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TRENTON, NJ 08625-0001

PHILIP D. MURPHY Governor

BRIAN T. WILTON Deputy Chief Counsel

May 8, 2019

Dear Friends:

The New Jersey Highlands Region is rich in beauty and precious natural resources. It provides drinking water to an astonishing 70% of our state's population. Protecting our drinking water supplies is essential to the health of our residents and growth of our economy.

I am pleased that the state has taken several concrete measures over the last year to protect and preserve this Region. We have reversed rollbacks on septic density rules, returning to a more protective standard that reduces the number of septic systems permitted in the Highlands. We have proposed new stormwater management rules that promote green infrastructure to naturally control stormwater and flooding and reduce impacts on water quality.

In addition to these regulatory enhancements, we continue to focus on land preservation as important means of protecting the Highlands region. In 2018, the Highlands Council worked with partners to preserve almost 3,000 acres of forest, farmland and recreational areas. Similarly, protecting our irreplaceable streams and rivers is an essential part of protecting the natural resources and drinking water supplies of the Highlands. For the first time in a decade, the state has acted to increase those protections with a proposal to elevate almost 750 miles of waterways through New Jersey to the highest level of protection as Category One waters.

The important regional planning role of the Highlands Council involves consideration of the many unique aspects of this area including natural resources, sustainable economic development, agriculture, recreational opportunities, historic and cultural resources and quality of life. I look forward to continuing to work closely with the Council to ensure the protection and enhancement of these wonderful qualities of the Highlands Region.

My very best,



Philip D. Murphy *Governor* 

SHEILA Y. OLIVER Lt. Governor

### State of New Jersey

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CARL J. RICHKO Chairman

LISA J. PLEVIN Executive Director

## A Message from the Chairman and Executive Director

Dear Friends of the New Jersey Highlands,

On behalf of the New Jersey Highlands Water Protection and Planning Council we are pleased to present this 2018 Annual Report.

This was a year marked by many successes for the Council, mostly notably in the areas of land preservation and advancement of the Regional Master Plan (RMP), both in terms of Plan Conformance and review of the RMP itself.

On the land preservation front, the Highlands Council either directly preserved or contributed to the preservation of more than 2,900 acres through our Open Space Partnership Funding Program and the Highlands Development Credit Purchase Program. One highlight was a partnership with the New Jersey Department of Environmental Protection (NJDEP) Green Acres program, The Land Conservancy of New Jersey, and the Open Space Institute to preserve over 2,200 acres in Sussex County that contains some of the last remaining high-quality, core forests in the New Jersey Highlands. The project not only protects water quality and wildlife habitat, but also expands recreational opportunities by adding a vital 11-mile link on the Highlands Trail.

Through our Highlands Development Credit program we were also able to preserve land within Camp Vacamas in West Milford, which provides summer camp experiences for at-risk youth. The proceeds of the transaction are helping the property owner complete maintenance projects on the property which will allow the camp to serve more children.

Preservation efforts of the Highlands Council are having a significant impact on the Highlands Region. Our programs fill an important niche, as we are able to preserve smaller properties that may not qualify for other state programs. In addition, the Council has the flexibility to preserve farmland, forest, or mixed use parcels. The Highlands Council has also established itself as an exceptional steward of state funds, having leveraged approximately \$9 million in state funding to preserve \$52 million of closed or pending projects, in just the last few years.

Meanwhile, implementation of the RMP is accelerating. In October, the Council released the final version of our first-ever Monitoring Program Recommendation Report. The report represents the culmination of more than three years of work reviewing the RMP and assessing progress toward achieving its goals. With over 100 recommended action items, and 25 suggested science and research priorities, the report provides a road map for the Council's work for the next several years. Prior to releasing the final report, the Council adopted a procedure for amending the RMP, which provides a framework for future RMP analysis and improvements.

In addition to addressing the evolution of the RMP itself, the Council has made great strides in strengthening relationships with municipal and county partners in the Highlands Region. In the fall, Council staff launched a renewed effort to reach out to municipalities and counties that were not yet engaged in the Plan Conformance process, in order to better understand their needs and identify areas where the Council could help advance local goals. Response has been very positive, with three municipalities and one county passing resolutions indicating their intent to bring master plans and development regulations into alignment with the RMP. The three municipalities — Parsippany-Troy Hills in Morris County, Franklin Borough in Sussex County and Washington Borough in Warren County — are all located entirely within the Planning Area, where conformance with the RMP is voluntary.

Council staff has also been working to establish new partnerships with non-governmental organizations focused on protecting Highlands resources. In 2018 the Council established two new grants with the Lake Hopatcong Commission and the Greenwood Lake Commission to address water quality management of these two important water bodies in the Highlands Region. Our collaboration with these entities helps not only protect vital water resources, but will enable both organizations to apply for additional state and federal grant funding to support the ongoing health and management of these lakes.

The Highlands Council looks forward to continuing our successful efforts to protect the resources of this important region.

Carl J. Richko, Chairman

(aul). Ruchko

Lisa J. Plevin, Executive Director

# Highlands Water Protection and Planning Council 2018



Carl J. Richko, Chairman West Milford, Passaic County Former Mayor, West Milford Township



Kurt Alstede, Vice Chairman Chester Township, Morris County Founder, Alstede Farms Former Councilman, Chester Township



Robert F. Holtaway, Treasurer Bedminster, Somerset County Former Mayor, Bedminster Township



Tracy Carluccio

East Amwell, Hunterdon County

Deputy Director, Delaware

Riverkeeper Network



Timothy P. Dougherty Morristown, Morris County Mayor, Town of Morristown



Michael R. Dressler Cresskill, Bergen County Bergen County Surrogate



Michael Francis

Hopatcong, Sussex County

Mayor, Hopatcong Borough



Bruce James Clifton, Passaic County Freeholder, Passaic County



Michael Sebetich Hawthorne, Passaic County Retired Professor of Biology, William Paterson University



James A. Visioli *Dover, Morris County* Alderman, Dover Town



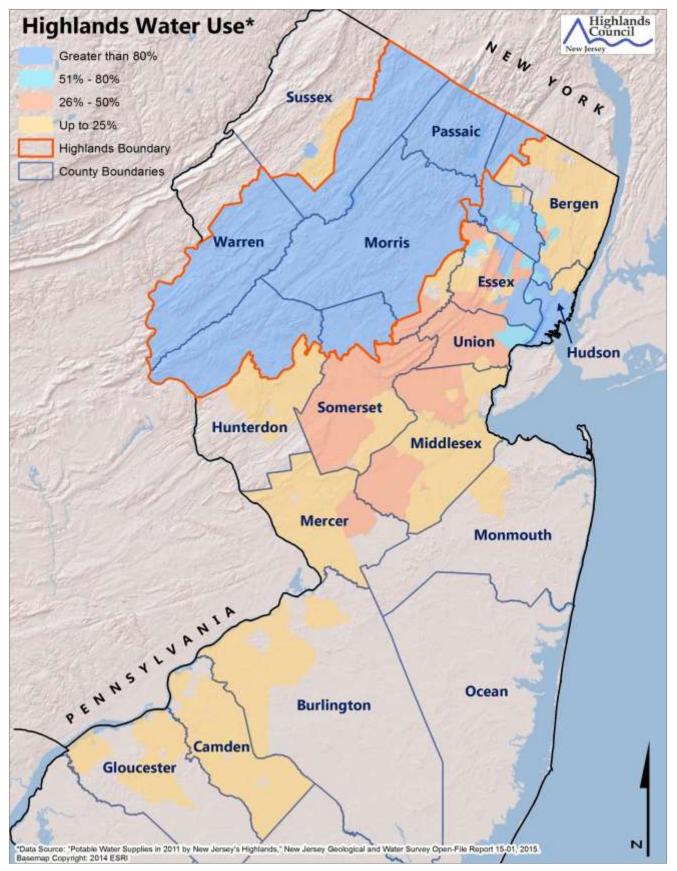
Richard Vohden Andover, Sussex County Former Freeholder, Sussex County



Robert G. Walton
Hampton, Hunterdon County
Former Freeholder,
Hunterdon County

## The Highlands Council

The Highlands Council is a 15-member appointed body tasked with implementation of the Highlands Act. The Council is advised in its actions by a staff of planning, science, geographic information system (GIS) and administrative professionals, based in Chester, NJ. There are currently three vacancies on the Council.



The Highlands Region covers less than 15% of the state's land area, but provides drinking water to more than 300 municipalities that are home to 70% of New Jersey's population. While the region's forests and open spaces retain and filter large quantities of water, sprawl development has transformed communities and impaired nature's ability to do that job. Because families, farms and businesses all depend on a steady supply of clean water, and water resources do not follow municipal boundaries, a regional approach is required to protect and conserve the vital natural resources of the Highlands.

## Protecting the New Jersey Highlands

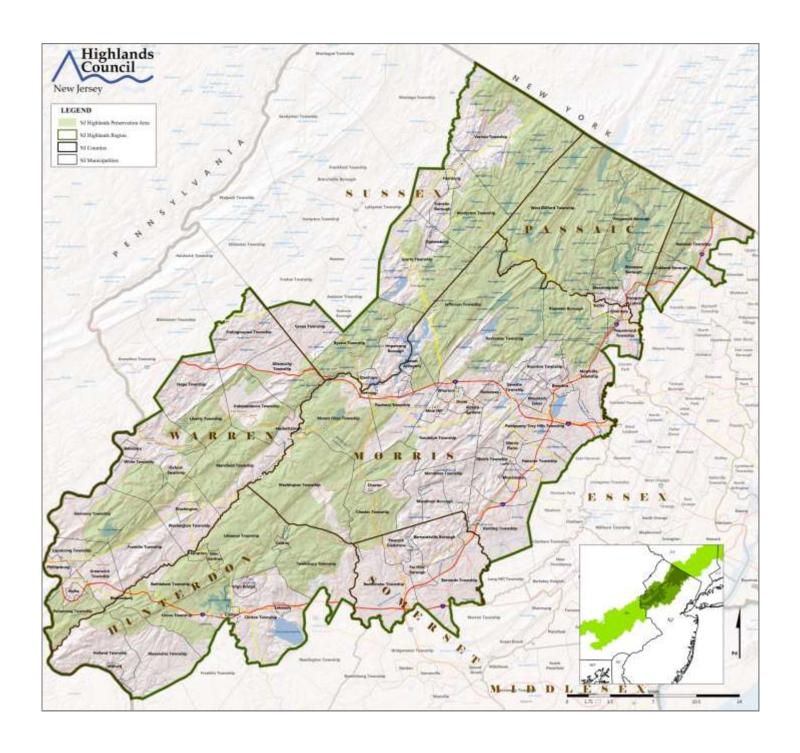
The Highlands Water Protection and Planning Council (Highlands Council) is a regional planning agency that works in partnership with municipalities and counties in the Highlands Region to encourage a comprehensive regional approach to implementing the 2004 Highlands Water Protection and Planning Act (the Highlands Act).

The Highlands Act established the Highlands Council and charged it with the creation and adoption of a regional master plan to protect and enhance the natural resources within the New Jersey Highlands. The Highlands Regional Master Plan (RMP) was adopted by the Highlands Council on July 17, 2008 and became effective on September 8, 2008.

The Highlands Act also delineated the boundaries of the New Jersey Highlands Region, dividing it into a "Preservation Area" and a "Planning Area," specifying that the Preservation Area was of exceptional natural resource value that required stringent protections.

The 1,300-square mile (860,000-acre) New Jersey Highlands Region extends from Pohatcong Township in the southwest to Mahwah Township in the northeast, including 88 municipalities and portions of seven counties (Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex, and Warren).

Although the Highlands Region covers less than 15% of the state's land area, it provides drinking water to more than 300 municipalities that are home to 70% of New Jersey's population.



The federal Highlands Region stretches from Southeastern Pennsylvania through parts of New Jersey, New York and into Connecticut. Recognizing the significance and value of the resources within this region, the State Legislature of New Jersey passed the Highlands Water Protection and Planning Act (the Highlands Act) in 2004.

## Regional Master Plan Conformance and Implementation

The Highlands Regional Master Plan (RMP) provides a framework for implementing the Highlands Act at the local level. Programs are outlined in the areas of Natural Resources; Water Resources and Utilities; Agricultural Resources; Historic, Cultural, Archaeological and Scenic Resources; Transportation; Future Land Use; Landowner Equity; Sustainable Economic Development; and Air Quality.

Conformance with the RMP is required by the Highlands Act throughout the Preservation Area and is voluntary in the Planning Area. The conformance process involves the revision of local planning and regulatory documents to integrate the land use and resource management requirements of the Highlands Act so those documents will align with the goals, policies and objectives of the RMP.

#### **Petition Status**

To date, 62 of the 88 municipalities in the New Jersey Highlands Region have submitted petitions to conform with the RMP. Six of the seven counties have also submitted petitions.

Petition submissions in 2018 include Hunterdon County, which passed a resolution in November indicating the county's intent to conform for the entire County, and Parsippany-Troy Hills in Morris County, which passed a conformance resolution in December. In early 2019, Franklin Borough, Sussex County, and Washington Borough, Warren County passed similar resolutions. Parsippany-Troy Hills, Franklin Borough, and Washington Borough are all located entirely within the Planning Area of the Highlands Region, where conformance with the RMP is voluntary. See pages 3-4 for a summary of current Petition Status by county.



Boonton Reservoir, Parsippany-Troy Hills Township

#### Plan Conformance Success Story:

## Waking a Sleeping Giant in Hunterdon County

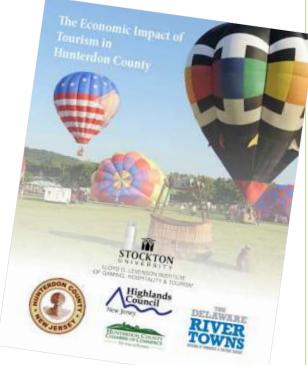
A few years ago, Hunterdon County began thinking about how best to position itself for economic growth. With a perfect combination of picturesque farmland, vibrant downtowns, lush open spaces, abundant recreational opportunities, and easy access to transportation, it seemed that all the right elements were in place for a thriving economic future. As they embarked on planning efforts to maximize this potential, the County discovered that being in the Highlands Region only added to these opportunities.

"Our economic development director began talking with Highlands Council staff and we discovered that many of the things we wanted to do, and were already planning to do, were in complete alignment with the goals of the Highlands Act and Regional Master Plan (RMP)," explains Hunterdon County Freeholder Matt Holt.

In November, the Board of Chosen Freeholders in Hunterdon County passed a resolution indicating the County's intent to participate in the Highlands Council Plan Conformance process. The decision to move the resolution was based on what the county deemed "positive outcomes" that have already been realized. In 2018, Hunterdon County completed two phases of a three-phase tourism study funded by the Highlands Council. The County also received approval in December 2018 for an Entrepreneurial Ecosystem Analysis and Incubator Feasibility Study.

"I firmly believe that tourism is the sleeping giant of economic development in Hunterdon County," says Holt. "We're very fortunate that the Highlands Council shares that vision and is able to support this work."

There are 26 municipalities in Hunterdon County. Fifteen (15) are located in the Highlands Region and of those, 14 are already participating in the Plan Conformance process. High Bridge Borough and Lebanon Borough, two of only three municipalities in the County that are located entirely in the Planning Area, have made significant progress toward RMP implementation. Any county planning activities funded by the Highlands Council will benefit the entire County, not only the Highlands portion.



# Plan Conformance Petition Status

as of March 2019

Petition Status indicated	Petitioni	ng for:	Franchis	Conton	
by color	Preservation Area	Planning Area	Exemption Certification	Center Designation	
BERGEN COUNTY	✓				
Mahwah Township	✓	✓	✓	✓	
Oakland Borough	✓		✓		
HUNTERDON COUNTY	✓	✓			
Alexandria Township	✓		✓		
Bethlehem Township	✓	✓	✓		
Bloomsbury Borough	✓	N/A			
Califon Borough	✓	N/A	✓		
Clinton Town	✓	✓			
Clinton Township	✓	✓	✓		
Glen Gardner Borough	✓	N/A			
Hampton Borough	✓	,			
High Bridge Borough	N/A	✓	✓		
Holland Township	√ ·	✓			
Lebanon Borough	N/A	✓		✓	
Lebanon Township	√ V	<b>√</b>	✓		
Milford Borough	N/A				
Tewksbury Township	√ ×	✓			
Union Township	· ·	<u> </u>			
MORRIS COUNTY	· ·	•			
Boonton Town					
	N/A ✓				
Boonton Township					
Butler Borough	N/A	✓			
Chester Borough	N/A	<b>√</b>	✓		
Chester Township	<b>✓</b>	<b>V</b>	<b>Y</b>		
Denville Township					
Dover Town	N/A				
Hanover Township	N/A				
Harding Township	N/A		,		
Jefferson Township	<b>√</b>		✓		
Kinnelon Borough	✓	✓			
Mendham Borough	N/A				
Mendham Township	N/A				
Mine Hill Township	N/A				
Montville Township	✓		✓		
Morris Plains Borough	N/A				
Morris Township	N/A				
Morristown Town	N/A				
Mountain Lakes	N/A				
Mount Arlington Borough	✓		✓		
Mount Olive Township	✓		✓		
Netcong Borough	N/A				
Parsippany-Troy Hills Twp.	N/A	✓			
Pequannock Township	✓				
Randolph Township	✓	✓		✓	
Riverdale	N/A				
Rockaway Borough	N/A				
Rockaway Township	✓	✓			
Roxbury Township	✓				
Victory Gardens Borough	N/A				
Washington Township	<b>√</b>	✓	✓	✓	
Wharton Borough	N/A	<b>√</b>		<b>√</b>	

## Plan Conformance Petition Status

as of March 2019

Petition Status indicated	Petitioni	ing for:		
by color	Preservation Planning		Exemption	Center
(see key at end of chart)	Area	Area	Certification	Designation
PASSAIC COUNTY	✓ · · · · · · · · · · · · · · · · · · ·	7.1.00		
Bloomingdale Borough	· ·			
Pompton Lakes Borough	N/A			
Ringwood Borough	- IN/A	N/A	✓	
Wanaque Borough	· ·	IN/A	•	
West Milford Township	· /	N/A	✓	
SOMERSET COUNTY	· ·	IN/A	•	
	· ·		✓	
Bedminster Township			•	
Bernards Township	N/A			
Bernardsville Borough	N/A	✓		
Far Hills Borough	N/A	•		
Peapack Gladstone Borough	N/A ✓			
SUSSEX COUNTY			,	
Byram Township	<b>√</b>	<b>√</b>	✓	✓
Franklin Borough	N/A	✓		
Green Township	✓			
Hamburg Borough	N/A			
Hardyston Township	<b>√</b>		<b>√</b>	
Hopatcong Borough	✓	✓	✓	✓
Ogdensburg Borough	✓			
Sparta Township	✓		✓	
Stanhope Borough	N/A	✓		
Vernon Township	✓		✓	
WARREN COUNTY				
Allamuchy Township	✓		✓	
Alpha Borough	N/A	✓		✓
Belvidere Town	N/A			
Franklin Township	✓		✓	
Frelinghuysen Township	N/A			
Greenwich Township	✓	✓		
Hackettstown Town	✓	✓	✓	✓
Harmony Township	✓		✓	
Hope Township	N/A			
Independence Township	✓			
Liberty Township	✓			
Lopatcong Township	✓	✓		✓
Mansfield Township				
Oxford Township	✓	✓	✓	✓
Phillipsburg Town	N/A	<b>√</b>		✓
Pohatcong Township	✓	✓	✓	<b>✓</b>
Washington Borough	N/A	✓		
Washington Township	√ ·		✓	
White Township	· ✓			

#### Petition approved, whole municipality

Petition approved, Preservation Area only

Petition filed, not approved

No petition filed

No petition filed, petition not required

#### **Implementation**

In 2018 municipalities and counties engaged in plan conformance made significant progress toward integrating the provisions of the RMP into local planning and regulatory documents. Notable Highlands Council approvals from 2018 are summarized below. Copies of all approved and adopted conformance documents are available on the municipal and county plan conformance pages of the Highlands Council website (www.nj.gov/njhighlands/planconformance/status).

In 2018 the Highlands Council approved numerous plans, ordinances, and studies completed by Highlands municipalities and counties, which help implement the Highlands Act and RMP at the local level.

Below is a summary of Plan Conformance Implementation tasks completed in 2018.

Plan, Ordinance, or Element	Approved in 2018
Adopted Housing Element and Fair Share Plan	3
Highlands Center Designation or Planning Study	3
Highlands Exemption Determination Ordinance or Certification	2
Stormwater Management Plan, Ordinance or Mitigation Plan	2
Sustainable Economic Development Plan	2
Environmental Resource Inventory	1
Farmland Preservation Plan	1
Lake Management Plan	1
Module 2 Update (build out analysis)	1
Redevelopment Plan	1
Tourism Research Initiative (draft)	1
Wellhead Protection Ordinance	1
WUCMP Net Water Availability Analysis (draft)	1

#### Tracking Progress: Plan Conformance

The Plan Conformance process can be tracked on the Highlands Council website in a number of ways.

#### Municipal and County Pages

Each Highlands municipality and county has its own page on the Highlands Council website, where petition materials and adopted documents are posted: <a href="https://www.nj.gov/njhighlands/planconformance/status/">www.nj.gov/njhighlands/planconformance/status/</a> (This link is also accessible from the Highlands Council homepage under "Quick Links.")

#### Tracking Sheets

www.nj.gov/njhighlands/planconformance/status/tracking sheets.html

Municipal Plan Conformance Tracking Sheet – Tracks Plan Conformance Petition status.

Municipal Plan Conformance Implementation Tracking Sheet – Tracks progress on implementation tasks.

#### Municipal and County Outreach

In the fall of 2018, Highlands Council staff initiated a renewed effort to meet with municipalities and counties to discuss the benefits of collaborating with the Highlands Council and furthering the priorities of the RMP. Between September and December, Highlands Council staff met with 18 municipalities and three counties. Several of these meetings led to formal presentations to town councils and increased movement toward Plan Conformance as described above.

#### Implementation Success Story:

# Wharton Borough Takes Action to Manage Stormwater and Prevent Flooding

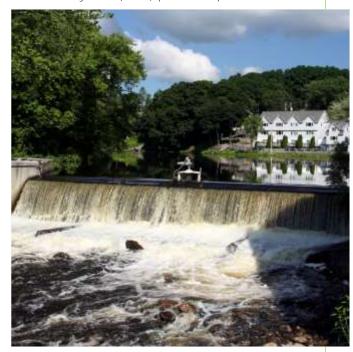
In 2018 the Borough of Wharton in Morris County made tremendous progress toward implementation of the Highlands Regional Master Plan (RMP) at the local level. The Borough adopted a Highlands Center Plan and Sustainable Economic Development Plan, Lake Management Plan for Washington Forge Pond, a Redevelopment Study in the town's Central Business District, and a Stormwater Management Plan.

Of particular note is the Stormwater Management Plan, as Wharton Borough is the first Highlands municipality to complete all components of the Highlands Stormwater Management program, which launched in 2016.

The Highlands Stormwater Management program provides comprehensive guidance materials and technical assistance, model ordinances, and an innovative mobile stormwater structure mapping tool to help municipalities come into compliance with the New Jersey Department of Environmental Protection Municipal Separate Storm Sewer System (MS4) permit requirements.

The Highlands program offers enhanced provisions to bring Stormwater Management Plans into alignment with the Highlands RMP. There are currently 14 Highlands municipalities working toward completion of Highlands Stormwater Management program tasks.

In 2018 Wharton adopted an enhanced Stormwater Control Ordinance, completed mapping of stormwater outfall structures, and adopted a Stormwater Mitigation Plan that included 13 potential mitigation projects. In addition, the Borough has submitted scopes of work to implement the recommendations in its Lake Management Plan, as well as perform a storm drainage study. Wharton Borough is located entirely within the Planning Area of the Highlands Region where conformance with the RMP is voluntary.



Washington Forge Pond/Rockaway River, Wharton Borough

## RMP Monitoring Program and Recommendation Report

Following completion of the first-ever review of the Highlands RMP in 2017, the Highlands Council voted in October 2018 to release the final Monitoring Program Recommendation Report, which resulted from this review. The report contains a comprehensive analysis of the Council's progress toward achieving the goals of the Highlands Act through implementation of the RMP,

along with more than 100 suggested actions and initiatives based on findings.

To enable implementation of these actions and initiatives, in September the Council adopted RMP Addendum 2018-1, "Procedure for Considering Proposals to Amend the Highlands Regional Master Plan" as an amendment to the RMP. The procedure formalizes the process for reviewing the RMP and considering any amendments to it going forward.

Following the provisions of that procedure, in December the Council released draft Procedures for Highlands Redevelopment Area Designation for consideration as an amendment to the RMP. Public hearings were scheduled for January 2019 and a written public comment period was opened.



#### Tracking Progress: RMP Monitoring & Amendments

Information about the RMP Monitoring program is available on the Highlands Council website at: <a href="https://www.nj.gov/njhighlands/master/monitoring/">www.nj.gov/njhighlands/master/monitoring/</a>.

Information about Amendments to the RMP is available at: www.nj.gov/njhighlands/master/amendments/.

## Plan Conformance Grant Program

The Highlands Plan Conformance grant program is a reimbursement-based program in which municipalities and counties work with Highlands Council staff to identify and prioritize projects that help implement the Highlands Act and RMP at the local level. The Highlands Act requires the Highlands Council to provide this funding and established the Highlands Protection Fund to support the work. (P.L. 2004, c. 120 C.13:20-18.b. and 13:20-19).

After reviewing existing planning and regulatory documents and assessing needs, an Implementation Plan and Schedule (IPS) is developed, which delineates specific implementation tasks, timing, and anticipated expenses. A detailed scope of work must be submitted to and approved by Highlands Council staff before any activities may commence. When tasks are

completed and deliverables approved by the Highlands Council and/or adopted at the local level, invoices may be submitted to the Highlands Council for reimbursement.

Since the Plan Conformance grant program was established in 2008, the Highlands Council has provided 75 municipalities and 5 counties with reimbursements totaling \$ 6.5 million for Plan Conformance activities.

In 2018 the Highlands Council provided a total of \$373,875 in reimbursements to 19 municipalities and one (1) county for completion of Plan Conformance tasks. The table below represents some of the most frequently reimbursed tasks in 2018.

2018 Plan Conformance Grant Reimbursements*						
Plan/Activity	Number of Grantees	Total Investment	Average reimbursement per municipality			
Stormwater Management Plans	6	\$35,074.95	\$5,845.75			
Water Use and Conservation Management Plans	5	\$77,045.54	\$15,409.11			
Build Out/Fair Share Plan/ Implementation Plan Updates	4	\$42,020.60	\$10,505.15			
Highlands Center Plans	4	\$9,866.00	\$2,466.50			
Redevelopment Plans	4	\$37,892.50	\$9,473.13			
Master Plan Reexamination Reports	3	\$15,650.75	\$5,216.92			

<sup>\*</sup>This table represents a portion of total reimbursements made in calendar year 2018.

For fiscal year 2019 (FY2019), which began July 1, 2018, the New Jersey State Budget included an appropriation of \$4,400,000 for the Highlands Protection Fund. Of this total, \$2,218,000 was transferred to the Watershed Moratorium Offset Aid account within the Highlands Protection Fund, leaving \$2,182,000 for Plan Conformance grant activities in FY2019. In October 2018, the Highlands Council approved a Highlands Protection Fund Budget for FY2019 based on this balance.

The FY2019 budget included funding to support continued municipal and county work on Plan Conformance, including a line-item for a new program, Plan Conformance Environmental and Economic Sustainability Grants. This program encourages conforming municipalities and counties to partner with commissions, subcommittees or non-governmental organizations to identify priorities and submit requests for funding to support planning activities that advance any area of the RMP. The program is open-ended and municipalities and counties can request awards up to \$50,000. Interest in the program has been strong since announcing its availability in late 2018, and the Highlands Council expects the program to be very successful in 2019.

## Regional Lake Management Planning Grants

Having a healthy lake is a vital component not only of natural resource protection, but also strong local economies. In 2018 the Highlands Council launched two exciting new grants to address the health of major lakes in the New Jersey Highlands Region.

#### Lake Hopatcong Commission Planning Grant

The shoreline of Lake Hopatcong touches four municipalities in two counties, in the heart of the New Jersey Highlands. Managing the health of the lake requires a collaborative, regional approach. In March, the Highlands Council finalized contract materials with the Lake Hopatcong Commission to complete a Lake Management Planning Grant for the Upper Musconetcong Watershed. Grant funding of up to \$109,000 will be used to assist the Lake Hopatcong Commission in the development of a Watershed Implementation Plan. Completion of the tasks outlined in the approved scope of work will provide the Commission with access to additional grant funding from the United States Environmental Protection Agency (USEPA) and the NJDEP.



Lake Hopatcong from River Styx Bridge, Hopatcong Borough

#### Greenwood Lake Commission Grant

Greenwood Lake crosses the New Jersey-New York border in West Milford. In September, the Highlands Council finalized contract materials similar to the Lake Hopatcong Commission grant. The Lake Management Planning Grant for the Greenwood Lake Commission provides funding of up to \$90,000 to revise and update the New Jersey portion of the Greenwood Lake Watershed's Restoration Plan. Completion of the tasks outlined in the approved scope of work will provide the Commission with access to additional grant funding from USEPA and the NJDEP.

## Municipal Exemption Determinations

Through a 2012 Memorandum of Understanding with the NJDEP, conforming Highlands municipalities are authorized to issue determinations regarding seven of the most common Highlands Act exemptions, following a training and certification program. The Highlands Council launched a training program in 2013. Since then, more than 180 individuals have been trained, 73 received certifications, and 30 municipalities have passed ordinances to begin issuing exemptions. The training program provides detailed guidance on the seven exemptions, including real-world examples.

In 2018 two municipalities received certifications to begin making determinations at the local level: Oakland Borough in Bergen County and Glen Gardner Borough in Hunterdon County. The Highlands Council was notified of more than 100 exemption determinations made by certified municipalities during the year. Also in 2018, the Highlands Council began receiving inquiries from attorneys requesting training regarding Highlands Act exemptions. The Council plans to schedule training sessions in 2019.

Exemptions Eligible for Municipal Determination				
Exemption 1	The construction of a single family dwelling for owner's own use			
Exemption 2	The construction of a single family dwelling with conditions			
Exemption 4	The reconstruction of any building or structure with conditions			
Exemption 5	Any improvement to a single family dwelling			
Exemption 6	Any improvement, for non-residential purposes, to a place of worship owned by a nonprofit entity, society or association, or association organized primarily for religious purposes, or a public or private school, or a hospital			
Exemption 7	An activity conducted in accordance with an approved woodland management plan			
Exemption 8	The construction or extension of trails with non-impervious surfaces on publicly or privately owned lands			

Descriptions above are summaries of the seven exemptions eligible for municipal decision. The complete list and full text of all exemptions can be found in the Highlands Act. All local zoning, land use ordinances, state and federal regulations still apply.

Municipal Determinations: Certified Municipalities (as of March 2019)				
Bergen	Mahwah Township, Oakland Borough			
Hunterdon	Alexandria Township, Bethlehem Township, Califon Borough, Clinton Township, Glen Gardner Borough, High Bridge Borough, Lebanon Township			
Morris	Chester Township, Jefferson Township, Montville Township, Mount Arlington Borough, Mount Olive Township, Washington Township			
Passaic	Ringwood Borough, West Milford Township			
Somerset	Bedminster			
Sussex	Byram Township, Hardyston Township, Hopatcong Borough, Sparta Township, Vernon Township			
Warren	Allamuchy Township, Franklin Township, Hackettstown, Harmony Township, Oxford Township, Pohatcong Township, Washington Township			

#### Land Preservation

Although the Highlands Act brought enhanced protections to the entire Highlands Region, many lands remain unprotected and vulnerable to development. The most recent analysis by the Highlands Council revealed that there are 150,000 acres within the region that are neither preserved nor developed. The majority of this – 100,000 acres – is located in areas mapped by the Highlands Council as High or Moderate Preservation Priority Areas.

Lands located within the "Preservation Area" of the Highlands Region are not necessarily preserved. In fact, approximately 4,500 lots in the Preservation Area are exempt and could be developed into single-family homes with septic systems. Additional units can be built through Highlands Area approvals and waivers unless these lands are preserved. Piecemeal development of these lots threatens the water and natural resources of the region, making clear the need for preservation to protect the underlying resources on these properties.

To meet this need, the Highlands Council operates two land preservation programs: the Highlands Open Space Partnership Funding Program (OSP) and Highlands Development Credit Purchase Program (HDCPP). Both programs are designed to increase protection of Highlands resources, while also advancing landowner equity priorities through acquisition or deed restriction of land throughout the region. They also fill a unique need among other preservation programs in the state since parcels of any size may qualify and the programs will consider applications for land that is forested, agricultural and/or mixed use. The programs are administered under the provisions of N.J.A.C. 7:70, Highlands Open Space Partnership Funding and Highlands Development Credit Purchase Program.

In 2018 the Highlands Council moved forward with and completed a number of acquisitions in both programs.



Open Space Partnership Funding Program Property, 2018 closing, West Milford, Passaic County

#### Open Space Partnership Funding Program (OSP)

The Highlands Council OSP is a matching grant program that is open to government and nonprofit entities. The Highlands Council provides up to a 50% match for acquisitions via outright purchase (fee simple) or via deed restriction. Funding provided by the Highlands Council may only be used by project partners to support acquisition costs as payments to property owners.

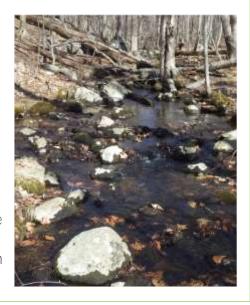
Since launching in 2016, the OSP has preserved more than 2,600 acres. In 2018 specifically, the Highlands Council completed five transactions in collaboration with project partners, preserving over 2,500 acres.

Property Location	Acres	Project Partners Applicant [additional funding sources]	Total Acquisition Cost	Highlands Council Contribution
West Milford Township, Passaic County	170.03	The Land Conservancy of New Jersey [Passaic River Coalition, Victoria Foundation, Passaic County, NJDEP Green Acres, PSEG Foundation, EJ Grassman Trust, Union Foundation]	\$ 975,000.00	\$ 72,000.00
Frelinghuysen Township, Warren County	93.45	Frelinghuysen Township [State Agriculture Development Committee]	\$ 345,765.00	\$ 164,628.00
Byram Township, Hopatcong Borough, Sparta Township, Sussex County	2218.54	NJDEP Green Acres [The Land Conservancy of New Jersey, Open Space Institute]	\$ 5,114,071.49	\$ 2,000,000.00
Byram Township, Sussex County	44.81	Byram Township [NJDEP Green Acres, Open Space Institute]	\$ 460,000.00	\$ 117,725.00
Franklin Township, Warren County	21.15	Warren County	\$ 116,297.50	\$ 58,148.75

### OSP Success Story:

## Highlands Council and Partners Preserve Over 2,200 acres in Sussex County

In October, the Highlands Council, along with project partners including the New Jersey Department of Environmental Protection and The Land Conservancy of New Jersey, announced the acquisition of conservation easements for the Hudson Farm properties in Byram Township, Hopatcong Borough and Sparta Township, Sussex County. This significant acquisition adds to a 973-acre easement acquisition in Andover Township and Hopatcong Borough from the same property owners in 2016, resulting in a total of 3,191 acres preserved. *(continued on next page)* 



#### Highlands Council and Partners Preserve Over 2,200 acres in Sussex County (continued)

Among other resources present on the land, the property contains some of the last remaining "core forest" in the New Jersey Highlands. Core forest provides exceptionally high-quality habitat for both plant and animal species. Public access to the property will be allowed via the Highlands Trail. The acquisition provides a critical 11-mile connection for the trail, which when completed, will run over 100 miles from the Delaware River in New Jersey, across the Hudson River in New York, to the Connecticut border.

The Highlands Council provided \$2 million of the total \$5.1 million purchase price of the easement.



#### Highlands Development Credit Purchase Program (HDCPP)

The HDCPP is a land preservation program open to individual property owners wishing to retain ownership of their property while placing a conservation easement on the land. In 2018, the Highlands Council completed 17 HDC transactions, permanently protecting resources on 360 acres and providing more than \$3.7 million to property owners. For complete details on the HDC Purchase Program, see the Highlands Development Credit Bank Report on page 19.

#### HDC Success Story:

# Highlands Council preservation project connects kids with nature

In October, the Highlands Council completed an HDC transaction that resulted in the preservation of more than 36 acres within Camp Vacamas, home to the nonprofit organization Hands in 4 Youth (H14Y), which provides summer camp experiences for young people from diverse backgrounds. The organization was founded in 1924 and has been at its West Milford, Passaic County location since 1955.

A significant portion of the land being preserved is wooded and connects to a larger contiguous forested area made up of state and nonprofit lands, adding to a 10-mile corridor that stretches beyond the New York state border. The property provides habitat for numerous state and federal rare threatened and endangered species and is mapped by the Highlands Council as "Special Environmental Zone" within "Preservation Priority" areas. This means the resources on the property are some of the most sensitive in the region and should be protected from future development.

The Highlands Council secured a conservation easement on the property for \$276,000.

#### New Jersey Highlands Land Preservation Tracking

In July, the Highlands Council released its 2018 Highlands Region Land Preservation Status Report. The report provides an accounting of preserved and developable lands in the New Jersey Highlands Region through December 2017. Although the Highlands Council does not have the ability to own land, it is incumbent upon the agency to promote the protection of water supply lands and serve as a regional clearinghouse for a Highlands-specific database of preserved land conditions.

Building on data originally compiled and reported in the 2008 Highlands "Land Preservation and Stewardship" technical report, and later updated in 2010 and 2016, this most recent analysis found that approximately 314,796 acres of the Highlands Region, or 37%, is currently preserved (9,409 parcels). This is an increase of more than 40,000 acres since the Highlands Council's first analysis of preserved lands in 2008. Approximately 150,835 acres, or 18%, remains potentially developable.

The complete report is available on the Highlands Council website: www.nj.gov/njhighlands/news/publ/LandPres\_2018.pdf



Tewksbury Township, Hunterdon County

### Federal Funding

The federal Highlands Conservation Act (HCA) grant program provides funding for preservation projects in the four-state federal Highlands Region, which includes Pennsylvania, New York and Connecticut, in addition to New Jersey. Eligible properties must be within a "high conservation value area" as defined in the 2002 US Forest Service NY-NJ Highlands Regional Study. Applications are ranked based on a number of factors, with great weight given to water and other natural resources present on the site, as well as potential threat of development. State applicants are required to provide a minimum 50% match for federal funds requested. The Highlands Council has been the New Jersey recipient of this award since 2016. The program is administered by the United States Fish and Wildlife Service (USFWS).

#### 2018 Award

In November, the Highlands Council was notified of a \$4,675,000 grant to complete 14 preservation projects, totaling over 800 acres in the New Jersey Highlands Region. This grant represents the largest single-year award ever made through the HCA program.

In the 2018 funding cycle, the Highlands Council was able to propose projects identified through its Open Space Partnership Funding Program (OSP), which first launched in 2016. The OSP is also a matching grant program, in which the Highlands Council asks its partners to provide a minimum 50% of total project costs. In this way, the Highlands Council was able to use matching funds from its partners to demonstrate match for the HCA request.

#### 2016 and 2017 Awards

In early 2018, the Highlands Council completed the last of the preservation projects funded through its 2016 HCA award. Conservation easements were acquired on four properties comprising more than 230 acres. Transactions were completed through the Highlands Development Credit Purchase Program (HDCPP) in which property owners agree to limit future development on their property through a deed restriction, in exchange for compensation. The transactions ensure permanent protection of the underlying resources present on the property. The four easements had a total value of \$5.5 million and were acquired for a Highlands Council investment of \$3 million, when combined with federal funding.

In addition, work continued in 2018 on the acquisition of conservation easements on 10 properties, totaling more than 619 acres funded through the 2017 HCA award. These transactions will also be completed through the HDCPP and are expected to close before the end of 2019.

## Project Reviews

The Highlands Council is legislatively charged with reviewing certain proposed projects throughout the Highlands Region for consistency with the Highlands Act and Highlands RMP. In 2018 the Highlands Council completed 40 of these types of reviews.

Type of Review	Number completed in 2018
Water Quality Management Plan (WQMP) Amendments and Statements of Consent	17
Municipal Project Reviews	8
Planning Area Exemptions	4
NJDEP Highlands Preservation Area Approval (HPAA)	4
Town or Regional Wastewater Management Plan (WMP) Amendments	3
Exemption 11 (coordination with NJDEP)	1
Exemption 9 (coordination with NJDEP)	1
Redevelopment	1
Water Allocation Permit	1

#### Tracking Progress – Project Reviews

Project Review Tracking Sheet

A summary of information regarding past and current projects reviewed by Highlands Council staff can be found in the project review tracking sheet: www.nj.gov/njhighlands/projectreview/project\_review\_tracking.pdf

Council Action Project Reviews

Details and documents related to projects that have been reviewed by Highlands Council staff and voted on by the Highlands Council are available on the Completed Project Review page of the Highlands Council website: www.nj.gov/njhighlands/projectreview/consideredproj.html

## Wastewater Management Planning Technical Assistance

The Water Quality Management Planning (WQMP) Rules (N.J.A.C. 7:15) adopted by the NJDEP require that all areas of New Jersey have Wastewater Management Plans (WMPs). Where the Highlands Council has approved a petition for Plan Conformance for an entire municipality (Preservation and Planning Areas), the Highlands Council will assist in development of a municipal WMP for approval and adoption by the NJDEP.

In 2016, new WQMP rules were adopted by the NJDEP, which included changes that required updating WMPs previously drafted by the Highlands Council in collaboration with Highlands municipalities. Most notably, these changes include:

- An extension in the amount of time the WMP is effective, from 6 years to 10 (WQMP amendments aside).
- A new designation referred to as "unassigned sewer service area."
- Inclusion of specific maps to accompany the WMP document, which differ from previously required maps.

In 2018 the Highlands Council developed guidance materials and began conducting work sessions with Highlands municipalities to assist in revising and/or drafting WMP materials to comply with the 2016 WQMP rule changes. Highlands Council staff is preparing draft mapping, a build-out analysis, and septic inventory to complete the WMP submission to the NJDEP for each Highlands municipality with an approved petition.



Shabbecong Creek, Washington Borough, Warren County

In addition to supporting WMP development, the Highlands Council coordinates with the NJDEP to provide review and support of WQMP site-specific amendments to ensure consistency with the Highlands Act and the RMP. In 2018 the Highlands Council reviewed and provided comments on 12 proposed WQMP Amendments and provided five (5) WQMP Statements of Consent.

## Inter-Agency Education

In August, members of the Highlands Council staff presented a "Highlands 101" training to our NJDEP colleagues in Trenton. The session provided an overview of the Highlands Region, the federal studies that provided the foundation for both federal and state legislation, the New Jersey Highlands Act and the RMP. Over 100 NJDEP staff attended the session.

In December, Council staff was invited to present at the NJDEP Green Acres Appraisal Seminar to help colleagues better understand the parameters governing property valuations in the region. More than 100 attendees were present, including approved Green Acres appraisers, Green Acres administrators, and Green Acres project managers.

## Leadership Changes

In May 2018, Governor Phil Murphy appointed Carl J. Richko as Chairman of the Highlands Council. Having served on the Council since 2010, Carl brings to the role an exceptional depth of knowledge regarding the Council's mission and work. A long-time resident of West Milford - which holds the distinction of being the largest municipality by size in the New Jersey Highlands and one of only five municipalities located entirely within the Preservation Area - Carl is keenly aware of the importance of the Highlands Act and the role of the Council in its implementation.

In August, the Council welcomed Lisa J. Plevin as its new Executive Director. Lisa brings to her role more than 35 years of experience working on NJ environmental issues, including work with US Senator Frank Lautenberg on the studies that provided the foundation for the federal Highlands Conservation Act. Lisa too is a long-time Highlands resident, having lived in Parsippany-Troy Hills for almost 25 years. Prior to joining the Highlands Council, Lisa's experience also includes working as Deputy Director of Governor Phil Murphy's Environment and Energy Transition Committee and Chief of Staff for the U.S. Environmental Protection Agency, Region 2, which includes New Jersey.

The Highlands Council is a 15-member body, appointed by the Governor. There are currently three vacancies on the Council to be filled. The Highlands Act prescribes the make-up of the Council to ensure representation from across the region, which includes 88 municipalities and parts of seven counties. The Act also specifies that the Governor designate one member of the Council to serve as chairperson and empowers the Council to hire an Executive Director.

# Statement of Activities and Financial Report for the period ending December 31, 2018

General Operating Budget FY18 - July 1, 2017 through June 30, 2018 REVENUES:	
State of New Jersey Appropriation FY18	\$ 2,315,000.00
Balance from FY17 Miscellaneous Revenues & Reimbursements	\$ 116,281.73 \$ 4,242.54
TOTAL	\$ 2,435,524.27
EXPENDITURES:	¢ 1 / 22 000 / 1
Salaries  Materials and Supplies	\$ 1,632,908.61 \$ 29,003.33
Other Operating Expenses	\$ 110,959.06
Maintenance and Repairs	\$ 237,503.20
Equipment, Additions, and Improvements	\$ 97,452.43
Transfer to RMP Account	\$ 189,060.84
Balance through June 30, 2018  TOTAL	\$ 138,636.80 \$ 2,435,524.27
TOTAL	\$ 2,430,024.27
General Operating Budget for Portion of FY19 - July 1, 2018 through Dece REVENUES:	mber 31, 2018
State of New Jersey Appropriation FY19	\$ 2,315,000.00
Highlands Balance from FY18	\$ 138,636.80
Miscellaneous Revenues & Reimbursements TOTAL	\$ 3,000.00 \$ 2,456,636.80
TOTAL	\$ 2,430,030.00
EXPENDITURES:	
Salaries	\$ 788,812.77
Materials and Supplies	\$ 13,083.60
Other Operating Expenses  Maintenance and Repairs	\$ 56,005.43 \$ 141,934.75
Equipment, Additions, and Improvements	\$ 17,809.64
Balance through June 30, 2019	\$ 1,438,990.61
TOTAL	\$ 2,456,636.80
Regional Master Plan Budget for Portion of FY19 July 1, 2018 through Dec REVENUES:	cember 31, 2018
Balance from FY18	\$ 1,742,816.20
Miscellaneous Revenues & Reimbursements	\$ 2,000.00
TOTAL	\$ 1,744,816.20
EXPENDITURES:	
Contracts Paid to Date	\$ 21,004.12
Balance on Approved Contracts	\$ 382,995.88
Balance through June 30, 2019	\$ 1,340,816.20
TOTAL	\$ 1,744,816.20

# Highlands Development Credit Bank Report

The Highlands Act charged the Highlands Council with developing a Transfer of Development Rights (TDR) program as a way of addressing landowner equity issues while advancing the regional planning goals of the Act (P.L. 2004, c. 120 C.13:20-13). The Council adopted a TDR Program as part of the Highlands Regional Master Plan (RMP) and established the Highlands Development Credit Bank (HDC Bank) in June 2008.

In a TDR program, eligible landowners in Sending Zones may apply for and receive Highlands credit allocations reflective of lost development potential, which they can then sell to purchasers who buy the credits. The credits then permit the purchaser to build in a Receiving Zone at a density greater than that permitted in the underlying zoning.

Through the end of 2018, the Highlands Council had allocated 3,700 Highlands Development Credits (HDCs). Until voluntary Receiving Zones are established, the HDC Bank is serving as the sole purchaser of these HDCs.

The HDC Bank is supported in its work by Highlands Council staff and the Landowner Equity and Land Preservation Committee. In 2018, the HDC Bank held one public meeting. Information and materials related to this meeting, including agendas, resolutions, and meeting minutes are available on the 2018 calendar page of the Highlands Council website. Additional information regarding the HDC Bank is available via the "Highlands Development Credits (TDR Program)" link on the Highlands Council homepage. (www.nj.gov/njhighlands/hdcbank)

### Highlands Development Credit Purchase Program (HDCPP)

The HDCPP is designed to address the landowner equity goals of the Highlands Act and RMP by compensating land owners for lost development potential through TDR transactions in which property owners retain the underlying fee, but place a deed restriction on their property limiting future development. In the HDCPP, valuations are based on the development potential of the property prior



HDC Property, Lebanon Township, Hunterdon County

to the passage of the Highlands Act, along with a comprehensive analysis of the natural resources present on the property. A number of credits is determined and an offer is made using an established per-credit price. In this way, the valuation process in the HDCPP ensures that property owners are fairly compensated for their property. The program is administered under the provisions of N.J.A.C. 7:70.

In 2018 the Highlands Council completed 17 HDC transactions, permanently protecting resources on 359.5 acres and providing more than \$3.7 million to property owners.

As of December 31, 2018, the HDC Bank had certified 1,350 credits, permanently protecting more than 1,600 acres. In addition, through the purchase of 1,326 of those credits, the Bank has provided over \$21 million to property owners in the Highlands Region. See HDC Registry, page 21 for more details.

2018 Highlands Development Credit Purchase Program Acquisitions						
Municipality	County	Acres	No. of HDCs	Consideration	HDC Bank Purchase Date	
Hopatcong	Sussex	27.4	5.5	\$ 88,000.00	1/2/2018	
Bethlehem	Hunterdon	51.59	18	\$ 288,000.00	1/25/2018	
West Milford	Passaic	16.11	30.25	\$ 484,000.00	3/16/2018	
Harmony	Warren	1.79	2.25	\$ 36,000.00	3/16/2018	
White	Warren	30.74	14	\$ 224,000.00	4/3/2018	
Bethlehem	Hunterdon	2.23	20	\$ 320,000.00	6/4/2018	
Lebanon Twp.	Hunterdon	29.65	4	\$ 64,000.00	7/10/2018	
Roxbury	Morris	10.26	42.25	\$ 676,000.00	7/23/2018	
Liberty	Warren	90.9	51.75	\$ 828,000.00	7/24/2018	
Liberty	Warren	4.7	1.5	\$ 24,000.00	7/24/2018	
Liberty	Warren	7.14	4.25	\$ 68,000.00	7/24/2018	
Lebanon Twp.	Hunterdon	6.33	2.25	\$ 36,000.00	7/26/2018	
Bedminster	Somerset	39.46	18.25	\$ 292,000.00	8/23/2018	
Harmony	Warren	2.31	2.25	\$ 36,000.00	9/5/2018	
Harmony	Warren	2.47	2.25	\$ 36,000.00	9/12/2018	
West Milford	Passaic	11.54	7.25	\$ 116,000.00	9/24/2018	
Bloomingdale	Passaic	24.87	10	\$ 160,000.00	9/24/2018	

#### Highlands Development Credit (HDC) Tracking

The Highlands Council provides tracking of all HDCs, from application through sale, on its website at: <a href="https://www.nj.gov/njhighlands/hdcbank/tracking">www.nj.gov/njhighlands/hdcbank/tracking</a>. Two tracking tools are available: The "HDC Tracking Sheet" tracks all HDC allocation requests and any resulting transactions. The HDC Registry summarizes all closed transactions.

## Highlands Development Credit Bank Registry As of December 31, 2018

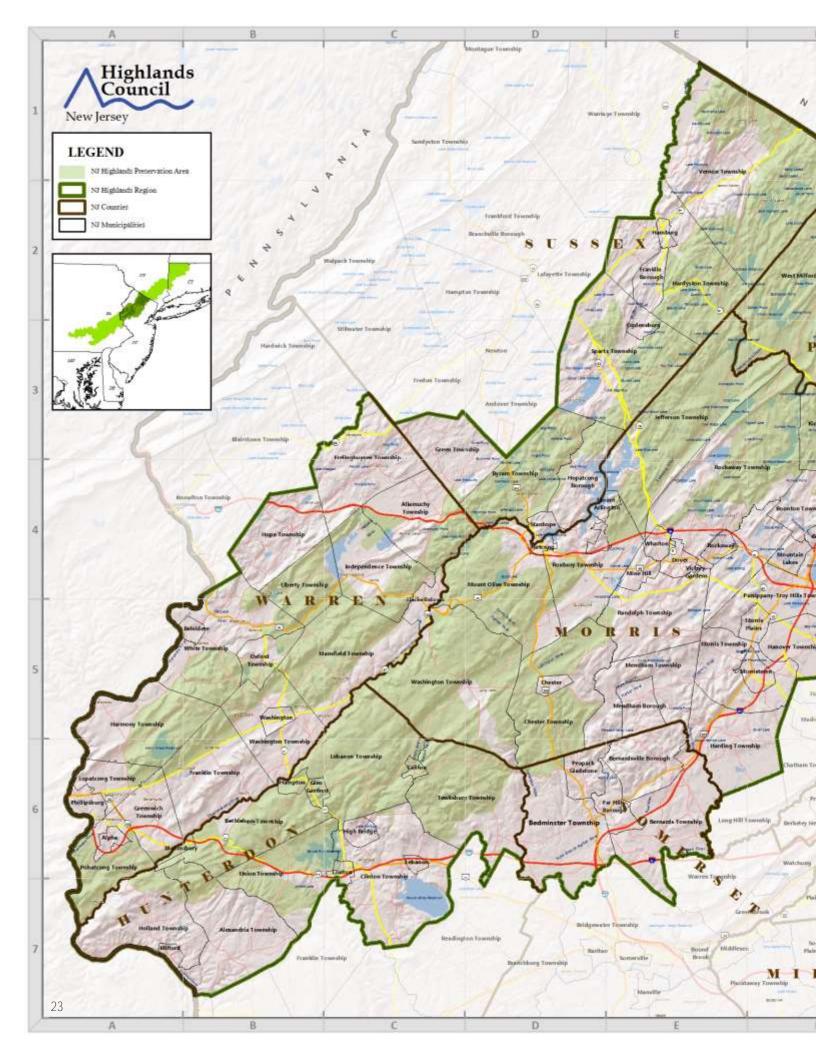
Holder/Owner of HDC Credits	Property Owner at time of HDC Purchase	Municipality	County	Block	Lot(s)	HDC Issuance Date	No. of HDCs	Consideration	Acres
HDC Bank	Ronald May	Bethlehem Twp	Hunterdon	9	6	7/27/2010	4	\$ 64,000.00	15.45
HDC Bank	OFP, LLC	Washington Twp	Morris	37	4 & 9	8/18/2010	83	\$ 1,328,000.00	93.19
HDC Bank	Julian B. Varettoni	Mount Olive	Morris	8301	13	4/27/2011	23.25	\$ 372,000.00	2.31
HDC Bank	Marie A. Accetturo	Oxford	Warren	24	4 & 20	5/3/2011	23	\$ 368,000.00	44.13
HDC Bank		White	Warren	16	45		1	\$ 16,000.00	18.29
HDC Bank	Joyce C. Davis	West Milford	Passaic	6902	23	12/12/2011	30.25	\$ 484,000.00	6.95
HDC Bank	Anton Company Limited Partnership	Independence	Warren	23	3	12/22/2011	24.75	\$ 396,000.00	41.54
HDC Bank	Valley Ridge Development Company	West Milford	Passaic	8002	4	12/22/2011	122.5	\$ 1,960,000.00	26.23
HDC Bank	Moira and Mark Kendra	Washington Twp	Warren	40	33.01	2/24/2012	8	\$ 128,000.00	39.16
HDC Bank	Karen Koerner	Franklin Twp	Warren	15	11.03	2/24/2012	42	\$ 672,000.00	9.69
HDC Bank	Anita Schmidt	Liberty Twp	Warren	21.01	20.01	7/9/2012	3	\$ 48,000.00	10.54
HDC Bank	Marie B. Fox	Rockaway Twp	Morris	40801	85.01	11/29/2012	27.75	\$ 444,000.00	24.73
HDC Bank	Welch Family Estate, LP	Vernon	Sussex	73	5	3/8/2013	1.75	\$ 28,000.00	17.59
HDC Bank	Moira and Mark Kendra	Washington Twp	Warren	40	109	4/16/2013	2	\$ 32,000.00	4.59
HDC Bank	Joseph Vicari	Bethlehem Twp	Hunterdon	8	11 & 12.01	5/24/2013	20.5	\$ 328,000.00	75.2
HDC Bank	Genesis Real Estate LLC	Ringwood Boro	Passaic	877	16	7/19/2013	26.25	\$ 420,000.00	42.36
HDC Bank	Mountain Ridge Estates Inc.	Sparta	Sussex	19	110	9/23/2013	63.75	\$ 1,020,000.00	110.69
HDC Bank	David Newhouse	White	Warren	16	24, 24.15	9/26/2013	4.5	\$ 72,000.00	14.5
HDC Bank	Matthew and Jeanne Smetana	Sparta	Sussex	35002 (formerly 6.25)	10, 11 (formerly 70.01, 70.02)	12/19/2014	7	\$ 112,000.00	6
HDC Bank	Estate of Roberta Brush	Union Twp	Hunterdon	15	1	3/30/2015	1.75	\$ 28,000.00	26.27
HDC Bank	Estate of Roberta Brush	Union Twp	Hunterdon	15	1	3/30/2015	1.75	\$ 28,000.00	-
HDC Bank	Estate of Roberta Brush	Union Twp	Hunterdon	15	1	3/30/2015	1.75	\$ 28,000.00	-
HDC Bank	Thomas Wagner	Union Twp	Hunterdon	25	21	12/5/2016	11	\$ 176,000.00	43.21
HDC Bank	LeMad Corporation, Inc.	Clinton Township	Hunterdon	68	6	11/28/2016	86.25	\$ 1,380,000.00	9.9
HDC Bank	Trust of Everett True	Oxford Twp	Warren	2	12	8/11/2017	12	\$ 192,000.00	20.55
HDC Bank	Trust of Everett True	Oxford Twp	Warren	2	14	8/11/2017	20.5	\$ 328,000.00	34.52
HDC Bank	Trust of Everett True	Oxford Twp	Warren	2	18.03	8/11/2017	23.75	\$ 380,000.00	48.89
HDC Bank	Trust of Everett True	Wash. Twp (W)	Warren	4	4	8/11/2017	1.75	\$ 28,000.00	13.83
HDC Bank	Mervyn Haines	Wash. Twp (M)	Morris	20	52	8/10/2017	3.5	\$ 56,000.00	10.89
HDC Bank	Mariner's Bank	Vernon	Sussex	240	4	7/20/2017	24.75	\$ 396,000.00	118.4
HDC Bank	Richard and Jodie Sparling	Jefferson	Morris	387	8	8/22/2017	5.75	\$ 92,000.00	10.27
HDC Bank	Tariq Mahmood	Mount Olive	Morris	5300	16	10/5/2017	29.75	\$ 476,000.00	10.46
HDC Bank	William J Tierney	West Milford	Passaic	11106	13, 17	11/2/2017	2.5	\$ 40,000.00	1.35
HDC Bank	The Ringwood Industrial Partnership	Ringwood Boro	Passaic	508	2	1/3/2018	88.75	\$ 1,420,000.00	38.37
HDC Bank	The Ringwood Industrial Partnership	Ringwood Boro	Passaic	508	2.29	1/3/2018	74	\$ 1,184,000.00	19.36
HDC Bank	John A. Runge	Rockaway Twp	Morris	40701; 40703	21; 8, 9	12/1/2017	5.5	\$ 88,000.00	18.1
HDC Bank	Alex Zikas	White	Warren	68	59	12/5/2017	8	\$ 128,000.00	19.34
HDC Bank	Bi-County Development	Jefferson	Morris	555	4	12/8/2017	147.75	\$ 2,364,000.00	162.79
HDC Bank	Terence Allan	Sparta	Sussex	4	45.01	12/28/2017	18.75	\$ 300,000.00	16.84

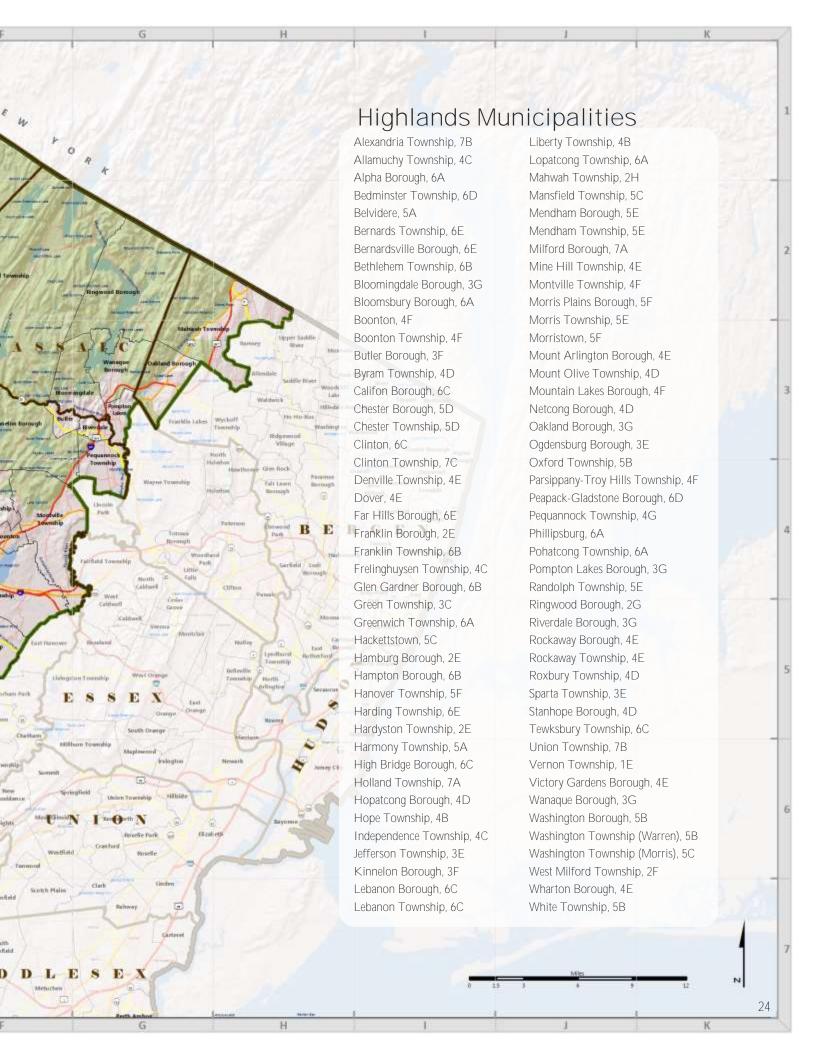
## Highlands Development Credit Bank Registry As of December 31, 2018

Holder/Owner of HDC Credits	Property Owner at time of HDC Purchase	Municipality	County	Block	Lot(s)	HDC Issuance Date	No. of HDCs	Consideration		Acres
HDC Bank	Kazella Trust	Hopatcong	Sussex	40005	18	1/2/2018	5.5	\$ 88,00	0.00	27.4
HDC Bank	Beverly Attinson	Bethlehem Twp	Hunterdon	33	12	1/25/2018	18	\$ 288,00	0.00	51.59
HDC Bank	Anthony Liberti	West Milford	Passaic	6803	4	3/16/2018	30.25	\$ 484,00	0.00	16.11
HDC Bank	Barry Shandor	Harmony Twp	Warren	24	10.07	3/16/2018	2.25	\$ 36,00	0.00	1.79
HDC Bank	David Newhouse	White	Warren	13	21	4/3/2018	14	\$ 224,00	0.00	30.74
HDC Bank	Route 173 Associates	Bethlehem Twp	Hunterdon	18	2	6/4/2018	20	\$ 320,00	0.00	2.23
HDC Bank	Dennis J. Murphy	Lebanon Twp	Hunterdon	37	25	7/10/2018	4	\$ 64,00	0.00	29.65
HDC Bank	Joe Santoro/Santoro Education of	Roxbury Twp	Morris	9203	1	7/23/2018	42.25	\$ 676,00	0.00	10.26
HDC Bank	Highview Farm LLC	Liberty Twp	Warren	10	4	7/24/2018	51.75	\$ 828,00	0.00	90.9
HDC Bank	Highview Farm LLC	Liberty Twp	Warren	11	43	7/24/2018	1.5	\$ 24,00	0.00	4.7
HDC Bank	Highview Farm LLC	Liberty Twp	Warren	11	44	7/24/2018	4.25	\$ 68,00	0.00	7.14
HDC Bank	Clark Twining and Debra Borup	Lebanon Twp	Hunterdon	65	2	7/26/2018	2.25	\$ 36,00	0.00	6.33
HDC Bank	Michael Joyce and Bryan Szerlip-Joyce	Bedminster Twp	Somerset	2	8.02	8/23/2018	18.25	\$ 292,00	0.00	39.46
HDC Bank	Robert Shandor	Harmony Twp	Warren	24	10.06	9/5/2018	2.25	\$ 36,00	0.00	2.31
Trubek Hills, Inc.	-	Lopatcong Twp	Warren	90	13, 16.01	8/30/2018	26.25	-		60.35
HDC Bank	Robert Shandor Sr. Testamentary Trust	Harmony Twp	Warren	24	10.05	9/12/2018	2.25	\$ 36,00	0.00	2.47
HDC Bank	Hands in 4 Youth of NJ, Inc	West Milford	Passaic	13301	12	9/24/2018	7.25	\$ 116,00	0.00	11.54
HDC Bank	Hands in 4 Youth of NJ, Inc	Bloomingdale	Passaic	3005	5	9/24/2018	10	\$ 160,00	0.00	24.87
							1,350	\$ 21,180	,000.00	1,646.32



HDC Property, Jefferson Township, Morris County







State of New Jersey
Highlands Water Protection and Planning Council
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