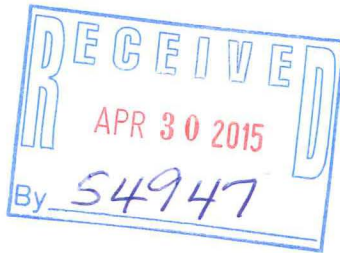




NEW JERSEY SENATE

STEVEN V. OROHO

SENATOR, 24TH DISTRICT
 ONE WILSON DRIVE, SUITE 2B
 SPARTA, NJ 07871
 973-300-0200
 973-300-1744 (FAX)
 SenOroho@njleg.org
 1001 ROUTE 517
 P.O. BOX 184
 ALLAMUCHY, NJ 07820
 908-441-8343
 908-441-8282 (FAX)



COMMITTEES:
 • BUDGET AND APPROPRIATIONS
 • ECONOMIC GROWTH
 • STATE GOVERNMENT,
 WAGERING, TOURISM AND
 HISTORIC PRESERVATION

April 29, 2015

New Jersey Highlands Council
 Attn: 2014 RMP Monitoring Program
 100 North Road (Route 513)
 Chester, NJ 07930-2322

Dear Highlands Council Members and Staff:

Please accept these comments as you continue to collect input as part of the Highlands Regional Master Plan (RMP) review process.

As a state legislator representing a district that encompasses a significant portion of the Highlands region, I am highly interested in how a revised regional master plan can help guide planning and economic growth efforts in the local region. More specifically, as the Highlands Act itself declares, "it is important to ensure the economic viability of communities throughout the New Jersey Highlands", so sustained economic development must be addressed within the Highlands RMP that heretofore it has severely lacked.

As for suggestions, my first area of concern is the review process itself. It has been contended by some that Council staff intends for the RMP review process to be more of a cursory review on how things can potentially be improved and not a full scale review that would result in the RMP actually being amended. If accurate, I think that would be to the detriment of the region and the residents and businesses that reside within it. If the process to date is any indication, I think those concerns may have some foundation.

The public forum that I attended at the Sussex County Technical School in January of this year was not conducive to meaningful public comment. The poster boards and their subject headings seemed more designed to drive public input in a specific direction rather than be accepting of a free outflowing of critique and/or suggestion. As the Highlands Council and staff continue in this process, public hearings with an open microphone with Highlands Council members present to hear from the public are clearly warranted.

My primary focus in the Legislature has been on creating opportunities for more capital investment in New Jersey because that will ultimately equate to more jobs and state revenue. So with that as a goal and thinking about the Highlands RMP review process, it is necessary to take a look back in order to figure out the best way to move forward.

Page 2

Since the advent of the Highlands Act and the subsequent adoption of the Highlands RMP, the Highlands region has suffered from a decrease in available commercial tax ratables required to help offset the ever increasing property tax burden on the residents of the region. Certainly, more universal economic factors have impacted the Highlands region as well, but Highlands regulations have unnecessarily added high hurdles for businesses to overcome. As a result, we have witnessed businesses flee the area and others who have pursued outside venues when they initially considered a relocation or startup of a business in the region. This leaves area residents with less job opportunities and a heightened real estate tax burden to pay for county, municipal and school budgets.

It is also important to note that the Sussex/Warren region of the state has the significantly highest number of commuters, around 60 percent, who travel out of county for employment because we simply do not have a considerable number of local jobs available for the prospective workforce. The Sussex/Warren region is also tops among rural counties losing population, especially among millennials, in great measure due to the lack of local employment opportunities. As a legislator representing these areas of such sobering statistical demographics, it is incumbent upon me to seek ways to address the issue. A revised Highlands RMP can play a critical role in helping establish more economic development opportunities in the region.

As to the how the RMP can improve the local economic climate, my main suggestion is that the RMP needs to have an economic vision for the region that is sustainable. Frankly, the present RMP is bereft of a working economic development component. Certainly, tourism related industries are integral to the area's economy, but that should not and cannot be the only industry we are looking to grow.

We need to be encouraging other growth industries as well or our local economy will only continue to sputter. The Council should coordinate with local chambers of commerce who have studied this area well. In fact, when I was a member of the Sussex County Freeholder Board several years back, we developed a Vision 2020 Plan. The Council should review those findings and look to improve upon it for the Highlands region at large.

I am also going to suggest that the Highlands Council review legislation that I am sponsoring, Senate Bill 1240, that would essentially create an additional Highlands exemption, permitting local governing bodies to determine the appropriate use of the properties located along well-traveled commercial corridors. In such instances, the local planning or zoning authority would have jurisdiction over such use. This legislation was developed in close coordination with county and local governing bodies, chambers of commerce, public school districts and building trades organizations all of whom have a stake in restoring the economic viability of the commercial corridors in communities located in the Highlands region.

As economic viability in the Highlands communities is a declared goal of the Highlands Act, working in that spirit and taking a very careful, measured approach, we crafted a bill which will restore commercial growth opportunities and jobs in the Highlands region. Additionally, we have conducted research, and analyzed and compiled data, that shows that the total vacant land and farm assessed parcels zoned commercial and industrial in the Highlands preservation area along commercial corridors that would be impacted by such a proposed change in the legislation represents less than five percent of the total land acreage in the Highlands preservation area. As such, we feel strongly that the proposed bill strikes a very delicate balance of allowing for reasonable and necessary economic growth without sacrificing environmental protections, and the Highlands Council should get behind it.

Page 3

Another gaping absence in the RMP is any viable method to compensate landowners whose property values have decreased because of their inability to develop their land due to Highlands restrictions. The existing Transfer of Development Rights (TDR) program is unnecessarily complex and the lack of a planning authority to encourage TDR implementation has made the program ineffective. Fortunately, the dual appraisal process has again been extended in the Highlands region, but the total funds that are allocated for both the state's Green Acres and Farmland Preservation programs are nowhere near the amount needed to adequately address landowner equity. Finally, there has been talk of a water tax. Any further discussion on that topic should focus more on those outside of the Highlands region who are getting the absolute benefit of the water and not those within the region who are already getting the adverse consequence. It can rightly be argued that the end user will not value that which comes at no cost.

Relating to that point, the utilization of the water resource is also a significant issue. Water conservation was a stated requirement in the Highlands Act yet an aging water infrastructure, including leaky pipes, and even wasteful consumption contribute to a substantial loss of treated water. Also there is the questionable impact of the watershed areas in certain portions of the Highlands region. When all of the watersheds in Warren County flow into the Delaware River and the northern watersheds in Sussex County flow into New York, one wonders how the preservation of the water resource in these watersheds benefit New Jersey. Additionally, New Jersey employs such an overly restrictive nitrate dilution model, one that is not used in most areas throughout the country, even those considered some of the most environmentally sensitive. There is even question among some if there is any good science behind this model application. These are questions that should be explored and any evidence for the policies substantiated. If the data and science used for the Highlands Act implementation is flawed and cannot be supported, then the Highlands Council should be advocating for amendments.

The Highlands RMP was also originally envisioned to be a planning tool for the region. However, coupled with DEP regulations, it has morphed into a blueprint to severely restrict most development in the region. It has been aforementioned in this letter how this has impacted commercial rates, but it is also very evident in the housing sector as well. So in order to boost the regional economy, not only must the RMP do a better job in incentivizing industries and businesses to establish themselves in the region, but the RMP should encourage housing growth by eliminating unnecessary red tape that has created a complex multi-step process for the approval of development applications.

To meet housing needs, the Highlands RMP should ensure that a wide range of housing styles, densities and costs are available. In considering this, the needs of the aging population must also be addressed. The development of more age-restricted housing that is affordable would help guarantee that older residents remain in the area, rather than leaving their communities. And when working within the constructs of the affordable housing mandates, absent the state Legislature's hopeful intervention in reforming COAH, the RMP should also recognize that a town's affordable housing obligation and ability to comply should take into consideration the existing capacity and infrastructure that can even support development.

Under the RMP, there also needs to be a clear delineation between the preservation and planning areas of the Highlands. The Highlands Act expressly distinguished these areas recognizing that the planning area was appropriate and necessary for economic growth, and to accommodate sensible development and redevelopment. However, the Council's adoption of a "blind to the line" approach in developing the structure and implementation of the RMP essentially made most of the planning area a de facto extension of the preservation area. The RMP should respect the original intent of the Highlands Act and encourage reasonable and necessary growth in the planning area which would include permitting increased septic and wastewater treatment in appropriate growth areas.

Page 4

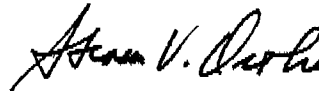
It should be recognized that many communities throughout the Highlands region, even before the existence of the Highlands Act, were taking it upon themselves when drafting municipal master plans, that good planning was essential for community development. Where localities were often succeeding yet the Highlands RMP comes up short, is that there was more balance in local planning efforts to allow for appropriate economic development while preserving the more rural character of neighborhoods. There are perhaps no greater stewards of the land than our farming community and I agree with the Farm Bureau's assessment that the Highlands RMP has indeed become so imbalanced toward regulation instead of planning.

There also exists tremendous support for open space and farmland preservation measures in the Highland region. I supported the most recent open space and farmland preservation ballot measure because I recognized its critical importance to farmers, especially as the lone source of funding to address the compensation issue. But more importantly, I point this out to demonstrate that there is a particular reason many of us reside in the Highlands region and that is because we enjoy its more rural nature. But that must be balanced with the vital need to provide economic growth opportunities and jobs for area residents, and I feel strongly that the Highlands RMP has been missing the opportunity to play that decisive role.

In closing, to quote the Highlands Act again, "residential, commercial, and industrial development, redevelopment, and economic growth in certain appropriate areas of the New Jersey Highlands are also in the best interests of all citizens of the State, providing innumerable social, cultural and economic benefits and opportunities." If that was a true goal of the Highlands Act, then previous iterations of the Highlands RMP have failed to measure up. Sustained economic development is vital to the well-being of the Highlands region and the RMP must begin to address this critical need.

I look forward to working cooperatively to craft an effective plan that addresses the needs of the Highlands region and thank you for your consideration of these comments.

Sincerely,



Senator Steven V. Oroho
District 24

SVO:jls