

**RESOLUTION 2014-3**  
**HIGHLANDS DEVELOPMENT CREDIT BANK**  
**RESCISSION OF AUTHORIZATION TO ACQUIRE HIGHLANDS DEVELOPMENT**  
**CREDITS UNDER THE FIFTH ROUND OF ACQUISITION CONSIDERATION FOR**  
**BLOCK 24, LOT 1, HAMPTON BOROUGH, HUNTERDON COUNTY**

**WHEREAS**, pursuant to Section 13.i of the Highlands Water Protection and Planning Act (Highlands Act), the Highlands Water Protection and Planning Council (Highlands Council) established the Highlands Development Credit Bank (Bank) by Resolution 2008-24 adopted on June 26, 2008; and

**WHEREAS**, Resolution 2008-24 establishes the functions of the Bank, including serving as a buyer and seller of Highlands Development Credits (HDCs); and

**WHEREAS**, pursuant to Resolution 2008-24, the activities of the Bank are guided by the Highlands Regional Master Plan; and

**WHEREAS**, Policy 7C6 of the Highlands Regional Master Plan requires that the Bank establish a program for the purchase of HDCs as soon as possible and Policy 7C7 states that the Bank “should seek to provide an opportunity for Sending Zone landowners to sell their HDCs in advance of the establishment of Receiving Zones;” and

**WHEREAS**, Objective 7C7b of the Highlands Regional Master Plan mandates that the Bank’s HDC purchase program give “priority to landowners who can demonstrate unique and extenuating financial circumstances as a direct result of the Highlands Act;” and

**WHEREAS**, pursuant to Resolution 2009-05, the Bank has adopted Operating Procedures for the Bank’s activities, including the purchase of HDCs; and

**WHEREAS**, consistent with the policies established in the RMP and the requirements of the Bank’s Operating Procedures, the Bank instituted an initial HDC Purchase Program pursuant to Resolution 2009-06 to provide landowners who face an extenuating financial circumstance as determined by the Highlands Council with a means of selling their HDCs; and

**WHEREAS**, consistent with the criteria established in Resolution 2010-06, the Bank has reviewed several HDC Certificate Applications where the applicants’ properties have qualified for priority acquisition consideration as determined by the Highlands Council; and

**WHEREAS**, at the Bank’s March 14, 2013 Board meeting, the Board reviewed the application for the acquisition of Highlands Development Credits by the Bank of Block 24, Lot 1. Hampton Borough, Hunterdon County (the “Property”) and recommended that the Bank offer to purchase the HDCs allocated to the Property by Resolution 2013-2; and

**WHEREAS**, subsequent to the passage of Resolution 2013-2, on April 18, 2013, an inspection of the Property was conducted by the New Jersey Department of Environmental Protection Bureau of Solid Waste Compliance and Enforcement at the request of the Bank where materials including asphalt millings, woodchip piles, asbestos siding, blue coal, and illegal dumping were found; and

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**WHEREAS**, the contamination of the Property was not caused by the Highlands Act; and

**WHEREAS**, the purchase of HDC's for the Property would not advance the preservation of Highlands natural resources given the present physical condition of the Property; and

**WHEREAS**, the owner of the Property has been advised in advance of the anticipated action by the Bank to authorize rescission of the offer to purchase HDCs; and

**WHEREAS**, pursuant to the HDC Bank By-laws, a true copy of the Bank's meeting minutes shall be prepared and forthwith delivered to the Highlands Council and no action taken by the Bank shall have effect until the Highlands Council's period of review has expired and the Governor's period of review for that Council meeting has expired pursuant to the following paragraph; and

**WHEREAS**, pursuant to the Highlands Act, at N.J.S.A. 13:20-5.j, no action authorized by the Highlands Council shall have force or effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the meeting of the Council has been delivered to the Governor for review, unless prior to expiration of the review period the Governor shall approve same, in which case the action shall become effective upon such approval; and

**NOW, THEREFORE, BE IT RESOLVED** by the Highlands Development Credit Bank that:

1. The Executive Director is authorized to rescind the offer to purchase the HDCs allocated by the Highlands Council to the following property on the basis of the due diligence inspection,

Block 24, Lot 1, Hampton Borough, Hunterdon County

**CERTIFICATION**

I hereby certify that the foregoing Resolution was adopted by the Highlands Development Credit Bank at its regular meeting held on the 23<sup>rd</sup> day of June, 2014.

  
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Robert G. Walton, Chairman

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<b>Vote on the Approval of This Resolution</b>	<b><u>Motion</u></b>	<b><u>Second</u></b>	<b><u>Yes</u></b>	<b><u>No</u></b>	<b><u>Abstain</u></b>	<b><u>Absent</u></b>
Director Davis			✓			
Director Holtaway	✓		✓			
Director Klipstein			✓			
Director Maglione		✓	✓			
Director McElroy			✓			
Director Payne			✓			
Director Rilee			✓			
Director Romano			✓			
Chairman Walton			✓			