

2ND EDITION OF THE CUTTING EDGE

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This publication represents critical and timely information presented by some of the leading professionals in their respective fields. Much like December's inaugural edition, we hope and expect this publication to be well-received, and we welcome your comments and suggestions.

If you have questions or comments regarding the specific articles, please feel free to contact the authors directly. Their contact information is listed below each article. If you would like further information about *Cutting Edge* or the Master Sponsor program, please contact Irene Opitz at 609-570-2158 or iopitz@njba.org.

WHAT'S NEW IN THE HIGHLANDS?



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The Promise of Reform

Governor's Christie's administration has signaled its intention to make changes to the Highlands regulatory system:

"Rethink the Highlands Council"

The Highlands Council may be well-intentioned, but it is a disaster on multiple levels. Rather than simply providing the intended environmental protection to a treasured part of our state, it has added extra layers of government bureaucracy that have punished individual landowners and inhibited the decision-making abilities of local governing bodies, causing economic distress to individuals and local governments alike." (Authorities Transition Report)

These sentiments were echoed by the Red Tape Review Group Report. The New Jersey Department of Environmental Protection (DEP) is presently scheduling stakeholder meetings to discuss Highlands issues.

The proposed State budget cuts more than \$30 million from the Highlands Protection Fund, including \$18.5 million in planning grants to municipalities and counties, and \$13 million dollars in tax stabilization aid. The Governor has the opportunity to remake the Highlands Council through appointments to twelve of the fifteen Council seats which are either vacant or being held by members with expired terms.

On May 5, 2010, the first change to the Highlands Act was signed into law. P.L. 2010, c.7 allows municipalities outside the Highlands region to establish receiving zones for the transfer of development rights from the Highlands. A minimum five unit per acre density will be required in the receiving zone and \$15,000 per unit impact fee may be assessed.

Smart Growth: Map Adjustments, Center Designation and Redevelopment Areas

"Map adjustments" to move property out of Protection and Conservation Zones and into the potentially developable Existing Community Zone, as well as the designation of new centers, were briefly discussed in the Highlands Regional Master Plan. New emphasis has been brought to these growth-promoting techniques. Pohatcong Township's request for a map adjustment to authorize development of a long-standing affordable housing project is moving towards approval. After review by the Highlands Council, the project was reduced from 445 dwellings to 242 dwellings on 170 acres with 73% of the tract to be preserved.

A proposed 60 acre "village center" in Byram Township is also moving towards approval. Development in the Byram village center will be compact and include affordable housing and a mix of housing types.

The Highlands Act limits redevelopment areas to Brownfield sites designated by DEP, or sites with 70% impervious coverage. The Highlands Council has approved three redevelopment projects: an upgrade to a plastics manufacturing facility, a municipal complex and library, and replacement of existing buildings in a senior living campus.

The Highlands Regional Master Plan acknowledges that, at most, 2% of the 859,000 acre region is vacant and designated for potential growth. It is too early to tell whether map adjustments, center designations and redevelopment will provide for substantial additional growth areas within the Highlands.

Mitigation with Money

The Highlands Council recently approved PSE&G's exemption request to upgrade transmission lines through a 26 mile right-of-way. The Council found the project to be "consistent with the goals and purposes" of the Highlands Act, in part, because of a proffered \$18.6 million contribution for land acquisition purposes.

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