

Township of West Milford



August 26, 2014

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VIA FACSIMILE TO 609-292-3454 AND REGULAR MAIL

Governor Christopher J. Christie
Executive Department
State House
125 W. State Street
P.O. Box 001
Trenton, NJ 08625

Re: West Milford Township's Request for Equity Under the
Mandated Highlands Water Protection and Planning Act

Dear Governor Christie:

West Milford Township is an expansive municipality of over eighty-square miles located in the northern part of the State and in the heart of the Highlands. In fact, we are unique in that 100% of the Township is located in the Highlands Preservation area which contains the most restrictive development regulations in the State. As a result of the Highlands Act, nearly all of West Milford Township's vacant land and current residential and commercial properties are precluded or restricted from any further development or re-development.

The purpose of the Highlands Act and the restrictions in West Milford serve to protect the watershed lands that are owned by the Newark Watershed Corporation and to provide protected drinking water to about 50% of NJ residents, particularly those located throughout the northern half of the State. Although West Milford residents are not beneficiaries of this water, clearly those goals are of life-sustaining importance for New Jerseyans across the State.

By being the stewards of these lands and sacrificing tax revenue of nearly \$5 million per year, the Township of West Milford has had to bear the severe financial brunt of the unfunded mandates of the Highlands Water Protection and Planning Act. For example, a property that was assessed at over \$2 million was recently sold under the Highlands Transfer Development Rights Program for \$1.96 million. Subsequent to the transfer of such rights, the property recently sold for \$4,213! Accordingly, the property owner has filed a tax appeal claiming that the assessed value should be \$4,000. This is an example of the Township losing significant ratables as a result of the Highlands Act.

In addition, residents have been precluded from subdividing their properties and/or building commercial and residential homes throughout the Township and other Highland Preservation communities throughout Northern New Jersey. The loss of \$5 million in tax revenue per year, which translates to 25% of the Township's budget, means that the average

resident of West Milford is paying approximately \$2,000 extra per year strictly to fund the lost revenue resulting from the Highlands Act's restrictions within the Township.

While the Act has its benefits to preserve these watersheds and the environment of the State, and certainly provide public drinking water, it has not fulfilled the obligation to insure that communities which host such watershed lands would receive equity for this mandate. In fact, this has been an unfunded mandate compelling the Township to fund 25% of its budget without the corresponding ratables. Essentially, our residents are being forced into subsidizing watershed lands, the for-profit and non-profit entities who provide the water, and the non-West Milford residents throughout the State that benefit therefrom.

We are writing to request that you, as our Governor, who initially expressed concerns regarding the Highlands Act and vowed to revisit the Act, provide equity to the Township of West Milford so that residents and property owners do not suffer the financial consequences imposed by the State Legislature in 2004. Accordingly, we hereby demand the following of you and the Legislature:

- A. Equity in the form of Highlands Watershed funding specifically for the stewards of lands in Highlands Preservation Areas such as West Milford Township. This would address funding for lost revenues. In the case of West Milford, it is estimated to be \$5 million per year.**
- B. Amendments to the Highlands Act which will provide corresponding equity to the Township of West Milford when properties are lost by way of the purchase of same and the transfer of development rights. This would address continued lost revenues as a result of development restrictions due to the transfer of development rights or sale.**
- C. Relief for municipal entities such as West Milford and an exemption for such agencies, when the use or development of land is to benefit the public of West Milford for recreational, educational and the general public good so that residents will have the benefit to utilize Highlands lands for recreational fields, senior citizen centers, governmental and recreational opportunities without the need to be restricted on its own lands by the Highlands Act. Currently only Boards of Education are granted such relief, despite the fact that municipalities have similar needs to develop property for the public benefit.**

We urge you and our State Legislature to take the necessary action to address this inequity and this unfunded mandate of the Highlands Act so that the Act itself will achieve its goal to provide sufficient funding and consideration for the sacrifice that the Township of West Milford has made for the benefit of protecting drinking water for the residents of New Jersey.

Cc: Local Legislative Representatives