities. A more granular and flexible approach, developed collaboratively with counties, will better align the State Plan with on-the-ground realities and support sustainable, locally guided development.	
General		10	<b>Issue: Metropolitan/Urban Focus</b> - The Preliminary State Plan continues to emphasize strategies tailored primarily to New Jersey's urban centers and developed suburban corridors. While these are worthy goals, the Plan gives disproportionate attention to metropolitan and suburban counties. This includes targeted investment areas, transit-oriented development and transportation infrastructure improvements, promoting urban revitalization, using housing as a catalyst for economic development, and focusing economic redevelopment in aging industrial cores. Only a handful of vague strategies are applicable to rural planning area categories.	County	Develop a dedicated rural planning framework or subchapter within the State Plan that articulates the needs, opportunities, and strategies specific to rural counties. This should include guidance on maintaining rural character, supporting small-scale agriculture, investing in rural infrastructure, preserving scenic and environmental resources, balanced smart growth, etc.	
Implementation		10	<b>Issue: Lack of flexibility for local implementation</b> - The State Plan's implementation strategies remain broad and generalized, with limited opportunities for counties and municipalities to adapt state priorities to local conditions. This can present challenges for rural communities that face unique development pressures, environmental constraints, and funding limitations. Planning Area 5 discourages public infrastructure investment, even where existing systems require upgrades for environmental or public health reasons. These impede county and municipal efforts to update infrastructure and address septic failures.	County	Introduce a more flexible, regionally adaptable planning toolkit within the State Plan so that rural communities can advance state planning objectives in ways consistent with their local context while continuing to provide for targeted development and community sustainability.	

Natural and Water Resources		11	<b>Issue: Insufficient Attention to Agricultural and Resource-Based Economies</b> - While the Plan acknowledges the importance of open space, farmland preservation, and historic, cultural & scenic resources, it does not provide a clear strategy for supporting the long-term viability of agriculture or resource-based economies in rural communities.	County	Explicitly incorporate agricultural & resource based economic development into the Plan's objectives. This could include innovative agriculture stewardship & marketing programs, food distribution improvements, removing regulatory barriers to encourage the growth of breweries, wineries, & agricultural product processing facilities, etc. Additional strategies to consider include increased funding and attention to the NJDOT Scenic Byway Program, allocation of historic preservation funding equitably across all regions, providing sufficient funding to tackle the deferred maintenance of existing state parkland facilities including the Paulinskill Valley Trail and Sussex Branch Trail.	
Infrastructure		11	<b>Issue: Transportation and Infrastructure Gaps</b> - Many rural counties face persistent challenges related to infrastructure maintenance, limited public transportation, and aging utility systems. Yet the Preliminary Plan disproportionately highlights transit-oriented development and other transportation issues in areas already served by mass transit.	County	Expand the infrastructure investment framework to include rural transportation corridors, bridge repair programs, and innovative rural mobility solutions (e.g., micro transit, demand-responsive services, etc.). Include rural broadband as a critical infrastructure priority.	
Comprehensive Planning		11	<b>Issue: Need for Enhanced Intergovernmental Coordination</b> - The coordinating efforts identified in the Preliminary Draft Plan leave out areas of the State that are not subject to regional planning agencies or authorities. <b>Areas of critical concern include the Delaware Water Gap National Recreation Area and the Skylands Region, but the Preliminary Plan does not include a single policy or strategy specific to these regions or areas.</b>	County	The Delaware Water Gap National Recreation Area is a valuable scenic and natural resource. As such, the State could work with federal partners to provide better public access and tourism opportunities on the New Jersey side. The State could also look to follow similar management structures as the Upper Delaware Scenic & Recreational River, a National Wild & Scenic River also managed by the National Park Service. Unlike the DWGNRA, the management of the Upper Delaware Scenic River is overseen by the Upper Delaware Council, a partnership of the Federal government, two States, and all local governments which border the 73.4 mile designated Delaware River. The State of New Jersey should work with the federal government to explore the creation of a similar organization for the DWGNRA. Additionally, the State should explore New York's regionalized approach to economic development and planning. New York established 10 Regional Economic Development Councils (REDCs). Each REDC is made up of members of the public and local business, education, and community leaders to help direct State investment in support of job creation and economic growth. The Councils work to identify local priorities and assets and develop out regional strategic plans. Each REDC advises NY state agencies on the programs and projects most valuable to the region and ensuring collaboration between local authorities and state agencies. This approach would increase local implementation and buy-in of the State Plan.	
Housing		12	<b>Issue: Conflicting Goals between the NJ Preliminary State Plan and Municipal Affordable Housing Obligations</b> - Two competing mandates that directly impact our communities are the State's policy to limit development in environmentally sensitive and rural areas (Planning Areas 4B and 5), and the court-mandated requirement for municipalities to meet their fair share of affordable housing under the Mount Laurel doctrine. While both objectives, the preservation of natural resources and housing equity, are essential to sound planning, the lack of integration between the State Plan and affordable housing mandates has created growing tensions at the local level, especially for rural communities. The Preliminary State Plan designates PA4B (Rural/Environmentally Sensitive Planning Area) and PA5 (Environmentally Sensitive Planning Area) as areas where growth should be strongly discouraged due to the presence of important ecological resources, limited infrastructure, and a rural development pattern. However, these areas also encompass municipalities who have legal affordable housing obligations, some of which are significant in scale due to court settlements or other negotiations. These municipalities are struggling to identify realistic opportunities for affordable housing while operating within a framework that discourages expansion of public utilities and development intensity in their municipalities. How are municipalities expected to meet their affordable housing obligations without being in direct conflict with the State Plan's goals and objectives for PA 4B and PA 5, which discourage the extension of sewer and water services in these planning areas?	County	The State Planning Commission and the Department of Community Affairs (DCA) should work together to ensure that municipal housing obligations are compatible with State Plan map designations. The State Plan should explicitly recognize the constitutional obligation to provide affordable housing and offer planning tools or guidance to help municipalities meet this mandate within sensitive planning areas. The State should also offer targeted infrastructure investment or allow utility expansion to support compliance.	
State Plan Policy Map		12	<b>Issue: Refinement of the State Planning Area Designations</b> - The State Planning Commission should undertake a more in depth analysis of PA5 designations to accurately reflect current development patterns and infrastructure presence. Areas with sewer service, public water, and higher densities should be considered for reclassification to PA2 (Suburban Planning Area) or a new transitional category acknowledging built environments within rural counties.	County	Removing the adjacency criteria for PA 2 and PA 3 should be explored. Additionally, a new subcategory that recognizes the unique needs of rural municipalities and fully built neighborhoods within rural counties should be created. This category would support appropriate development and public investment without compromising the broader goals of PA4, PA 4B, & PA5. The Rural Community Planning Area (PA 4C) is intended for rural municipalities or existing sections of rural communities where modest, well-planned growth can be directed toward compact, walkable, mixed-use centers that reinforce traditional development patterns, support local economies, and minimize sprawl. This would codify the Center concept as a distinct planning area and could alleviate some of the challenges rural municipalities face related to Center designation and Plan Endorsement process. The Rural Community Planning Area would: <ul style="list-style-type: none"> <li>o Encourage context-sensitive infill and redevelopment in rural hamlets or villages</li> <li>o Support small-scale commercial uses, housing diversity, and civic space within existing or planned RC planning areas.</li> <li>o Preserve surrounding farmland, forests, and sensitive natural resources through focused growth boundaries</li> <li>o Enable infrastructure improvements (e.g., water/sewer upgrades, roads, bridges, etc.) tied directly to designated centers and areas ranked medium and medium-high in the NJ Smart Growth Explorer.</li> <li>o Priority eligibility for rural infrastructure funding (e.g., broadband, water, sewer, transportation)</li> <li>o Foster rural vitality without suburbanization</li> <li>o Projects in this area that meet certain parameters should be automatically deemed consistent with a local WQMP Plan.</li> </ul>	
General		13	<b>Issue: Plan Endorsement Process</b> - Pursuing Plan Endorsement through the New Jersey State Planning Commission requires a substantial commitment from local governments in terms of staff time and financial investment. For many municipalities, particularly those in rural or economically constrained areas, these requirements are often too burdensome. Rural communities, many of which would stand to gain the most out of Plan Endorsement, are often discouraged from participating due to the complexity and administrative burden of the process. Rural municipalities are often unable to meet the State's expectations for plan preparation and submission due to limited municipal budgets, small or part-time municipal staff, and limited access to planning consultants. As a result, participation in the Plan Endorsement process remains disproportionately low among rural communities and further contributes to regional disparities. Without revisions to the Plan Endorsement process, advancing statewide planning objectives in rural regions remains unobtainable.	County	The State should establish a dedicated technical assistance program in partnership with the DCA Local Planning Services Division to provide technical support to petitioning municipalities. It also should allocate a dedicated funding source to assist rural and under-resourced municipalities in the preparation of plan endorsement activities, similar to plan conformance grants that are available from the Highlands Council. Long-term recommendations should include an overhaul of the current endorsement process into one that is more streamlined and simplified, focusing on core SDRP objectives.	
Implementation		14	While land preservation provides long-term environmental, recreational, and quality-of-life benefits, it also reduces the amount of developable land and limits the County's property tax base. In rural counties with already limited ratables, this places a disproportionate financial burden on the remaining taxpayers, including homeowners and small businesses. Without mechanisms to compensate for this revenue loss, such as state payment programs, targeted economic development strategies, or other development incentives, the high rate of permanent preservation can strain local government finances and long-term fiscal sustainability. This is especially problematic for Sussex County, which has approximately 47% of its land base permanently preserved.	County	If the State continues to focus preservation efforts in Sussex County, it should provide additional financial and regulatory incentives to our local communities.	
State Plan Policy Map		33	Andover is largely categorized as PA 5 with large sections of PA 4, PA 4B, and Park. Given Andover's desire to preserve its rural character, protect its farmland, and defend its natural resources, the planning area designations are well suited.	Andover Township	<b>However, the planning areas would be even better suited if the Route 206 redevelopment area was redesignated as a more developable planning area.</b> This is especially true considering how this redevelopment is being used to concentrate development and keep natural lands safe.	
State Plan Policy Map		Frankford 3	Frankford is mostly designated as PA4 with pockets of PA 4B, PA 5, and Park. These planning areas align with the Township's interest in limiting growth, preserving natural resources, and protecting pre-existing farmland.	Frankford Township	The Towne Center project area should be redesignated to a more developable planning area, especially because the existence of the Towne Center project and TDR's are being used to better preserve the surrounding PA 4 and PA 5 lands.	
State Plan Policy Map		Newton 1, 2	Newton is situated primarily in Planning Area 5 - Environmentally Sensitive, with smaller areas of Planning Areas 4B - Rural Environmentally Sensitive. Most of the Town is within the designated Regional Center, with particularly environmentally sensitive areas falling outside of that area.	Town of Newton	These designations should be updated to be consistent with the developed nature of the Town. The designated Center respects that Newton is a regional economic hubs and has potential for strategic growth.	
State Plan Policy Map		Sandyston 2	We believe Center Designations should not expire for historical centers that meet the criteria to be designated centers. The cost of obtaining and maintaining Plan Endorsement is very high for a small municipality and that State Center Designations assist the Township in planning efforts and working with the State. Continued recognition of the centers would benefit both the Township and the State Plan.	Sandyston Township		

State Plan Policy Map		Andover 1	The Borough is primarily in the PA5 - Environmentally Sensitive Planning Area. PA4B - Rural Environmentally Sensitive comprise much of the western portion of the Borough.	Andover Township	PA4B is generally consistent with the existing farmland, however, most of the PA5 are ia developed - particularly along Route 206. A State Plan designation of PA3 would be more appropriate for the developed areas of the Borough as it is a small but relatively dense developed area.	
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## Appendix B: Statewide Policy Issues

PSDRP GOAL/SECTION	PSDRP PAGE	DESCRIPTION	JURISDICTION	AGREE/DISAGREE
General		Add definitions requested from public comment to glossary	State	
General		Formatting of document will be done for revised draft final	State	
General		Clarifying language requested from public comment will be added to revised draft final	State	
Pollution and Environmental Cleanup	48	Waste Management and Recycling: add language on illegal dumping	State	
Comprehensive Planning	61	Remove the term "Areas of Critical State Concern" and incorporate concepts into a revised Special Resource Area definition and policy.	State	
Comprehensive Planning	62	Recognize the following as Special Resource Areas: The Delaware Water Gap National Recreation Area, The Skylands Region, The Sourland Mountain Region, The Great Swamp, Peter J. Barnes III Wildlife Preserve, and Rancocas Creek.	State	
Comprehensive Planning	62	Special Resource areas be mapped on the State Plan Policy Map.	State	
Comprehensive Planning		Plan Endorsement: The process of pursuing Plan Endorsement/Center Designation by a municipality and the benefits for receiving endorsement are not balanced.	State	
State Plan Policy Map		Planning Areas: remove adjacency criteria.	State	
State Plan Policy Map		Planning Areas: remove land greater than 1 sq. mile criteria.	State	
State Plan Policy Map	77	Designate Parks, Open Space, and Natural Areas as an official Planning Area	State	
State Plan Policy Map		Create a new Planning Area that reflects developed areas that are subject to current and future climate risk.	State	
State Plan Policy Map		Create a new Planning Area that recognizes a Rural Planning Area (PA4) that has development.	State	
State Plan Policy Map	78	Centers: Addition/reintroduction of Cores within Centers	State	
State Plan Policy Map	78	Centers: Revise the definition of Center.	State	
State Plan Policy Map/Comprehensive Planning	78	Centers/Plan Endorsement: Remove Center Designation expirations	State	
State Plan Policy Map	78	The State Plan should include a list of identified Centers	State	
State Plan Policy Map	76	Critical Environmental Site: if the land greater than 1 sq. mile criteria is removed that CESs should become critical environmental areas.	State	
State Plan Policy Map	76	Separate Critical Environmental Site and Historical Cultural Site (HCS)	State	
Implementation		Implement the State Plan as a guide.	State	
Implementation		Strengthen language regarding coordination between the State Plan, State Agencies, and municipalities/Counties.	State	