

**New Jersey Highlands Council
Economic Development and
Smart Growth Committee**

Chair Report
July 28, 2005

On July 28, 2005, the Economic Development and Smart Growth Committee held a meeting at the New Jersey Highlands Council office in Chester, New Jersey. Notice of the meeting was provided to the public on the Highlands Council's web site. Council and staff members present at the meeting included: Chairman Ben Spinelli, Chuck Gallagher, Steve Balzano, Tim Dillingham, Glen Vetranno, Adam Zellner and Ross MacDonald. Council member Lois Cuccinello participated via conference call. The meeting was open to the public for comments.

- Council member Ben Spinelli led the discussion with an overview of four critical components to this economic development strategy for the Highlands region. The four areas mentioned were:
 - a) Transfer of Development Rights
 - b) Wastewater and sewer capacities which directly correlate with development patterns throughout the region
 - c) State designated urban centers and other growth-receiving areas suitable for development/redevelopment in the future
 - d) Municipal Partnership Pilot Projects (MP3's)
- Transfer of Development Rights (TDR) was the component first to be discussed in a more detailed manner.
- Adam Zellner mentioned Lodi, Oxford and Prospect Park as three municipalities taking part in the pilot program with the Office of Smart Growth (DCA). These towns are at various stages in considering and/or moving forward with TDR. It was also mentioned that there have been several towns both in and out of the Highlands Region who are interested in learning more are directly interested in receiving TDR credits.
- TDR administrator Chuck Gallagher noted the profound challenge of persuading larger towns to accept higher densities through collaboration with the Council. Benefits could be realized in the towns themselves as well as in preservation areas usually near these large towns.
- Adam Zellner addressed two issues as being critically important to the success of TDR:

- a) The first issue related to affordable housing and specifically the Council On Affordable Housing (COAH)
 - b) The second issue related to infrastructure and the need for municipalities to be physically able to accommodate more growth.
- It was added that many communities are in fact looking into growth opportunities with the goal of ultimately revitalizing their town centers. Two towns outside of the highlands region were actually interested in becoming part of the Highlands Region.
 - Ben Spinelli moved the discussion away from TDR and onto the issue of wastewater treatment. He noted the existing problem of a number of aging and outdated facilities in the area. Do better alternatives exist? It was also pointed out that many towns are spending hundreds of thousands of dollars on wastewater treatment facilities when a better alternative, such as wetlands-based water treatment, also exists.
 - Steve Balzano brought to attention the importance of wastewater capacity as it relates to development. There are several different capacity-related situations that towns find themselves in, which he further elaborated on.
 - Rather than or in addition to asking the question of whether or not capacity exists, why not also question whether or not development is really appropriate given other important considerations such as environment, economics or even quality of life.
 - Capacity should not be equated with development, but installation of water or sewer lines can dictate in many cases whether or not development will occur. A better, more constructive dialogue should be pursued with the municipalities in both the planning and preservation areas of the Highlands Region concerning both pros and cons resulting from varying possible degrees of development.
 - Ben Spinelli moved the meeting onward to the discussion of state designated centers. He mentioned the fact that the Highlands Act also works in the favor of these regional centers. The charge of the Highlands Council is not only to preserve environmentally sensitive lands in order to protect a vital drinking water resource, but to ensure that economic growth be pursued wherever necessary, feasible and wherever deemed appropriate in accordance with the Highlands Regional Master Plan.
 - Tim Dillingham added that equally important in the development of some of these designated centers would be design, both architectural-design and overarching city-design.
 - Ben Spinelli noted the fact that there are nearly one million residents living in the highlands region, all with individual needs. Their needs will need to be met as

well as those moving into the region in the future. The careful craft of preservation alongside economic development would be one necessitating alternative methodologies and a variety of input. An unprecedented outline of resources for the Council will create an ideal environment to do just that.

- Ross MacDonald added that utility capacity, transportation and natural resource overlays will also be critical to the designation of suitable growth-receiving areas, as this is where any development plan will begin.
- The final issue raised by Ben Spinelli related to Municipal Partnership Projects (MP3's). These municipalities would only be expected to collaborate with the council to apply different standards working toward a common goal related to the master plan. Four towns were mentioned as being participating parties: Greenwich, Oakland, Washington Borough and Ringwood.
- Steve Balzano addressed the issue of limited time and the need to act promptly. It was agreed that the effort to engage the municipalities in this particular discussion would be critical as well as the need to foster and further relationships between the highlands council and every municipality in the region.
- The need to aid the agricultural element of the Highlands is just as important to the overall economic goals of the region. The charge is to find a way to promote agriculture and keep farmers in business. There would be a need for better coordination and communication as well as farmer-friendly policies on a municipal, regional and statewide level.
- Ben Spinelli spoke of the need to help resolve conflicts between farmers and suburbanites with a general understanding that in many cases the farmers were farming first and should not be bullied by a growing number of wealthy suburbanites.
- Ross MacDonald provided an overview of the fiscal impact analysis process pursuant to the regional master plan. The staff has entered into negotiations with Rutgers to provide projections and build-out analyses based on a) Trend (extending the growth rate of the past 25 years into the next 25 years – totally unsustainable) b) Plan, or Cross-Acceptance (based on the agreed upon zoning as outlined in the State Plan and c) using the build-out numbers from the constraint analysis (to be completed in January).
- Ross MacDonald went on to provide a general outline of the economic development plan – the financial component in the regional master plan will be supported by the projections, fiscal impact analysis, and open space technical reports previously mentioned. The Act also states a need to develop programs to foster eco-tourism and agro-tourism/sustainable agriculture

- Steve Balzano spoke of intentions sometime down the road in developing a clean-ratable-model, which would be of priceless value to the council. At the very least, some threshold for measure of sustainability would have to be developed so as to maximize growth while maintaining sustainable elements. Ratable implications for proposed growth and the ratable mix will need to be addressed.
- Adam Zellner emphasized the profound importance of public relations. Tim Dillingham stated the not-for –profits could go a long way in helping us achieve some of these outreach goals and Ross MacDonald provided a brief review of the media plan to date along with an acknowledgement that limited staff and financial resources may not allow for such a comprehensive plan to be fully realized.
- One of the next steps mentioned was the need for this standing committee to develop criteria for identifying areas appropriate for growth, redevelopment, or in-fill development.
- Ben Spinelli then turned comments over to the public
- Wilma Frey supported the idea of promoting sound urban design
- Lisa Voyce emphasized the need for municipalities to step up
- Nicole Goger supported the idea of sustainable agriculture and thanked the Council for their support of agricultural practices