



NEWS RELEASE

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Warren County Study Shows Highlands Act is Hurting Land Values

(WHITE TOWNSHIP, DEC. 6, 2006) – It’s just as Warren County officials feared would happen: New Jersey’s Highlands Act is hurting land values, according to an analysis by the Warren County Land Preservation Department delivered to the county Board of Chosen Freeholders.

“The concerns that the Warren County Board of Freeholders and the Hunterdon County Board of Freeholders have had all through the legislative process have come to fruition,” Freeholder Director Everett A. Chamberlain said, explaining, “Land values have been drastically hurt. Equity has been taken away from landowners.”

Although the Highlands Act is intended to protect land that recharges the aquifers supplying water to much of the state, the Warren freeholders have long pointed out the burden of protecting that groundwater is shifted unfairly to farmers and other landowners. The result is restrictions on property use that decrease the land’s value, without compensating the land owner.

The freeholders predicted the Highlands Act would hurt the very people who are stewards of the land.

The analysis showing the Highlands Act’s effect on land values was part of the county Land Preservation Department’s annual report delivered Dec. 6, which showed significant strides in protecting farmland and other open space.

Land values calculated by appraisers who are certified by the State Agriculture Development Committee show that farm properties in the state-designated Highlands “preservation” area have dramatically lost value. In some cases, the land’s development

value has been completely erased, according to appraisers, and even the remaining agricultural value of the land has sharply decreased.

The Highlands Act requires that for the five-year period after the law was signed in August 2004, the value of a development easement – paying a landowner to permanently relinquish the right to build on the property – must be maintained at the level that existed prior to the adoption of the act.

Farmers enrolling their property in preservation programs now will receive compensation at pre-Highlands levels, but pending any change to the Highlands Act, that requirement to compensate based on the earlier values will lapse in 2009.

This loss of land value will hurt farmers, the freeholders say, destroying the equity they have built in their property and reducing their ability to borrow capital for farm operations.

The declining land values in the core area of the Highlands “are what we anticipated all along,” Freeholder Richard D. Gardner noted.

“It’s a terrible situation that the state has violated property owners’ rights by simply taking the value of their land away” without proper compensation, Freeholder John DiMaio said.

“We will continue to do whatever we can to bring about a just change to this Highlands law,” DiMaio remarked.

The pending decline in land values was and remains a great concern, Chamberlain said. “Morris and Sussex have come to the same conclusion and now they’re expressing the same concerns about the loss of property values, rights and how restrictive and overpowering the just-released master plan is,” Chamberlain noted.

The freeholder boards in Warren and Hunterdon counties have been working to bring about changes in the Highlands Act, including just compensation to property owners for the loss of value to their land.