

DRAFT

2026 Master Plan Reexamination Report

Borough of Highlands

Monmouth County, New Jersey

August 11, 2026



Adopted by the Highlands Land Use Board on XXXXXXXX

Prepared by



Heyer, Gruel & Associates
Community Planning Consultants
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ACKNOWLEDGEMENTS

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INTRODUCTION

The Borough of Highlands (“the Borough” and “Highlands”) is a 1.4 square mile developed community located in the central part of New Jersey in the County of Monmouth. The Borough borders the communities of Atlantic Highlands and Middletown and is located across the Sandy Hook Bay from Sea Bright. The southeastern section of the Borough sits on a high bluff, providing scenic views of the Sandy Hook Bay and Atlantic Ocean. Highlands is well-connected to the region; State Route 36/Navesink Avenue traverses the Borough in its eastern section and connects Highlands with Sea Bright by way of the Captain Joseph Azzolina Memorial Bridge. State Route 36/Navesink Avenue serves as the Borough’s main arterial roadway. Further, the Borough of Highlands offers direct ferry access into Manhattan, creating an additional appeal for commuters to/from New York City.

A residential waterfront community, Highlands is known for its famous seafood restaurants, local business partnership, historical structures (including the National Historic Landmark of the Navesink Twin Lights), and proximity to both the Sandy Hook Gateway National Recreation Area and Henry Hudson Trail of the Monmouth County Park System. The Borough has recently prioritized the cultural and economic revitalization of its Central Business District (CBD) along Bay Avenue. This Master Plan Reexamination Report serves to determine how the Borough can utilize planning tools to address issues and thrive for years to come.

All municipalities in New Jersey are required to maintain an updated Master Plan and associated land use development regulations. The Borough has undertaken this comprehensive review of its planning documents and related actions in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-89), which requires, at least every ten (10) years, a reexamination of the Master Plan and development regulations by the Land Use Board. The last Master Plan Reexamination was completed in 2016; therefore, this report will summarize the changes that have occurred at the local, regional, and state levels over the past ten years and recommend actions to clarify these changes and address other priorities of the Borough.



Image credit: Borough of Highlands

PERIODIC REEXAMINATION

New Jersey Municipal Land Use Law (N.J.S.A. 40:55D-89) requires the Master Plan Reexamination Report to contain the following:

- A. The major problems and objectives relating to land development in the municipality at the time of the adoption of the last reexamination report;
- B. The extent to which such problems and objectives have been reduced or have increased subsequent to such date;
- C. The extent to which there have been significant changes in assumptions, policies and objectives forming the basis for the master plan or development regulations as last revised, with particular regard to the density and distribution of population and land uses, housing conditions, circulation, conservation of natural resources, energy conservation, collection, disposition, and recycling of designated recyclable materials, and changes in State, county and municipal policies and objectives;
- D. The specific changes recommended for the master plan or development regulations, if any, including underlying objectives, policies and standards, or whether a new plan or regulations should be prepared;
- E. The recommendations of the Land Use Board concerning the incorporation of redevelopment plans adopted pursuant to the "Local Redevelopment and Housing Law," P.L.1992, c. 79 (C.40A: 12A-1 et seq.) into the land use plan element of the municipal master plan, and recommended changes, if any, in the local development regulations necessary to effectuate the redevelopment plans of the municipality; and,
- F. The recommendations of the Land Use Board concerning locations appropriate for the development of public electric vehicle infrastructure, including but not limited to, commercial districts, areas proximate to public transportation and transit facilities and transportation corridors, and public rest stops; and recommended changes, if any, in the local development regulations necessary or appropriate for the development of public electric vehicle infrastructure.

SECTIONS A AND B. PROBLEMS AND OBJECTIVES IDENTIFIED IN PREVIOUS REPORTS, AND HOW THESE PROBLEMS HAVE BEEN REDUCED OR INCREASED.

This section outlines the Major Problems and Objectives relating to land development in the Borough of Highlands, which were provided in the 2004 Master Plan and subsequent reexaminations.

Problems Identified in the 2004 Master Plan

The 12 land use issues identified in the Master Plan and subsequent discussion are provided below:

1. **There were several new zoning districts approved since 1990 that need to be reconciled with the Master Plan. The newly created districts include the B-1, B-2, B-3, R-B, WC-1, WC-2, WTC and WTR. The following districts have been eliminated: Commercial Business (CBD), Commercial/Business/Professional, Resort Commercial (RC), Waterfront Transition - 1, Waterfront Transitional - 2, and Municipal Complex (MC).**

Current Status: Several revisions have been made to the zoning districts within the Borough's Zoning and Land Use Ordinance. Ordinance O-18-06, which was adopted on May 2, 2018, revised sections of the CBD Central Business District Zone, and deleted entirely the B-1 Neighborhood Business District. The Borough's zoning map was most recently amended in July of 2018, via Ordinance O-18-22.

2. **There are multiple special development areas, which are being closely evaluated for potential redevelopment. These special development areas include: the CBD Redevelopment district, the waterfront redevelopment areas and the gateway redevelopment district.**

Current Status: The Borough of Highlands has adopted the following ordinances related to redevelopment: Captain's Cove Marina (Ordinance O-2018-26), ShadowLawn Mobile Home Park (Ordinance O-2018-27) (now referred to as "Scenic Highlands"), and Central Business District Redevelopment Plan (Ordinance O-22-10; amended plan adopted on September 18, 2024, by Ordinance O-24-15). Further, an amended Redevelopment Study was prepared for the Captain's Cove site in November of 2024. The Redevelopment Agreement and Financial Agreements for the ShadowLawn/Scenic Highlands site were executed on November 7, 2025, and February 3, 2026, respectively.

3. **Addressing parking needs in established residential and commercial areas - Planning for parking demand associated with residential, and commercial growth in targeted areas of the Borough.**

Current Status: The Borough's Off-Street Parking standards have been amended several times, with amendments to particularly emphasize standards within residential, commercial, and waterfront areas adopted in August 2021 (Ordinance O-21-29). This ordinance also amended the Borough's existing Commercial Parking Deficiency Variance and Parking Deficiency Fee conditions, to require an annual (i.e., rather than one-time) fee to the Borough's Capital Improvement Fund for deficient parking spaces.

4. **The plan should evaluate the adopted zoning for consistency with the existing land use pattern. There are several areas of the Borough where zone changes are recommended to be consistent with existing land uses, while other areas remain nonconforming to encourage their transition to a conforming use over time.**

Current Status: This has been a consideration with recent amendments to the Borough's Zoning and Land Use Ordinance, notably in the adoption of the amended Central Business District Redevelopment Plan.

5. **Commercial districts should have clearly defined uses to reflect the type of redevelopment most appropriate for the respective district.**

Current Status: Amendments to the Zoning and Land Use Ordinance include explicit definitions of permitted and accessory uses within each district. Each district also includes a description of its purpose and scope of encouraged development.

6. **The conversion of commercial uses to residential along Bay Avenue continues to be a problem. The commercial districts, particularly along Bay Avenue should be reviewed to limit the location of commercial uses to well defined areas.**

Current Status: The amended CBD Central Business District Redevelopment Plan, adopted on September 18, 2024, redefines the land use and bulk regulations along Bay Avenue.

7. **The appearance and quality of commercial development should be enhanced in all non-residential districts. This can be achieved by enforcing and updating the Borough's Central Business District Design Manual.**

Current Status: The Borough's Design Guide Manual was amended on April 1, 2020, and renamed the "Signage Design Guidelines" (Ordinance O-20-11). This document outlines standards for signs, including materials, building location, lettering, illumination, and more.

8. **The plan should capitalize on the amenities of the waterfront, county park and bikeway improvements, the NYC ferry terminal and Gateway National Recreation Area (Sandy Hook).**

Current Status: This remains an ongoing recommendation. The Highlands Open Space Committee has prepared and published on their website a map of open space areas within the vicinity of the Borough, which include the Sandy Hook beaches. Ultimately, no formal Borough studies or plans regarding the assets of the NYC ferry terminal and Gateway National Recreation Area have been prepared.

9. **The Plan should address flooding problems and the impacts of the Federal Emergency Management Agency Regulations.**

Current Status: Several studies have been conducted, and reports have been written to address flooding impacts on the Borough and strategize resiliency solutions, notably the US Army Corp of Engineers (USACE) NY & NJ Harbor and Tributaries Coastal Storm Risk Management Study (HATS). This extensive study had been introduced in August of 1990, and experienced periods of

stalling due to lack of funding, and various amendments. The Final Integrated Feasibility Report and Environmental Assessment for the Borough of Highlands was completed in August of 2020.

Further, Highlands Borough adopted the NJDEP Model Floodplain Ordinance in August of 2022 and invested in a Borough Department of Buildings and Housing in 2024, with dedicated staff to assist with floodplain applications. The CRS Coordinator has given presentations to both the Borough Land Use Board and Council, regarding CRS certification, the Borough's Forerunner Floodplain website platform, and more. Most recently, on May 14, 2026, the Coordinator gave a presentation on the Borough's floodplain within CBD Redevelopment Plan area, discussed updated FEMA regulations for substantial improvement projects, and provided samples of mixed-use buildings which incorporate such standards.

- 10. The 1992 Master Plan proposed the creation of a new municipal complex which was never constructed. The Borough's intentions regarding a new or updated municipal complex should be addressed.**

Current Status: Municipal buildings previously located along Bay Avenue experienced extensive damage or were destroyed during Hurricane Sandy. The funding for the construction project was secured through a \$5 million FEMA reimbursement, the sale of bonds, and Borough funds. A new municipal complex was constructed at 151 Navesink Avenue and was completed in 2024.

- 11. The Plan should address appropriate infill residential and commercial development.**

Current Status: This is an ongoing task of the Borough, which has been addressed through the adoption of the Amended CBD Redevelopment Plan, various planning studies, and the completed negotiations for the Borough's first Area in Need of Redevelopment (i.e., ShadowLawn/Scenic Highlands).

- 12. The Land Use Element and Borough policies should be consistent with the State Development and Redevelopment Plan (SDRP) and NJ DEP Coastal Management Rules.**

Current Status: This is an ongoing task of the Borough; additional policies and land use ordinances will be adopted as a result of the State's new SDRP, adopted on December 17, 2025.

Master Plan Goals and Objectives

The goals and objectives from the 2016 Master Plan Reexamination Report are outlined below, as well as a subsequent discussion on their current status:

General Objectives

- 1. Physically- to meet the needs of the Borough with the creation of mixed-use development of exceptional design quality, a waterfront destination for activity and relaxation.**

This objective remains valid. The Borough's adoption of the Amended CBD Redevelopment Plan on August 21, 2024, was a step toward this objective.

2. Socially- a redeveloped community offering homes, employment, services, civic spaces and leisure in a quality environment which will form part of the established communities of the Bayshore Region.

This objective remains valid. The Borough has pursued multiple redevelopment studies and plans to bolster economic development and create more dwelling units. Additionally, a Borough-wide landscape architecture study was conducted in 2023, which proposed improvements around public parking lots and the CBD Zone, the Sandy Hook Bay Bluff slope, and beaches and parks which would benefit from Green infrastructure.

3. Naturally- to protect the existing resource base through sensitive design, energy efficiency, sustainable waste management and to minimize the impact on the local environment.

This objective remains valid. On May 4, 2022, the Borough adopted Resolution 22-129, which promotes green building practices for civic, commercial, and residential buildings. These measures are to be incorporated into the design, construction, operation, and maintenance of municipal buildings and facilities. Implementation measures include energy efficiency audits and upgrades to the municipal building stock, continued procurement practices, etc. (e.g. improve water conservation, reduce light pollution, increase construction waste recycling). Further, on their website, the Borough has created a calendar with graphics for residents regarding single-stream recycling for plastics, paper, and cardboard, and a Borough-wide recycling schedule.

4. Strive to increase the percentage of owner- occupied housing in the Borough.

This objective remains valid. The Borough has worked to increase this number, which is reflected as 56% of the housing units in the Borough, according to the Fourth-Round Housing Element and Fair Share Plan, adopted on June 12, 2025.

5. To create a balanced Borough- residential, business/ employment, retail, community and leisure.

This objective remains valid. The Borough's adoption of the Amended CBD Redevelopment Plan on August 21, 2024, was a step toward this objective.

Residential

1. Encourage the maintenance and preservation of residential properties.

This objective remains valid.

2. Preserve and protect the existing residential character of the Borough. Require that infill development be compatible with the neighborhood and conform to the setbacks of existing buildings on the block.

This objective remains valid and is a priority of the Land Use Board. The adopted CBD Redevelopment Plan specifically includes the goal to "require building and site design that is

aesthetically attractive, relates to Highlands' existing character, and incorporates sustainability measures" (page 10).

3. Limit new development and infill development that increases the intensity of neighborhood land and property use.

This objective remains valid and is a priority of the Land Use Board.

4. Ensure that public and quasi-public land use remains compatible with the needs and character of adjacent neighborhoods.

This objective remains valid. Recent revisions to the Borough's zoning ordinance and zoning map outline distinct waterfront transition zones, as well as through the elimination of the B-1 and B-2 districts and overlay zones to establish the unified Central Business District (CBD) zone.

5. Prevent non-residential uses from locating on residential streets or in residential areas.

This objective remains valid and is a priority of the Land Use Board.

6. Limit developments that would generate a high volume of traffic on local and collector streets.

This objective remains valid.

7. Identify sources of funds for rehabilitation of residential dwellings and provide assistance to property owners in procuring funds.

This objective remains valid. Highlands continues to offer a Borough-wide rehabilitation program for qualifying units and recently amended its Affordable Housing Ordinance via Ordinance O-26-03 on March 12, 2026, to reflect the most recent regulations for rehabilitating affordable units.

8. The Borough should recognize historic assets without a formal designation.

This objective remains valid.

Commercial

1. Strengthen commercial districts, especially the Bay Avenue Central Business District, by encouraging a mix of uses that provides employment, retail opportunities, services and entertainment.

This objective has been incorporated into the CBD Redevelopment Plan, where a primary goal is to: "Provide regulations for the reuse of buildings and the appropriate redevelopment of properties in the Redevelopment Area with a mix of residential and nonresidential land uses that support the Borough's planning and economic development objectives" (p. 10). Further, the Plan permits a wide variety of uses, including commercial, residential, and particularly mixed-use structures, to promote the area as a vibrant and walkable downtown corridor.

2. Continue the improvement of commercial properties in the Borough.

This objective remains valid. The Borough continues to promote the creation of new business and reuse of vacant structures for commercial use, particularly along Bay Avenue and within the CBD. Between 2024 and 2025, six (6) new businesses were created in the Borough: Saltwater Social (128

Bay Avenue) (had been vacant since Hurricane Sandy), Waterwitch Grocer (67 Waterwitch Avenue), One Stop & Highlands Café (300 Bay Avenue), The Honorable Plant (123 Bay Avenue, previously vacant since Hurricane Sandy), Gems House of Bagels (208 Bay Avenue), Sea & Sand Indian Fusion (231 Bay Avenue, previously vacant for 25 years), and Not 2 Shabby Thrift (165 Bay Avenue).

3. Require buffering around commercial properties to soften the visual and functional impact of their design and use.

This objective remains valid. The Borough's Ordinance includes a section of design standards of required buffers on nonresidential tracts that abut residential uses or zones, at §21-65.3 "Buffers." Further, the amended CBD Redevelopment Plan includes a section on "Parking Design and Buffering," which outlines screening requirements for surface parking lots and ground level parking.

4. Encourage redevelopment of commercial properties that need rehabilitation or improvement.

This objective remains valid. The Borough Council adopted resolutions in both December 2016 (Resolution #16-228) and October 2024 (Resolution #24-168), directing the Land Use Board to undertake investigations to determine whether the Captain's Cove Marina (Block 84, Lot 2.01) qualified as a condemnation area in need of redevelopment, per standards of the Local Redevelopment and Housing Law ("LRHL"). This dilapidated commercial marina experienced significant damage during Hurricane Sandy. Its rehabilitation and sound restoration have been a priority for the Borough, to prevent ongoing flooding events.

5. Encourage upgrading of commercial properties and their surroundings.

This objective remains valid.

6. Encourage the development of small-scale commercial and office uses and encourage the design of buildings with a residential scale.

This objective remains valid. The amended CBD Redevelopment Plan particularly encourages this type of development along Bay Avenue; "Building and site designs will be consistent with Highlands' identity as a waterfront, historic small town, yet allow for a variety of architectural styles and building types. Retail and other active uses will be required on the ground floor, where feasible, or otherwise on a floor raised above the flood elevation. In either case, guidelines are provided to ensure that retail businesses, apartments, and other uses will have a strong connection to the sidewalk" (p. 10).

7. Strive to enhance and retain existing businesses and promote new business development along Bay Avenue from Valley Street to the Bay Avenue/ Shrewsbury Avenue intersection, and recommended redevelopment areas.

This objective remains valid. The amended CBD Redevelopment Plan recognizes this area near the Bay Avenue/ Shrewsbury Avenue intersection, although outside of the redevelopment area itself, as "essential to [the Borough's] character" (p. 14). Therefore, the Redevelopment Plan promotes

improved connections to the Shrewsbury River and waterfront, to further engage with visitors and residents alike.

8. Provide for adequate parking to serve established residential and commercial areas. Incorporate adequate parking into new developments.

This objective remains valid. Thoughtful parking standards have been incorporated into the Borough's recently adopted redevelopment plans, including the amended Central Business District Redevelopment Plan and the Scenic Highlands Redevelopment Plan. For commercial establishments which require a parking variance, the Borough has implemented an annual payment in lieu system toward its Capital Improvement Fund, as outlined in §21-65.14.E of the Borough Zoning and Land Use Ordinance.

9. Create a program to implement strict enforcement of sign regulations.

This objective remains valid. Ongoing amendments have been made to the Borough's Ordinance, Chapter 21, Part V "Sign Regulations." Further, the Borough amended its Design Guide Manual on April 1, 2020, renamed the "Signage Design Guidelines" (Ordinance O-20-11), which outlines design standards for permitted signs, illumination standards, and prohibited types of signs. Ordinance O-25-05, adopted on April 16, 2025, incorporated the renamed, revised guidelines into the Borough's Zoning and Land Use Ordinance.

10. Update ordinances to streamline the development review process for improvements such as use changes, redevelopment, expansions, and developments.

This objective remains valid, and the Borough has taken action by creating an Economic Development Review Board in 2019, which has had defined members since 2021. This Board serves as a resource for inquiries for local development projects, prior to a formal Land Use Board submission. Additionally, the Borough invested in the Forerunner Platform in August 2023 to display on the Borough website for residents, developers, and the public alike to view in one location the flood information (i.e., flood hazard area, base flood elevation, insurance requirements) of all of the lots in the Borough.

Further, amended as of April 2026, the Borough's Zoning Department has published on its website a public construction permit application workflow, to streamline the application process.

11. Create attractive gateways at the principal entrances to the Borough through upgraded land uses, streetscape improvements and signage. Utilize gateways to attract visitors to business districts.

This objective remains valid and has been addressed through the Borough's adoption of the Amended CBD Redevelopment Plan on August 21, 2024, as well as the landscape architecture study from 2023, which highlighted Green infrastructure elements, signage, and lighting to enhance the Borough's three municipal parking lots and the CBD Zone.

- 12. Consider the location of parking structures where appropriate, so long as they are consistent with the overall objectives of the Borough's planning documents and sound planning principles and design, while having no adverse impacts on the surrounding neighborhood.**

This objective has been addressed in Section 21-65.14 of the Borough's Ordinance, as most recently amended, which explicitly prohibits the construction of parking structures within 400 feet of the waterfront.

Circulation

- 1. Promote the creation of a fully intermodal transportation system that enhances local circulation, increases regional access and provides links to regional destinations. Coordinate land uses with transportation investments to promote intermodal connections and encourage alternatives to driving such as mass transit, ferry and bicycle/ pedestrian facilities.**

This objective remains valid and efforts are ongoing.

- 2. Increase bicycle/ pedestrian safety and circulation by improving traffic signals at key intersections, utilizing traffic calming measures and providing bike lanes that connect activity centers throughout the Borough.**

This objective remains valid. In 2025, the Borough completed pedestrian safety improvements along Shore Drive, which included new sidewalks from Waterwitch Avenue to Matthews Street.

- 3. Evaluate and implement methods of providing adequate parking to serve existing development and proposed redevelopment. Consider facilitating lease parking options between private sector business operators to take advantage of low peak parking demand.**

This objective remains valid. Since the adoption of the previous Master Plan Reexamination Report and after the demolition of the former municipal building, the Borough created an additional municipal parking lot at 171 Bay Avenue.

- 4. Ensure a well maintained and safe circulation system.**

This objective remains valid.

- 5. Coordinate maintenance and improvement actions with neighboring communities and Monmouth County.**

This objective remains valid. The Borough continues to work with Monmouth County to participate in the County's Community Rating Systems Assistance Program.

- 6. Monitor areas with high traffic accident rates and develop improvement programs.**

This objective remains valid.

- 7. Discourage developments that do not meet minimum frontage requirements on public or private roads.**

This objective remains valid.

- 8. Encourage circulation patterns that are compatible with land use goals and public safety.**

This objective remains valid.

9. Monitor private roads to ensure that the maintenance and safety needs continue to be satisfied.

This objective remains valid.

10. Improve the appearance of intermediate and major thoroughfares, such as Route 36 and Bay Avenue.

This objective remains valid. Proposed improvements to Overlook Park (an empty lot along route 36) are expected to be completed in 2026 and include a passive park with viewfinders and solar picnic tables.

11. Encourage landscaping along intermediate and major thoroughfares to buffer residential and non-residential land uses from the noise and pollution of vehicular traffic.

This objective remains valid. Landscape improvements have occurred to Gertrude Ederle Park, Miller Terrace, the new municipal building (151 Navesink Avenue), and along the sidewalks between Linden Avenue and Scenic Drive.

12. Cooperate with NJ DOT and adjacent communities to improve the appearance of entranceways into the Borough from Route 36.

This objective remains valid. The Borough's CBD Redevelopment Plan and Overlook Park improvements are steps toward achieving this objective.

13. To improve public access to the waterfront.

This objective remains valid; incorporating additional signage to the waterfront remains a top priority for the Borough in 2026.

14. To encourage pedestrian and bicycle access through redevelopment projects, parkland and civic spaces to the waterfront.

This objective remains valid; the Borough plans to expand public pathways and signage in 2026.

15. Provide clear signage to parking facilities.

This objective remains valid.

Economic Development/ Redevelopment

1. Capitalize on the Borough's competitive advantages for economic development purposes including its location in the New Jersey/ New York City region, extensive transportation and utility infrastructure, land available for redevelopment, stable labor force and quality of life.

This objective remains valid.

2. Encourage the development of a diversified economic base that generates employment growth, provides increased tax ratables, increases income levels and promotes the reuse of underutilized properties.

This objective remains valid. The adoption of the Borough's CBD Redevelopment Plan serves as a key step toward achieving this objective.

- 3. Focus economic activity in the Borough's economic centers including Bay Avenue and commercial waterfront areas. Recognize the unique character of each area and promote development that will strengthen and reinforce market niches.**

This objective remains valid. The adoption of the Borough's CBD Redevelopment Plan, as well as the adoption of Resolution 25-105 (accepted the New Jersey Asset Activation Plan for the Borough's JT White Clam Depuration Plant) on April 16, 2025, served as steps toward achieving this objective. The goals and objectives identified in the New Jersey Asset Activation Plan are intended to support the sustainable operations and values of the Borough's Baymen and clamming industry, while optimizing the site's unique potential for public education and expanded connections.

- 4. Promote the revitalization and aesthetic appearance of the Bay Avenue CBD through the public-private partnership between the Borough and the Business Improvement District (BID) with a focus on niche retail, specialty services, restaurants and entertainment uses. Consider the development of small-scale anchor uses to make the CBD a destination and attract shoppers as well as visitors.**

This objective remains valid. The adoption of the Borough's CBD Redevelopment Plan serves as a key step toward achieving this objective. It is noted that the BID is now referred to as the Highlands Business Partnership (HBP).

- 5. Encourage selected retail, marina and office mixed use development along the Sandy Hook Bay waterfront that take advantage of extensive waterfront frontage and regional access. Target the corridor for uses that complement Bay Avenue rather than compete with it.**

This objective remains valid. The adoption of the Borough's CBD Redevelopment Plan serves as a key step toward achieving this objective.

- 6. Encourage redevelopment in areas that need rehabilitation or improvement.**

This objective remains valid.

- 7. Work with the Business Improvement District (BID) and the Economic Development Committee to extend the existing peak summer season.**

This objective remains valid.

- 8. Capitalize on the economic resources represented by Sandy Hook, Route 36, the Twin Lights, the New York Ferry and the physical attractiveness of the area.**

This objective remains valid.

- 9. Investigate the creation of mixed-use marine development at targeted locations.**

This objective remains valid.

Landscaping/ Hard Landscaping

1. **To provide a marine landscape setting; to maximize public access to both informal and formal spaces; to capitalize on the Veterans Park formal play area and to develop areas of public art.**

This objective remains valid.

2. **To encourage use of high-quality landscaping design- to enhance dramatic views to the bay, to develop civic space and public art, to develop and to screen and integrate development.**

This objective remains valid.

3. **To encourage the use of low maintenance, hard-wearing materials in parks and public spaces.**

The Borough has adopted several resolutions since the previous reexamination report, authorizing professional engineering services for Overlook Park (Resolution 23-143, approved on June 7, 2023), Gertrude Ederle Park (Resolution 22-174, adopted on July 13, 2022), Veterans Memorial Park (Resolution 21-210, approved on November 10, 2021, and Resolution 23-144, approved on June 7, 2023), Snug Harbor Park and Huddy Park (Resolution 21-210, approved on November 10, 2021). This objective remains valid, and the Borough envisions resurfacing playgrounds and fixing courts in 2026 and beyond.

4. **To minimize visual intrusion through the development of car parking under buildings or landscape courts.**

This objective remains valid.

Community Facilities and Utility Infrastructure

1. **Provide adequate sewer and water services to meet the demands of proposed economic development and a growing population in a manner that will limit sprawl and promote concentrated development.**

This objective remains valid. The Borough adopted a Bond Ordinance providing for the Phase I and II Sanitary Sewer Improvement Projects on April 6, 2022, via O-22-07. Additionally, Resolution 25-218, "Approving Closeout Change Order and Release of Performance Bond Phase I Sanitary Sewer" was approved on December 17, 2025. On January 1, 2026, the Borough approved Resolution 26-017, which authorized the appointment of a Consulting Sanitary Sewer Engineer for the Borough. Phase II improvements are projected to be completed between 2026 and 2027.

Further, the Borough adopted the Redevelopment Agreement for the ShadowLawn/Scenic Highlands redevelopment site on November 7, 2025, which includes infrastructure improvements and new sanitary sewer provisions.

2. **To achieve the storm water quality standards established by the NJ Department of Environmental Protection.**

This objective remains valid. The Borough intends to amend its Stormwater Management Plan in the coming year.

3. Improve storm water management along the bay front, roads and intersections through effective infrastructure, maintenance, and replacement.

This objective remains valid. The Borough adopted Ordinance 24-09 on June 5, 2024, which established enhanced design and performance standards for stormwater management measures, as well as requirements for a site development stormwater plan. Further, the Borough has established the goal of replacing valves at Jackson Street in 2026, with an objective to identify additional valves to be replaced.

4. Preserve and upgrade the existing utility infrastructure including water, stormwater management and wastewater treatment. Continue rehabilitation programs while pursuing selected replacement and expansion projects to accommodate growth and redevelopment.

This objective remains valid. In 2025, the Borough completed drainage and stormwater improvements along Portland Road and Twin Light Terrace, as well as dredging along Jones Creek. Further in 2026, stormwater and drainage improvements are proposed along Grand Tour, and the Borough intends to prepare a Stormwater Watershed Plan.

5. Continue to investigate the consolidation and privatization of municipal services.

This objective remains valid.

6. Encourage regularly scheduled infrastructure maintenance consistent with long range plans to avoid system failures.

This objective remains valid.

7. Study and periodically review future service needs and implementation methods.

This objective remains valid.

8. Continue trash reduction, reuse and recycling efforts in cooperation with appropriate County, Regional, and State agencies.

This objective remains valid.

9. Maximize the use of existing and planned facilities consistent with the efficient use of public funds.

This objective remains valid.

10. Maintain facilities that are in current use and renovate or reuse obsolete facilities for other uses.

This objective remains valid.

11. Cooperate with surrounding communities, County, and State organizations to make the best use of available public facilities.

This objective remains valid.

Open Space and Recreation

1. Provide adequate park, open space, and recreational facilities for all Borough residents.

This objective remains valid. The Borough continues to seek open space grant opportunities for its parks.

2. Cooperate with public and quasi-public institutions to utilize and maintain their undeveloped land for open space or recreation.

This objective remains valid.

3. Consider enhancing regulations to assure that quality open space is provided and maintained as redevelopment occurs.

This objective remains valid.

4. Provide through block pedestrian paths to parking and recreation facilities.

This objective remains valid. The completion of the Borough-wide landscape architecture study in 2023 was an important step towards reaching this goal.

Community Identity

1. Develop and effectively communicate a strong and appealing identity for the Borough.

This objective remains valid. The ongoing efforts of the Highlands Business Partnership support this objective.

2. Creative attractive, memorable “gateways” into the Borough.

This objective remains valid. The amended CBD Development Plan underscores this as a priority.

3. Develop and implement streetscape projects for major public thoroughfares.

This objective remains valid.

4. Preserve and protect historic and major natural features in the Borough.

This objective remains valid.

5. Enhance and maintain the appearance of community facilities and Borough owned properties.

This objective remains valid.

6. Recognize excellent building and landscape design aesthetics with awards.

This objective remains valid.

7. Encourage higher quality architectural and landscape design through the use of design standards.

This objective remains valid.

8. Encourage neighborhoods to improve their aesthetic appeal and identity.

This objective remains valid.

9. Publish information regarding Borough regulations, issues, and agendas on the Borough Web site.

This objective remains valid. The Borough continues to update its website daily.

10. Obtain NFIP compliance and apply for CRS certification.

The Borough amended its Flood Damage Prevention Ordinance (Chapter 21, Part VII) on June 15, 2022, via Ordinance O-22-11, to NFIP-compliant regulations. The Borough continues to work towards CRS certification and hired a Highlands CRS Coordinator in June of 2023. As outlined above, through the CRS Coordinator, the Borough launched the online public Forerunner Floodplain platform, which provides information on each lot in the Borough's base flood elevation, design flood elevation, zoning designation, presence of steep slopes, flood zone, and other information used to determine flood insurance premium rates.

Cultural

1. **To encourage sensitive design in the conversion and re-use of the buildings and their environment and to mitigate the effect of adjoining developments.**

This objective remains valid.

2. **Expand recreational and cultural facilities and services.**

This objective remains valid.

SECTION C: SIGNIFICANT CHANGES IN THE ASSUMPTIONS IMPACTING THE MASTER PLAN

“The extent to which there have been significant changes in assumptions, policies and objectives forming the basis for the master plan or development regulations as last revised with particular regard to the density and distribution of population and land uses. Housing conditions, circulation, conservation of natural resources, energy conservation, collection, disposition, and recycling of designated recyclable materials, and changes in State, county and municipal policies and objectives.”

Since the reexamination for the Borough’s Master Plan in 2016, there have been changes in the assumptions, policies, and objectives that must be addressed in the Borough’s Master Plan. These include, but are not limited to demographic characteristics, housing conditions, employment, affordable housing, municipal efforts, and regional plans.

Changes at the Local Level

Demographic Characteristics

Population

The population trends experienced in Highlands Borough, Monmouth County, and the State of New Jersey from 1930 through 2020 are shown below as well as the 2023 population estimate from the U.S. Census Bureau American Community Survey. There were 4,624 residents in Highlands Borough in 2020, which was a decrease of 384 people, or 7.7 percent, from 2010. The population continued to decrease slightly from 2020 to 2023 where the estimated population is 4,575. The Borough experienced steady growth from 1930 to 1980 with the largest and most significant increase in population occurring during the 1970s when the Borough’s population increased by 32.5 percent. The County and State have also experienced continued growth since 1930. Both the County and State saw significant population increases during the 1990s.

Population Trends									
Year	Highlands			Monmouth County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	1,877	-	-	147,209	-	-	4,041,334	-	-
1940	2,076	199	10.6%	161,238	14,029	9.5%	4,160,165	118,831	2.9%
1950	2,959	883	42.5%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
1960	3,536	577	19.5%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
1970	3,916	380	10.7%	461,849	127,448	38.1%	7,171,112	1,104,330	18.2%
1980	5,187	1,271	32.5%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
1990	4,849	-338	-6.5%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
2000	5,097	248	5.1%	615,301	62,177	11.2%	8,414,350	684,162	8.9%
2010	5,005	-92	-1.8%	630,380	15,079	2.5%	8,791,894	377,544	4.5%
2020	4,621	-384	-7.7%	643,615	13,235	2.1%	9,288,994	497,100	5.7%
2023	4,575	-46	-1.0%	645,796	2,181	0.3%	9,261,699	-27,295	-0.3%
Total Change	-	2,698	143.7%	-	498,587	338.7%	-	5,220,365	129.2%

Source: 1930-2020 U.S. Decennial Census; 2018-2022 American Community Survey 5-Year Estimates

Population Composition by Age

The median age of the residents in Highlands in 2020 was 49.3 years, which shows a 9.3% increase from the 2010 median age of 45.1. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining impacts these changes have on housing needs, community facilities and services for the municipality. As detailed in the table below, the entire composition of Highlands Borough experienced notable shifts since 2010. The most significant increase was in the 65 and over cohort, which saw an increase of 38.7 percent. The 55 to 64 age cohort also increased significantly by approximately 20.2 percent. Large decreases were seen as well in the under 5 years cohort (-42.9%) and the 45 to 54 age cohort (-33.4%). The largest cohort in 2020 was the 55 to 64 age (20.9%) compared to the 45 to 54 age (21.2%) in 2010. This data suggests that a larger portion of the Borough's residents are transitioning into the senior citizen age range, which will require the Borough to consider planning tools and approaches that encourage aging-in-place.

Population by Age 2010 and 2020, Borough of Highlands						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	5,005	100.00%	4,621	100.00%	-384	-7.7%
Under 5 years	252	5.0%	144	3.1%	-108	-42.9%
5 to 14	336	6.7%	322	7.0%	-14	-4.2%
15 to 24	448	9.0%	326	7.1%	-122	-27.2%
25 to 34	719	14.4%	730	15.8%	11	1.5%
35 to 44	734	14.7%	531	11.5%	-203	-27.7%
45 to 54	1,062	21.2%	707	15.3%	-355	-33.4%
55 to 64	805	16.1%	968	20.9%	163	20.2%
65 and over	644	12.9%	893	19.3%	249	38.7%
Median Age	45.1	-	49.3	-	4.2	9.3%

Source: U.S. Decennial Census, 2010 and 2020

Monmouth County experienced population fluctuation as well, but not nearly as dramatically as the Borough. The most significant increase was also in the 65 and over age cohort, which grew by 37.1 percent. Significant increases were also seen in the 55 to 64 age cohort (25.3%) and 25 to 34 age cohort (11.7%). Decreases were experienced in the under 5 cohort (-14.9%) and the 45 to 54 age cohort (-19.5%).

Population by Age 2010 and 2020, Monmouth County						
Population	2010		2020		Change, 2010 to 2020	
	Number	Percentage	Number	Percentage	Number	Percentage
Total population	630,106	100.0%	643,615	100.0%	13,509	2.1%
Under 5 years	34,755	5.5%	29,562	4.6%	-5,193	-14.9%
5 to 14	86,679	13.8%	75,723	11.8%	-10,956	-12.6%
15 to 24	78,229	12.4%	79,817	12.4%	1,588	2.0%
25 to 34	64,860	10.3%	72,466	11.3%	7,606	11.7%
35 to 44	86,499	13.7%	75,549	11.7%	-10,950	-12.7%
45 to 54	110,979	17.6%	89,310	13.9%	-21,669	-19.5%
55 to 64	81,688	13.0%	102,356	15.9%	20,668	25.3%
65 and over	86,691	13.8%	118,832	18.5%	32,141	37.1%
Median Age	41.3	-	43.5	-	2.2	5.3%

Source: U.S. Decennial Census, 2010 and 2020

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 2,425 households in Highlands Borough. Roughly 77 percent of the households were occupied by two persons or less. The average household size of the Borough in 2020 was 1.75, significantly less than that of the County's average of 2.51. The Borough's largest percentage of households was a one-person household (44.6%), while the County's was a two-person household (31.1%). The Borough's second most common household size was two-person households (32.2%), and the County's was one-person households, which represented 25.8 percent.

Household Size- Occupied Housing Units, 2020 Borough of Highlands and Monmouth County				
	Borough		County	
	Number	Percent	Number	Percent
Total Households	2,425	100.0%	244,630	100.0%
1-person household	1,082	44.6%	63,104	25.8%
2-person household	781	32.2%	76,177	31.1%
3-person household	306	12.6%	40,092	16.4%
4-person household	154	6.4%	39,421	16.1%
5-person household	72	3.0%	17,126	7.0%
6-person household	18	0.7%	5,795	2.4%
7-or-more-person household	12	0.5%	2,915	1.2%
Average Household Size	1.75		2.51	

Source: US Decennial Census, 2020

According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. Slightly less than half of the households in the Borough in 2020 were family households, comprising of 42.5 percent of all households. The average family

size was 1.75 persons. Around 30.5 percent of family households were married-couple families, of which the majority (60%) had no children.

In providing more detail of American households, the 2020 Census includes the sub-groups of non-traditional households: other family and non-family households. “Non-family” households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. A majority of households in the Borough (57%) are nonfamily households. Of these households, the number of male and female householders were comparable, at 54% and 46%, respectively. Further, “other family” households accounted for 12% of all households, broken down into 7.8% female householders with no spouse or partner present and 4.2% male householders with no spouse or partner present.

Household Size and Type, 2023 Highlands Borough		
	Total	Percent
Total Households	2,616	100%
Family Households	1112	42.5%
Married couple family	798	30.5%
With children	320	12.2%
Without children	478	18.3%
Other Family	314	12.0%
Male householder, no spouse	109	4.2%
With children	55	2.1%
Without children	54	2.1%
Female householder, no spouse	205	7.8%
With children	106	4.1%
Without children	99	3.8%
Nonfamily household	1504	57.5%
Male householder	813	31.1%
Living alone	752	28.7%
Not living alone	61	2.3%
With children	0	0.0%
Female householder	691	26.4%
Living alone	557	21.3%
Not living alone	134	5.1%
With children	0	0.0%

Source: US Decennial Census, 2020 and 2018-2023 American Community Survey 5-Year Estimates

Income

As measured in 2023, Highlands had a lower median household income compared to Monmouth County and the State of New Jersey. In 2023, the median income in Highlands was \$90,082, roughly \$32,645 less than the County and \$10,968 less than the State's median income. The Borough's per capita income significantly exceeded that of the County and the State.

Per Capita and Household Income		
	2023 Per Capita Income	2023 Median Household Income
Highlands	\$73,460	\$90,082
Monmouth County	\$65,545	\$122,727
New Jersey	\$52,583	\$101,050

Source: 2018-2023 American Community Survey 5-Year Estimates

In 2023, nearly 65 percent of all households in the Borough earned \$50,000 or more with the largest percentage (18.8%) earning \$200,000 or more. This percentage was followed by those households that earned \$75,000 to \$99,999 (16.9%) and finally those who earned \$150,000 to \$199,999 (14.2%). About 24 percent of households earned less than \$35,000. In Monmouth County, the most common income bracket was also the \$200,000 or more range with roughly 30 percent of households earning that much. Roughly 15 percent of households in the County earned less than \$35,000.

Household Income Borough of Highlands and Monmouth County, 2023				
	Highlands		Monmouth County	
	Number¹	Percentage	Number¹	Percentage
Total Households	2,552	100.0%	230,439	100.0%
Less than \$10,000	190	7.4%	8,165	3.5%
\$10,000 to \$14,999	60	2.4%	5,319	2.3%
\$15,000 to \$24,999	172	6.7%	10,781	4.7%
\$25,000 to \$34,999	191	7.5%	10,705	4.6%
\$35,000 to \$49,999	285	11.2%	17,390	7.5%
\$50,000 to \$74,999	201	7.9%	25,153	10.9%
\$75,000 to \$99,999	431	16.9%	25,542	11.1%
\$100,000 to \$149,999	178	7.0%	24,161	10.5%
\$150,000 to \$199,999	363	14.2%	33,996	14.8%
\$200,000 or more	481	18.8%	69,227	30.0%
Median Household Income	\$90,082		\$122,727	

Source: 2018-2023 American Community Survey 5-Year Estimates

1 Due to the data being estimates, the number in each row does not add up with the "total" row.

Poverty Status

Of the 4,575 persons of Highlands' population for which poverty status is determined, 349 individuals, or 7.6 percent, lived in poverty in 2023. Of those in poverty, a majority (87.1%) were in the age range of 18 to 64 years old, and the remaining 12.9 percent were seniors (over 65). The County had a lower poverty rate of 6.4 percent.

Poverty Status Borough of Highlands and Monmouth County, 2023				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total persons	4,575	-	637,240	-
Total persons below poverty level	349	7.6%	40,958	6.4%
Under 18	0	0.0%	9,487	23.2%
18 to 64	304	87.1%	23,232	56.7%
65 and over	45	12.9%	8,239	20.1%

Source: 2018-2023 American Community Survey 5-Year Estimates

Household Costs

The tables below show the expenditures for housing for those who own and rent housing in the Borough of Highlands and Monmouth County. Most people in the Borough lived in homes they owned, and according to the 2018-2023 5-year estimates by the ACS, roughly 26.4 percent of all owner-occupied households spent 30 percent or more of their household income on housing. About 45.4 percent of renter-occupied households spent 30 percent or more of their household income on housing. General affordability standards set a limit at 30 percent of gross income to be allocated for owner-occupied housing costs and 28 percent of gross income to be allocated for renter-occupied housing costs. These figures were on par with those of the County.

Selected Monthly Owner Costs as a Percentage of Household Income 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Owner-Occupied Housing Units	1,673	100.0%	188,578	100.0%
Less than 20.0%	890	53.2%	93,167	49.4%
20.0 to 24.9%	266	15.9%	25,780	13.7%
25.0 to 29.9%	74	4.4%	16,946	9.0%
30.0 to 34.9%	19	1.1%	10,722	5.7%
35.0% or more	424	25.3%	40,650	21.6%
Not computed	0	0.0%	1,313	0.7%

Source: 2018-2023 American Community Survey 5-Year Estimates

Gross Rent as a Percentage of Household Income 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Housing Units	943	100.00%	61,617	100.00%
Less than 10%	30	3.2%	2,113	3.4%
10.0 to 14.9%	0	0.0%	4,993	8.1%
15.0 to 19.9%	129	13.7%	6,970	11.3%
20.0 to 24.9%	150	15.9%	6,927	11.2%
25.0 to 29.9%	71	7.5%	6,419	10.4%
30.0 to 34.9%	60	6.4%	4,751	7.7%
35.0 to 39.9%	31	3.3%	3,057	5.0%
40.0 to 49.9%	20	2.1%	6,163	10.0%
50% or more	317	33.6%	16,805	27.3%
Not computed	135	14.3%	3,419	5.5%

Source: 2018-2023 American Community Survey 5-Year Estimates

Similar to Highlands, a large majority of Monmouth County residents own their home. Roughly 27.2 percent of all County owner-occupied homes spent 30 percent or more of their household income on housing, and approximately 50 percent of renter-occupied households spend 30 percent or more of their household income on housing.

Existing Housing Conditions

Housing Unit Data

In 2023, Highlands had a total of 2,616 occupied housing units. A majority of these units (1,673 or 55.8%) were owner-occupied while 943 units (31.5%) were renter-occupied. Housing construction has remained relatively steady from 1930 through 2023, with the exception of the 1970s and 1980s when the Borough saw a surge of construction. About 42 percent of the Borough's entire housing stock was constructed between 1970 and 1989. There is also a significant amount of older construction within the Borough. Roughly 24.5 percent of Highlands' housing stock was built prior to 1940. The median year of construction for the housing stock in Highlands Borough is 1975.

Housing Data, 2023 Highlands Borough			
	Number	% of Total Housing Units	% of Occupied Housing Units
Total Housing Units	2,996	100.00%	-
Occupied Housing Units	2,616	87.3%	100.00%
Owner Occupied	1,673	55.8%	64.0%
Renter Occupied	943	31.5%	36.0%
Vacant Housing Units	380	12.7%	-

Source: 2018-2023 American Community Survey 5-Year Estimates

Year Structure Built Highlands Borough		
	Number	Percentage
Built 1939 or earlier	733	24.5%
Built 1940 to 1949	164	5.5%
Built 1950 to 1959	91	3.0%
Built 1960 to 1969	174	5.8%
Built 1970 to 1979	719	24.0%
Built 1980 to 1989	537	17.9%
Built 1990 to 1999	127	4.2%
Built 2000 to 2009	238	7.9%
Built 2010 to 2019	198	6.6%
Built 2020 or later	15	0.5%
Total Housing Units	2,996	100.00%
Median Year Structure Built	1975	

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2023 ACS estimates, Highlands Borough has a high occupancy rate, with very few of their housing units vacant. Of the Borough's 2,996 housing units, 2,616 (87.3%) were occupied and only 380 (12.7%) were vacant. Over 80 percent of vacant units could be attributed to the "for seasonal, recreational or occasional use" (57.6%) and "other vacant" (24.5%) categories, with "for rent/rented not occupied" accounting for the remaining 17.9%. This data is represented in the table below.

Housing Occupancy, 2023 Highlands Borough			
	Total	% of Total Housing Units	% of Vacant Housing Units
Total Housing Units	2,996	100.00%	-
Occupied	2,616	87.3%	-
Vacant Housing Units	380	12.7%	100.0%
For Rent/Rented Not Occupied	68	2.3%	17.9%
For Sale Only	0	0.0%	0.0%
Sold, not occupied	0	0.0%	0.0%
For Seasonal, Recreational or Occasional Use	219	7.3%	57.6%
For migrant workers	0	0.0%	0.0%
Other Vacant	93	3.1%	24.5%

Source: 2018-2023 American Community Survey 5-Year Estimates

Housing Type and Size

The majority of the housing stock in Highlands is single-family detached housing, with most structures containing three to five rooms. In 2023, there were 1,198 single-family detached homes representing 40 percent of the housing stock. Structures that were comprised of 20 or more units were the next most common housing type, with 501 units or 16.7 percent of the Borough's housing stock.

The median number of rooms within housing structures in the Borough of Highlands was 4.5 with the largest percentage of structures (25.1%) comprised of four (4) rooms.

Housing Type and Size Highlands Borough, 2023		
Units in Structure	Total	Percentage
Total	2,996	100.0%
1, detached	1,198	40.0%
1, attached	258	8.6%
2	245	8.2%
3 or 4	118	3.9%
5 to 9	421	14.1%
10 to 19	238	7.9%
20 or more	501	16.7%
Mobile home	17	0.6%
Boat, RV, van, etc.	0	0.0%
Rooms	Total	Percentage
1 room	0	0.0%
2 rooms	78	2.6%
3 rooms	650	21.7%
4 rooms	753	25.1%
5 rooms	712	23.8%
6 rooms	321	10.7%
7 rooms	335	11.2%
8 rooms	55	1.8%
9 or more rooms	92	3.1%
Total Housing Units	2,996	100.0%
Median number of rooms	4.5	

Source: 2018-2023 American Community Survey 5-Year Estimates

In terms of residential growth, for the period of January 2014 through November 2024, the Borough issued building permits authorizing the development of 206 units. The majority of these building permits were authorized between 2014 and 2017. During this period, 115 permits were authorized. There was a decrease in building permits between 2017 and 2024, which hit a low point in 2020 due to the COVID-19 pandemic. All the construction in the last 10 years has been for one- and two-family structures.

Further, throughout the same 10-year period, the Borough issued permits authorizing the demolition of 265 units, which averages approximately 24 units per year. The average demolition rate is approximately 128% of the abovementioned development rate (i.e., a home net decrease of around 28%). If the demolition rate were to remain relatively constant over the next approximately 10-year period, an additional 265 residential units could be expected to be demolished between January 2025 and the end of 2035, resulting in a projected net decrease (i.e., constructed units - demolished units) of 59 units.

Housing Units Authorized by Building Permits, 2014-2024 Highlands Borough				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	20	0	0	20
2015	33	0	0	33
2016	62	0	0	62
2017	19	0	0	19
2018	11	0	0	11
2019	15	0	0	15
2020	8	0	0	8
2021	12	0	0	12
2022	17	0	0	17
2023	7	0	0	7
2024*	2	0	0	2
Total 2014-2024	206	0	0	206
10-Year Average				18.7
10-Year Permit Projection (2025-2035)				206

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data
*2024 Data includes January through November

Housing Units Demolished by Building Permits, 2014-2024 Highlands Borough				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	27	8	0	35
2015	8	0	0	8
2016	4	0	0	4
2017	3	0	0	3
2018	7	4	0	11
2019	12	0	0	12
2020	2	0	0	2
2021	5	0	0	5
2022	5	0	0	5
2023	180	0	0	180
2024*	0	0	0	0
Total 2014-2024	253	12	0	265
10-Year Average				24.1
10-Year Demolition Projection (2025-2035)				265

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data
*2024 Data includes January through November

Housing Values and Contract Rents

According to the 2018-2023 ACS Survey, roughly 93.6 percent of owner-occupied housing stock in Highlands Borough were valued at over \$200,000, and approximately 48.6 percent of all units were financed by a mortgage, contract to purchase, or similar debt. Housing values for owner-occupied housings units are listed in the table below along with mortgage status data. The most common housing-value range was

\$300,000 to \$399,999 with 44.2 percent of all owner-occupied units falling within this range. The second most common value range was between \$500,000 and \$999,999, comprising 33 percent of all owner-occupied units. The median value of an owner-occupied housing unit in the Borough of Highlands in 2023 was \$394,800. A slight majority of Borough housing units had no mortgage at all (51.4%).

The median value of owner-occupied units in the County was significantly higher than that of the Borough at \$566,500. Proportionally there were slightly more owner-occupied housing units with a mortgage at the County level (64.4%).

Value for Owner-Occupied Housing Units Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total	1,673	100.0%	188,578	100.0%
Less than \$50,000	28	1.7%	3,202	1.7%
\$50,000 to \$99,999	20	1.2%	2,703	1.4%
\$100,000 to \$149,999	24	1.4%	1,760	0.9%
\$150,000 to \$199,999	35	2.1%	2,797	1.5%
\$200,000 to \$299,999	213	12.7%	12,780	6.8%
\$300,000 to \$499,999	740	44.2%	55,119	29.2%
\$500,000 to \$999,999	552	33.0%	88,909	47.1%
\$1,00,000 and greater	61	3.6%	21,308	11.3%
Median Value	\$394,800		\$566,500	

Source: 2018-2023 American Community Survey 5-Year Estimates

Table 18: Mortgage Status, 2023 Highlands Borough and Monmouth County						
	Highlands Borough			Monmouth County		
	Number	% of Total Units	% of Units with Mortgage	Number	% of Total Units	% of Units with Mortgage
Total Owner-Occupied Units	1,673	100.00%	-	188,578	100.00%	-
Owner-Occupied Housing Units with a Mortgage	813	48.6%	100.00%	121,452	64.4%	100.00%
With either a second mortgage or home equity loan	86	5.1%	10.6%	16,780	8.9%	13.8%
Second mortgage only	21	1.3%	2.6%	1,583	0.8%	1.3%
Home equity loan only	65	3.9%	8.0%	14,973	7.9%	12.3%
Both second mortgage and home equity loan	0	0.0%	0.0%	224	0.1%	0.2%
No second mortgage and no home equity loan	723	43.2%	88.9%	99,688	52.9%	82.1%
Owner-Occupied Housing units without a mortgage	860	51.4%	-	67,126	35.6%	-

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2018-2023 5-year estimates produced by the ACS, the median contract rent in Highlands was \$1,525. The highest percentage of renters (30.2%) paid between \$1,500 and \$1,999 for rent, followed by 26.8 percent paying \$1,000 to \$1,499 for rent.

The County's median contract rent was slightly higher at \$1,612. Similar to the Borough, over half of renters (52.9%) pay between \$1,000 and \$1,999 for monthly rent. However, approximately 13.1% of renters at the County level paid more than \$2,500 for monthly rent, compared to only 2.2% in the Borough. This data suggests that rent in the Borough is slightly more affordable as it is throughout the County as a whole.

Contract Rent Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Total Renter-Occupied Units	943	100.0%	61,617	100.0%
Less than \$500	115	12.2%	4,738	7.7%
\$500 to \$999	61	6.5%	4,636	7.5%
\$1,000 to \$1,499	253	26.8%	16,689	27.1%
\$1,500 to \$1,999	285	30.2%	15,907	25.8%
\$2,000 to \$2,499	152	16.1%	9,176	14.9%
\$2,500 to \$2,999	9	1.0%	4,835	7.8%
\$3,000 or More	11	1.2%	3,242	5.3%
No Rent Paid	57	6.0%	2,394	3.9%
Median Contract Rent	\$1,525		\$1,612	

Source: 2018-2023 American Community Survey 5-Year Estimates

According to the 2018-2023 American Community Survey 5-Year Estimates, the median contract rent in Highlands Borough is \$1,525 per month (\$18,300 annually). A minimum annual income of \$61,000 (\$18,300/0.30) would be necessary to afford the median contract rent. Because roughly 35 percent of all households within the Borough have an annual household income of less than \$50,000, these households could not afford to live in a dwelling unit at or above the median contract rent. Countywide, an estimated 22.7 percent of all countywide households could not afford to live within a residence whose rent is at or above the median contract rent.

Housing Conditions

The table below details the condition of the housing stock within Highlands Borough. Overcrowding, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, over 65 percent of the Borough's housing stock relied on utility gas for heating, and the remaining utilized electricity (34.9%). Further, there were 53 occupied units (i.e., both owner- and renter-occupied) in Highlands that experienced overcrowding (more than one person per room). Throughout the Borough, no units lacked complete plumbing facilities or complete kitchen facilities. A total of 49 occupied housing units (1.9%) had no telephone service.

Housing Conditions Borough of Highlands, 2023 Estimates		
	Number	Percentage
House Heating Fuel-Occupied Housing Units		
Total	2,616	100.0%
Utility gas	1,702	65.1%
Bottled, tank, or LP gas	0	0.0%
Electricity	914	34.9%
Fuel oil, kerosene, etc.	0	0.0%
Coal or coke	0	0.0%
Wood	0	0.0%
Solar energy	0	0.0%
Other fuel	0	0.0%
No fuel used	0	0.0%
Occupants per Room- Occupied Housing Units		
Total	2,616	100.0%
1.00 or Less	2,563	98.0%
1.01 to 1.50	0	0.0%
1.51 or More	53	2.0%
Facilities-Total Units		
Total	2,996	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
Telephone Service- Occupied Housing Units		
Total	2,616	100.0%
No Service	49	1.9%

Source: 2018-2023 American Community Survey 5-Year Estimates

Employment Data

The following tables detail changes in employment from 2010 to 2023 for Highlands, Monmouth County, and New Jersey. Throughout this thirteen-year period, the Borough saw an overall 9.4% decrease in its unemployment rate. The unemployment rate in Highlands Borough steadily decreased between 2010 and 2019, when it reached a low point of 3.4%. Although the Borough experienced a 6.5% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. The unemployment rate of the Borough has remained steadily higher than that of the County and State as a whole, which have experienced similar unemployment trends over the past ten years.

Employment and Residential Labor Force, 2010 to 2023 Highlands Borough				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	3,057	2,649	408	13.4%
2011	3,097	2,674	423	13.6%
2012	2,881	2,580	301	10.4%
2013	2,835	2,579	256	9.0%
2014	2,802	2,600	202	7.2%
2015	2,773	2,603	170	6.1%
2016	2,760	2,620	140	5.1%
2017	2,846	2,695	151	5.3%
2018	2,825	2,705	120	4.2%
2019	2,839	2,742	97	3.4%
2020	2,818	2,539	279	9.9%
2021	2,839	2,638	201	7.1%
2022	2,874	2,767	107	3.7%
2023	2,916	2,798	118	4.0%

Employment and Residential Labor Force, 2010 to 2023				
Monmouth County				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	329,551	300,221	29,330	8.9%
2011	328,778	300,484	28,294	8.6%
2012	329,833	300,866	28,967	8.8%
2013	326,499	301,360	25,139	7.7%
2014	325,472	305,760	19,712	6.1%
2015	326,151	309,467	16,684	5.1%
2016	327,405	312,929	14,476	4.4%
2017	335,907	322,337	13,570	4.0%
2018	336,416	324,474	11,942	3.5%
2019	341,968	331,394	10,574	3.1%
2020	336,742	307,993	28,749	8.5%
2021	339,979	319,991	19,988	5.9%
2022	347,680	335,679	12,001	3.5%
2023	352,981	339,416	13,565	3.8%

Employment and Residential Labor Force, 2010 to 2023				
New Jersey				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,559,800	4,119,000	440,800	9.7%
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,604,800	4,420,700	184,100	4.0%
2019	4,686,300	4,524,300	162,000	3.5%
2020	4,650,300	4,212,400	437,900	9.4%
2021	4,666,100	4,357,200	308,900	6.6%
2022	4,739,800	4,564,100	175,700	3.7%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

Employment Status

The 2018-2023 5-year American Community Survey estimates reveal that 61.7 percent of Highlands' 16 and over population is in the labor force. About 34 percent of the Borough's 16 and over population is not in the labor force. The County's labor force participation is slightly higher than the Borough, at 66.5 percent.

Employment Borough of Highlands and Monmouth County, 2023 Estimates				
	Highlands		Monmouth County	
	Number	Percentage	Number	Percentage
Population 16 years and over	3,990	100.0%	-	526,352
In labor force	2,462	61.7%	100.0%	349,815
Civilian Labor Force	2,406	60.3%	97.7%	349,355
Employed	2,175	54.5%	88.3%	331,018
Unemployed	231	5.8%	9.4%	18,337
Armed Forces	56	1.4%	2.3%	460
Not in labor force	1,528	38.3%	-	176,537

Source: 2018-2023 American Community Survey 5-Year Estimates

Class of Worker and Occupation

According to the 2018-2023 ACS Estimates, the majority of workers (78.4%) living in Highlands Borough were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The second largest category was self-employed (8.8%), followed by those who work for the local government (6.2%).

Table 25: Class of Worker, 2023 Highlands Borough		
	Number	Percent
Total Civilian Employed Workers (Age 16+)	2,175	100.0%
Private Wage and Salary Worker	1,706	78.4%
Local Government Worker	135	6.2%
State Government Worker	83	3.8%
Federal Government Worker	59	2.7%
Self-Employed Worker or Unpaid Family Worker	192	8.8%

Source: 2018-2023 American Community Survey 5-Year Estimates

The occupational breakdown shown in the table below includes only private wage and salary workers. Those that worked within the private wage field were concentrated heavily in management and professional positions, service occupations, and sales and office occupations. Together the three fields account for roughly 91 percent of the entire resident workforce. Production transportation and material moving occupations employed 4.1 percent followed by natural resources, construction, and material moving occupations employing 4.9 percent of the residents.

Resident Employment by Occupation Borough of Highlands, 2023 Estimates		
	Number	Percentage
Employed Civilian population 16 years and over	2,175	100.0%
Management, business, science and arts occupations	1,260	57.9%
Service occupations	342	15.7%
Sales and office occupations	376	17.3%
Natural resources, construction and maintenance occupations	107	4.9%
Production Transportation and material moving occupations	90	4.1%

Source: 2018-2023 American Community Survey 5-Year Estimates

The most common industry for Highlands' residents is the educational services, and health care and social assistance sector, employing approximately 22 percent of the Borough's resident workforce. The second most common industry is professional, scientific, and management, and administrative and waste management services, which employs 19.4 percent of the Borough's resident workforce. The arts, entertainment, recreation, and accommodation and food services industry has increased in recent years, employing 13.1% of the Borough's resident workforce in 2023.

Employment by Industry Borough of Highlands, 2023 Estimates		
Industry	Number	Percentage
Employed Civilian Population 16 Years and Over	2,175	100.00%
Agriculture, forestry, fishing and hunting, mining	11	0.5%
Construction	147	6.8%
Manufacturing	73	3.4%
Wholesale Trade	14	0.6%
Retail Trade	258	11.9%
Transportation and Warehousing, and Utilities	23	1.1%
Information	143	6.6%
Finance and insurance, and real estate and rental and leasing	142	6.5%
Professional, scientific, and management, and administrative and waste management services	422	19.4%
Educational services, and health care and social assistance	469	21.6%
Arts, entertainment, and recreation, and accommodation and food services	284	13.1%
Other Services, except public administration	82	3.8%
Public administration	107	4.9%

Source: 2018-2023 American Community Survey 5-Year Estimates

Commuting to Work

According to the 2018-2023 ACS Estimates, the mean travel time to work for those who lived in the Borough was 39.6 minutes. A significant percentage of commuters, roughly 89 percent, traveled less than an hour to work, and roughly 50 percent had less than a half-hour commute.

Travel Time to Work Borough of Highlands, 2023 Estimates		
	Number	Percentage
Workers who did not work at home	1,680	100.0%
Less than 5 minutes	29	1.7%
5 to 9 minutes	102	6.1%
10 to 14 minutes	47	2.8%
15 to 19 minutes	341	20.3%
20 to 24 minutes	205	12.2%
25 to 29 minutes	108	6.4%
30 to 34 minutes	151	9.0%
35 to 39 minutes	44	2.6%
40 to 44 minutes	53	3.2%
45 to 59 minutes	84	5.0%
60 to 89 minutes	328	19.5%
90 or more minutes	188	11.2%
Mean travel time to work (minutes)	39.6	

Source: 2018-2023 American Community Survey 5-Year Estimates

The largest portion of workers drove to work alone (56.4%), while 4.3 percent carpooled. Approximately 10.3 percent of workers commuted via public transportation. After the COVID-19 pandemic, working from home became much more popular. This is reflected in the Borough's estimated 22.8% of workers who worked at home in 2023.

Means of Commute Borough of Highlands, 2023 Estimates		
	Number	Percentage
Workers 16 years and over	2,176	100.0%
Car, truck, van - Drove Alone	1,227	56.4%
Car, truck, van - Carpooled	94	4.3%
Public Transportation	224	10.3%
Walked	18	0.8%
Taxicab, Motorcycle, Bike, or Other	117	5.4%
Worked at home	496	22.8%

Source: 2018-2023 American Community Survey 5-Year Estimates

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The tables below provide a snapshot of private employers located within Highlands Borough. The first table reflects the number of jobs covered by private

employment insurance from 2013 through 2023. The second table reflects the disbursement of jobs by industry in 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of jobs covered in Highlands was in 2019 when 699 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Highlands since 2013, with its largest loss occurring from 2019 to 2020 (-11.7%).

Private Wage Covered Employment 2013 - 2023 Highlands Borough			
Year	Number of Jobs	# Change	% Change
2013	505	-	-
2014	541	36	7.0%
2015	552	11	2.1%
2016	559	7	1.2%
2017	555	-4	-0.7%
2018	625	69	12.5%
2019	699	75	11.9%
2020	617	-82	-11.7%
2021	672	55	8.8%
2022	698	26	3.9%
2023	645	-53	-7.6%

Source: NJ Dept. of Labor & workforce Development Labor Force Estimate

In-Borough Establishments and Employees by Industry: 2023

The table below depicts the average annual number of establishments and employees by industry sector that exist within the Borough, as grouped by North American Industry Classification System (NAICS). In 2023, the Borough had an annual average of 101 establishments employing on average 645 persons. Accommodations/food was the predominant sector, accounting for 14.9 percent of the establishments in Highlands and 55.7 percent of the Borough's in-place employment.

Average Number of Establishments and Employees by Industry, 2023 Highlands Borough			
Industry ID and Description		2023 Average ¹	
		Units	Employment
11	Agriculture	-	-
23	Construction	7	31
31	Manufacturing	-	-
42	Wholesale Trade	4	30
44	Retail Trade	14	80
48	Transportation/Warehousing	-	-
	Information	-	-
52	Finance/Insurance	-	-
53	Real Estate	-	-
54	Professional/Technical	10	16
56	Admin/Waste Remediation	8	21
61	Education	-	-
62	Health/Social	11	14
71	Arts/Entertainment	4	20
72	Accommodations/Food	15	359
81	Other Services	-	-
	Unclassifieds	5	3
	Private Sector Totals	101	645
	Local Government Totals	4	182

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2022

¹Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for populations, households, and employment. The most recent report was released in 2021, documenting projections between 2015 and 2050. Due to the built out nature of the Borough and environmental constraints, there is limited opportunity for job growth. The 2021 report predicts that the Borough's population (0.1%), households (0.2%), and employment (0.4%) will see steady annualized growth through 2050. It is estimated that the population will see an overall 4.5% increase, while households will increase by 6.1% and employment will increase by 15.8%.

Population and Employment Projections, 2015 to 2050 Highlands Borough					
Category	2015	2050 (Projected)	Annualized	Overall Projected Change	
			Percent Change	Number	Percent
Population	4,986	5,208	0.10%	222	4.5%
Households	2,638	2,798	0.20%	160	6.1%
Employment	974	1,128	0.40%	154	15.8%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

Local Studies, Ordinance Changes, and Redevelopment Plans

Studies

Highlands & Monmouth Hills Flood Mitigation and Green Infrastructure Project (2022-ongoing)

The Borough applied for and secured a Building Resilient Infrastructure and Communities (BRIC) grant from Federal Emergency Management Agency (FEMA) between 2022 and 2023, in collaboration with Monmouth Hills Inc. Borough Resolution #23-091, approved March 15, 2023, authorized the memorandum of understanding between the two entities to improve stormwater systems and expand the Borough's green infrastructure, in accordance with New Jersey Department of Environmental Protection (NJDEP) Rules.

The scope of the project involves installing, upgrading, repairing and/or replacing Green infrastructure, infiltration basins, constructed wetlands, stormwater pumping stations and the associated pipe work, pump station emergency generators, pump station force main discharge pipes (into the Shrewsbury River), inlets and storm drains, bioretention basins, and associated roadway restorations. Targeted locations throughout the Borough include Snug Harbor Avenue, Bay Avenue, Central Avenue, Valley Street, North Street, Waterwitch Avenue, Route 36, and Kavookjian Field. These improvements have been ongoing since and will continue through 2026.

Borough of Highlands Community Energy Plan (2023)

The Borough adopted a Community Energy Plan via Resolution 23-194 on September 20, 2023. The Plan was created to bring the Borough into partnership with the State's New Jersey Energy Master Plan goal of achieving 100% clean energy by 2050, and details the specific strategies Highlands will pursue in the coming years to reduce greenhouse gas emissions from the local energy system. Further, the Plan covers public policies and programs designed to support the community in reducing emissions. Public outreach was conducted in November of 2022, and collaborations between stakeholders chose the following priorities to align with the Borough's interests, capacities, and long-term goals:

- Adopt supportive zoning and regulations for EV infrastructure
- Train first responders on EVs and EVSE
- Install public EV charging infrastructure
- Adopt supportive zoning and permitting for solar
- Train first responders on solar
- Upgrade energy efficiency for municipal facilities
- Construct new municipal buildings as model green buildings

Landscape Architect Design Study (2023)

A landscape architecture study was prepared for the Borough in 2023, which was divided into three (3) phases:

- Phase I - Public Parking Lots and CBD Zone
- Phase II - Beaches and Parks with Green Infrastructure Improvements

- Phase III – Sandy Hook Bay Bluff Slope

Phase I focused on the Borough's three municipal parking lots, the new municipal building along Navesink Avenue, and along Bay Avenue within the Central Business District. Phase II locations include Snug Harbor Park and Beach, Huddy Park, Miller Street Beach, Veterans Memorial Park, Ederle Park, South Bay Avenue Beach Park, and the Traffic Circle at the intersection of Bay Avenue and South Bay Avenue. Each of the three phases consisted of an existing conditions inventory and analysis of landscaping and design elements in these areas and ultimately proposed context-sensitive green infrastructure elements (e.g., green roofs, pervious pavement, vegetative curb extensions), planting schedules, signage and lighting improvements, as well as pedestrian-oriented design features. Conceptual design renderings were created and also incorporated into the study.

JT White Clam Depuration Plant Plan (2025)

The Borough received an Asset Activation Grant from the New Jersey Economic Development Authority (NJEDA) in September of 2024, to redesign the site of the Borough's James T. (JT) White Shellfish Plant and preserve a critical site of maritime history in the Borough. The completed Plan proposes a more efficient depuration facility, in tandem with a new on-site educational/maritime museum facility to attract a wide range of visitors to the site. Its overall strategies address development on several scales, including within the JT White Plant, the new educational/museum facility, the Borough's downtown CBD, and the Bayshore Region. The Plan outlined the site's history, existing conditions, the clam depuration process, public outreach findings, and proposed conceptual site improvements, which consisted of upgrades to the plant building, site improvements, and traffic circulation. The plan concluded with tangible implementation steps and recommendations, as well as grant funding resources to bring the plan to life.

To create the Plan, the Borough of Highlands established a Clam Plant Steering Committee to guide the entire process, which included local clammers, planners, the Borough's business partnership, residents, local schools, marine scientists, governing body members, and Mayors of neighboring municipalities. A public brainstorming meeting to discuss the future of the site was led by the Borough's Mayor and administration.

Ordinance Changes

The Borough has approved updates to its Zoning and Land Use Regulations and related Ordinances since 2016. This section highlights several important changes made to land use regulations.

The Borough's Zoning and Land Use Ordinances are located in Chapter 21, Chapter 21, Part VII for Flood Damage Protection, Chapter 25 for Stormwater Management and Control, and Chapter 26 for Affordable Housing. Several changes are highlighted below.

- Via Ordinance O-18-06, adopted on May 2, 2018, the Borough amended Chapter 21 to include revisions to the CBD Central Business District and delete in its entirety the B-1 Neighborhood Business District.

- Via Ordinance O-18-22, adopted on December 6, 2018, the Borough amended its zoning map, which altered a boundary within the WC-1 Waterfront Commercial Zone.
- Via Ordinance O-20-11, adopted on April 1, 2020, the Borough amended its "Signage Design Guidelines," to outline revised standards for signs' materiality, building location, lettering, and illumination.
- Via Ordinance O-22-11, adopted on June 15, 2022, the Borough amended Floodplain Management Regulations, to comply with National Flood Insurance Program standards.
- Via Resolution 26-082, adopted on March 12, 2026, the Borough Council endorsed the Borough's amended Fourth Round HEFSP, which was adopted by the Land Use Board on March 12, 2026.
- Via Resolution 26-085, adopted on March 12, 2026, the Borough Council endorsed the Borough's amended Spending Plan, which was adopted by the Land Use Board on March 12, 2026.
- Via Ordinance O-26-03, adopted on March 12, 2026, the Borough Council adopted an amended Affordable Housing Ordinance, to address the requirements of the amended Fair Housing Act (FHA) and Uniform Housing Authority Controls (UHAC) regarding compliance with the Borough's affordable housing obligations.
- Via Ordinance O-26-10, adopted on May 20, 2026, the Borough amended regulations regarding grading permit applications and inspections, review and inspection fees, enforcement of development regulations, and to add zoning permit fees.
- Via Ordinance O-26-20, introduced on July 15, 2026, amends the CBD Redevelopment Plan to revise parking standards, redefine permitted uses, and define the terms "ground floor" and "first floor."

Changes at the County Level

Monmouth County Hazard Mitigation Plan (HMP) (2021 and 2026)

The Monmouth County Hazard Mitigation Plan (HMP) outlines the current natural hazards in the County and identifies specific actions Highlands Borough is taking to address them. The Borough of Highlands' Council adopted Resolution 25-164 on August 20, 2025, which adopted the 2026 Monmouth County Multi-Jurisdictional Hazard Mitigation Plan. The resolution noted that "while content related to the Borough of Highlands may require revisions to meet the plan approval requirements, changes occurring after adoption will not require the Borough of Highlands to re-adopt any further iterations of the plan. Subsequent plan updates following the approval period for this plan will require separate adoption resolutions."

The following is a summary of the issues, hazard rankings, and proposed mitigation actions for Highlands Borough.

Hazard Rankings (2026 HMP)

The chart below is a summary of the Borough's primary hazards of concern. These hazards were based on the problems identified in the risk assessment presented in Section 4 of the Mitigation Plan. Each hazard was assigned a ranking of priority of low, medium, or high.

Low	Medium	High
Natural Hazards		
• Drought • Earthquake • Wildfire	• Coastal Erosion • Extreme Temperature • Extreme Wind • Tornado • Wave Action	• Flood • Hurricane/Tropical Storm • Landslide • Nor'Easter • Storm Surge • Winter Storm
Human-Made Hazards		
• Civil Unrest	• Cyber Attack • Economic Disruption • Terrorism • Pandemic	• Power Failure

Explanation of Hazard Rankings (2026 HMP)

During planning sessions for the Hazard Mitigation Plan, the Borough's team noted that wave action was ranked as "medium," due to the natural protection from Sandy Hook. Further, "power failure" was changed from medium in the prior HMP to high concern for the Borough. Most occurrences of this hazard result from extreme heat or heavy rain. Terrorism is ranked as medium, as the [Borough] explained that is always a concern due to the presence of the ferry service."

National Flood Insurance Program (NFIP) Statistics (2026 HMP)

Highlands Borough, Total Losses and Payments	
As of August 2024	
Total Property Losses	1,739
Total Payments	\$79,530,975.36
Number of Current RL (Repetitive Loss) Properties	163
RL – Total Property Losses	416
RL - Total Paid	\$16,534,644.90
Number of Current SRL (Severe Repetitive Loss) Properties	13
SRL – Total Property Losses	45
SRL - Total Paid	\$2,678,059.28

Proposed Mitigation Actions

The Borough of Highlands' mitigation statement as listed in the 2026 HMP is as follows: "Since 2020 Highlands Borough has adopted August 2022 the NJDEP Model Floodplain Ordinance and invested in a new 2024 Department of Buildings and Housing with technical staff to dovetail the UCC and Floodplain Compliance required to create a comprehensive Floodplain Permitting Process that will facilitate efforts to remove National Violation Tracker NVT properties from FEMA Region 2. Additionally, this investment promotes floodplain compliance through education and compliance action with our residents – creating a resilient place to live, work and invest. Investment in Forerunner Platform August 2023 to manage, track and maintain all Floodplain documentation demonstrates Highlands' commitment to floodplain management. Highlands continues working closely with Monmouth County CRS to attain CRS certification and is awaiting a CAV visit to be scheduled since June 2024."

The 2021 HMP outlined a set of 10 Borough-specific mitigation actions to reduce future hazard impacts. Initiatives are dependent on available funding and can be modified or removed at any time based on the occurrence of new hazard events and changes in municipal priorities.

1. Elevate and Floodproof Downtown District
 - a. Priority: High
2. Build More Stormwater Pump Stations and Provide Stormwater Infrastructure Improvements along Route 36
 - a. Priority: High
3. Protect and Restore Existing Natural Protective Features (the coastline) and Flood Control Infrastructure (i.e., bulkheads)
 - a. Priority: High
4. Implement No-Build Ordinances along Landslide-Prone Areas and Implement Soil Stabilization Measures
 - a. Priority: High
5. Improve Electrical and Telecommunication Systems at Critical Facilities
 - a. Priority: Medium
6. Implement Wind Resistant Building Techniques
 - a. Priority: Medium
7. Conduct a Study on Borough Facilities and Seek Funding for Mitigation Projects
 - a. Priority: Medium
8. Install Movable Flood Gates along the Raritan Bay
 - a. Priority: High
9. Reduce the Amount of Stormwater Flowing from Middletown, which Floods Route 36 and the Borough
 - a. Priority: High

10. Acquire, Elevate, or Relocate Buildings and Infrastructure in Flood Prone Areas, with a Focus on Repetitive Loss (RL) and Severe Repetitive Loss (SRL) Properties
 - a. Priority: High

Changes at the State Level

State Policy Changes

Municipal Land Use Law Amendments

Performance and Maintenance Guarantees (2017)

The first 2017 amendment modified the scope of improvements that could be covered by performance and maintenance guarantees. A performance and maintenance guarantee can only be required for improvements within a public right-of-way and those affecting adjacent properties such as buffer areas and the like.

Smart Growth (2017)

The second 2017 amendment requires the Land Use element of a municipality's Master Plan to address "smart growth which in part, shall consider potential locations for the installation of electric vehicle charging stations, storm resiliency with respect to energy supply, flood-prone areas, and environmental infrastructure, and environmental sustainability issues."

Municipal Public Access Plan as Optional Master Plan Element (2019)

The first 2019 amendment added the Municipal Public Access Plan as an optional Master Plan Element: "A public access plan element that provides for, encourages, and promotes permanently protected public access to all tidal waters and adjacent shorelines consistent with the public trust doctrine, and which shall include a map and inventory of public access points, public facilities that support access, parking, boat ramps, and marinas; an assessment of the need for additional public access; a statement of goals and administrative mechanisms to ensure that access will be permanently protected; and a strategy that describes the forms of access to satisfy the need for such access with an implementation schedule and tools for implementation."

Zoning Board Backlogs (2019)

The second 2019 amendment to the MLUL allows for the creation of supplemental zoning boards in order to address backlogs of applications under certain circumstances.

Electric Vehicle Charging Infrastructure (2019)

The third 2019 amendment deals with electric vehicle charging and became effective November 6, 2019. The MLUL was amended to include provisions for electric vehicle charging stations:

- The first component of this amendment involves the preparation, modification, and required contents of a Master Plan (N.J.S.A. 40:55D-28). The components of the Land Use Element (a

required Master Plan Element) have been updated to include a provision requiring the Element to show the “existing and proposed location of public electric vehicle charging infrastructure.”

- The second component of this amendment involves the requirements of the Master Plan Reexamination Report (N.J.S.A. 40:55D-89). A new required section, Section F, has been added. This new section states the reexamination report shall state “the recommendations of the planning board concerning locations appropriate for the development of public electric vehicle infrastructure... and recommended changes, if any in the local development regulations necessary or appropriate for the development of public electric vehicle infrastructure.”

Climate Change and Vulnerability Assessments (CCRHVAs) (2021)

On February 4, 2021, Governor Murphy signed into law an amendment to N.J.S.A. 40:55D-28, which states the preparation, contents, and modification requirements to Master Plans. The amendment requires that any Land Use Plan Element adopted after February 4, 2021 must include a “Climate Change-Related Hazard Vulnerability Assessment.” The Assessment is mandatory and includes:

- Analyze current and future threats to, and vulnerabilities of, the municipality associated with climate change-related natural hazards, including, but not limited to increased temperatures, drought, flooding, hurricanes, and sea-level rise;
- Include a build-out analysis of future development in the municipality, and an assessment of the threats and vulnerabilities related to that development;
- Identify critical facilities, utilities, roadways, and other infrastructure that is necessary for evacuation purposes and for sustaining quality of life during a natural disaster, to be maintained at all times in an operational state;
- Analyze the potential impact of natural hazards on relevant components and elements of the Master Plan;
- Provide strategies and design standards that may be implemented to reduce or avoid risks associated with natural hazards;
- Include a specific policy statement on the consistency, coordination, and integration of the climate-change related hazard vulnerability assessment with any existing or proposed natural hazard mitigation plan, floodplain management plan, comprehensive emergency management plan, emergency response plan, post-disaster recovery plan, or capital improvement plan; and
- Rely on the most recent natural hazard projections and best available science provided by the New Jersey Department of Environmental Protection.

Local Redevelopment and Housing Law

2019 Amendment

Effective November 6, 2019, the Local Redevelopment and Housing Law was amended to update the requirements of a Redevelopment Plan (N.J.S.A. 40A:12A-7). Paragraph a.8. was added to require a redevelopment plan to include “proposed locations for public electric vehicle charging infrastructure within the project area in a manner that appropriately connects with an essential public charging network.”

Additionally, Criterion “b” of the LRHL was expanded to include the discontinuance or abandonment of buildings used for retail, shopping malls and office parks, as well as those buildings which have had significant vacancies for at least two (2) consecutive years.

Short Term Rental Regulations (2018)

In June 2017, the New Jersey Legislature passed a bill to tax short-term rentals (AB 4587). The bill proposed to extend the state sales and use tax and hotel and motel occupancy fee to “transient accommodations.” The bill defines “transient accommodations” as a “room, group of rooms, or other living or sleeping space for the lodging of occupants, including but not limited to residences or buildings used as residences.” Renters would be responsible for paying the taxes and fees. The bill, however, was vetoed by Governor Christie.

In July of 2018, P.L. 2018, Chapter 49 was approved, which allows municipalities to impose the following taxes and fees on transient accommodations where applicable: the municipal occupancy tax, the sports and entertainment facility tax - Millville, the Atlantic City luxury tax, the Atlantic City promotion fee, the Cape May County tourism tax and assessment, and the hotel occupancy tax. This new law mandates that transient space marketplaces, like Airbnb, collect and pay the tax on behalf of the property owner.

In response to rising concerns about P.L. 2018, C. 49, Governor Murphy signed Assembly Bill 4814/4520, which applies to “rentals of professionally managed units and rentals obtained through a transient space marketplace or travel agency, as long as the transient space marketplace or travel agency does not exclusively offer transient accommodations owned by the marketplace or travel agency”, effectively excluding transactions made directly between property owners and renters.

COVID Permit Extension Act (2020)

The year 2020 saw the emergence of the COVID-19 global pandemic, which caused a temporary shutdown of many government services. On July 1, 2020, Governor Murphy signed the Permit Extension Act of 2020, P.L. 2020, c.53 (“Chapter 53”) into law as a response to the COVID-19 pandemic. The purpose of this law is to provide a relaxation of the requirements for municipal action related to deadlines under the MLUL. Chapter 53 effectively extends the terms of all governmental permits, approvals and deadlines, which were due to expire on March 9, 2020 until at least six (6) months after the end of the public health emergency (the “COVID-19 Extension Period”). The suspension applies to state and local permits and approvals

including New Jersey Department of Environmental Protection (NJ DEP) issued land use approvals, municipal land use approvals, flood hazard permits, water supply permits and certifications, water quality management plan approvals and other environmental approvals.

On June 4, 2021, Governor Murphy signed law A.5820 and Executive Order EO244 which terminated the Covid-10 Public Health Emergency, marking the end of the Covid-19 Permit Extension Act.

New Jersey Environmental Justice Law (2020)

The New Jersey Environmental Justice Law requires the NJ Department of Environmental Protection to evaluate the environmental and public health impacts of certain facilities on overburdened communities when reviewing permit applications. The law allows for permit denial for any proposed facility that has a disproportionately negative impact on an overburdened community.

The law requires the following facility permit applications in overburdened communities qualify for a review of their impact:

- Major sources of air pollution (i.e., gas fired power plants and cogeneration facilities);
- Resource recovery facilities or incinerators; sludge processing facilities;
- Sewage treatment plants with a capacity of more than 50 million gallons per day;
- Transfer stations or solid waste facilities;
- Recycling facilities that receive at least 100 tons of recyclable material per day;
- Scrap metal facilities;
- Landfills; or
- Medical waste incinerators, except those attendants to hospitals and universities.

Cannabis Regulations (2021)

Assembly Bill 21 / Senate Bill 21 was introduced on November 5, 2020 and adopted by both houses on December 17, 2020 and was signed by the Governor on February 22, 2021. The bill legalizes personal use cannabis for certain adults, subject to state regulation, decriminalizes small amounts of marijuana and hashish possession, and removes marijuana as a Schedule I drug. The bill defines 6 classes of license based on different operational aspects. For municipalities, Section 31 provides an option to adopt Municipal Regulations or Ordinances that permit or prohibit one or more classes of license within the municipality along with regulating time, manner, place, and quantity. Section 40 permits municipalities to levy an optional Cannabis "Transfer Tax and User Tax" that is capped at 1% of wholesale activities and 2% of cultivation, processing, and retail activities.

Ordinances that prohibit or otherwise regulate cannabis that predate the Act are not valid, a new Ordinance would need to be adopted within 180 days of passage of the Act. If an Ordinance regulating / prohibiting

one or more classes of license is not adopted within 180 days, then any class not prohibited will be deemed permitted in the following locations:

1. Classes 1, 2, 3, 4, and 6 will be permitted in all Industrial Zones;
2. Class 5 will be permitted in all Retail / Commercial Zones.

After 180 days, if a municipality does not prohibit one or more classes, it must wait five (5) years to adopt an ordinance that prohibits cannabis uses. At that time, the ordinance would be prospective and would not apply to any lawfully existing businesses that open during the five-year period.

The Borough adopted Ordinance O-21-22 on July 14, 2021, which created Section 4-18 “Cannabis Retailer License” of the Borough Code. These requirements were established to “allow for the operation of a single cannabis retailer within either the Central Business District or Highway Oriented Business zones.” An application for a cannabis retail establishment along Bay Avenue is currently being reviewed by the Borough’s professionals.

Climate Change Resilience Strategy (2021)

The State of New Jersey issued a Climate Change Resiliency Strategy in April of 2021, building upon the findings of the 2020 Scientific Report on Climate Change. This Report outlines six priorities with strategies which include:

1. Build Resilient and Healthy Communities
 - 1.1 Integrate Resilience into Local and Regional Planning
 - 1.2 Increase Technical Assistance Programs to Address Community Resilience
 - 1.3 Modify Regulatory Programs to Address Climate Change Impacts and Encourage Adaptation Over Time
 - 1.4 Decrease Vulnerability of Existing Infrastructure and Development
 - 1.5 Incentivize Sustainable Growth and Redevelopment that Incorporates Resilience and Investment in Safer Areas
 - 1.6 Integrate Public Health into Community Resilience Planning and Activities
2. Strengthen the Resilience of New Jersey’s Ecosystems
 - 2.1 Promote Resource Conservation and Natural Lands Management to Strengthen Ecological Resilience
 - 2.2 Manage Agricultural Lands, Forests, and Other Ecosystems for Climate Impacts and Environmental Stressors
 - 2.3 Deploy Natural and Nature-based Solutions for Resilience
3. Promote Coordinated Governance
 - 3.1 Ensure Continuing Efforts by the Interagency Council on Climate Resilience to Lead a Coordinated, Whole-of-government Approach to Resilience

- 3.2 Actively Engage Local Governments and Other Partners to Develop Resilience Solutions
- 3.3 Incorporate Equity and Inclusion in Resilience Decision-making
- 4. Promote Climate-Informed Investments and Innovative Financing
 - 4.1 Expand Public Communication Efforts on Climate Change and Impacts on New Jersey
 - 4.2 Expand Climate Change Education and Training Opportunities
 - 4.3 Integrate Climate Change Vulnerability and Impacts into State Assessments
 - 4.4 Build a Collaborative Research Agenda to Guide Future Climate Resilience Research
- 5. Coastal Resilience Plan
 - 5.1 Integrate Climate Change into Existing State Investments and Funding Decisions
 - 5.2 Expand the Availability of Financing for Resilience Investments from Public and Private Sources
 - 5.3 Ensure Equity and Transparency in Resilience Investments

NJ Protecting Against Climate Threats (NJ PACT) (2020)

In 2020, Governor Murphy issued Executive Order No. 100, which directed the NJDEP to implement a series of regulatory changes called New Jersey Protecting Against Climate Threats (NJ PACT) to help the state adapt to climate change-related hazards.

Inland Flood Protection (IFP) Rule (2023)

The IFP Rule, effective July 2023, is the first phase of the NJ PACT regulatory updates. It requires the first floor of new buildings and roadways in the fluvial (non-tidal) flood zone to be raised three (3) feet above existing standards. Future projected rainfall must be used to determine flood levels and to design stormwater management infrastructure.

Pending Resilient Environments and Landscapes (REAL) (To be determined)

The NJDEP proposed phase 2 of NJ PACT in 2024, called the Resilient Environments and Landscapes (REAL) rule. The REAL rule further amends the flood hazard regulations by expanding the flood hazard area inland to address sea level rise. As proposed for 2025, new and rebuilt structures will need to be elevated four (4) feet higher than existing standards. The update also includes revisions to stormwater management rules and wetlands regulations. On January 20, 2026, the Department adopted the REAL rule amendments, incorporating the August 2024 proposal and the July 2025 Notice of Substantial Change, which were set to expire on July 20, 2026.

However, on June 1, 2026, the New Jersey Department of Environmental Protection (NJDEP) published a one-year extension of the legacy provisions of the Resilient Environmental and Landscapes (REAL) rules – from July 20, 2026, to July 20, 2027. During this extension period, eligible permit applications may continue to be evaluated under NJDEP regulations in effect prior to January 20, 2026.

The NJDEP has stated that the one-year extension will allow for a more comprehensive review of the proposed regulations, as well as stakeholder engagement with municipalities, counties, regional planning entities, real estate developers, and interested parties.

Affordable Housing (2024-2025)

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new method for calculating municipalities' affordable housing obligations. Later that year, the Department of Community Affairs (DCA) released non-binding estimates for the number of affordable housing units municipalities needed to build or rehabilitate by 2035 (the Fourth Round). The Borough's Fourth Round Prospective Need obligation is 30. The Borough does not have a present need (rehabilitation) obligation as determined by DCA.

The Fourth-Round Prospective Need obligation will be addressed through the existing Ptak Towers development at 215 Shore Drive, development within the CBD Redevelopment Area, and through the Borough's adopted Development Fee and Mandatory Set-Aside Ordinances.

On February 19, 2026, the Court entered a Consent Order recommending approval of the Borough's Fourth Round Housing Element and Fair Share Plan (HEFSP), subject to additional conditions.

The Borough adopted an amended HEFSP, and Spending Plan, as well as affordable housing-related ordinances on March 12, 2026, in accordance with the conditions of the Consent Order. The Borough is now fully compliant with its Fourth-Round affordable housing obligations.

State Studies and Guidelines

NJ Climate Change Resilience Strategy (2021)

Governor Phil Murphy signed Executive Order 89 in October 2019 to establish the Interagency Council on Climate Resilience. This council brings together seventeen agencies responsible for addressing climate-related hazards. The executive order also created the position of Chief Resilience Officer for New Jersey and tasked this role with delivering the state's first Climate Change Resilience Strategy and Coastal Resilience Plan. The state released the Climate Change Resilience Strategy in April 2021. The strategy outlines six priority areas with corresponding strategies for how state, regional, and local planning efforts can address climate change. These include building resilient and healthy communities, strengthening the resilience of the state's ecosystems, promoting coordinated governance, investing in information, promoting climate-informed investments, and developing a coastal resilience plan. The Coastal Resilience Plan is integrated into the Climate Change Resilience Strategy.

Distribution Warehousing and Goods Movement Guidelines (2022)

The New Jersey State Planning Commission adopted warehouse siting guidelines for municipalities in September 2022 to address the increased demand for warehouse/industrial space in the state. The guide aims to:

- Facilitate a proactive, rather than a reactive, approach; and
- Provide municipal factors to consider and balance when developing or updating a Master Plan and reviewing applications, land use, and development requirements; and
- Encourage a regional approach to planning, siting, and facilitating the logistics facilities.

State Development and Redevelopment Plan (SDRP) (2025-2026)

New Jersey adopted the latest State Development and Redevelopment Plan (SDRP) on December 17, 2025. The revised State Plan aims to address issues such as affordable housing, climate change, natural resources and open space preservation, redevelopment, and economic growth. Mapping revisions will be completed later in 2026, which will determine the land designations assigned to the Borough of Highlands.

SECTION D. RECOMMENDED CHANGES FOR THE BOROUGH'S MASTER PLAN AND LAND DEVELOPMENT ORDINANCE

"The specific changes recommended for the master plan or development regulations, if any, including underlying objectives, policies and standards, or whether a new plan or regulations should be prepared."

Borough-Wide Recommendations

The Borough prepared and released a 22-question public survey to provide local input for this 2026 Master Plan Reexamination Report on April 16, 2026. A summary of the survey, which includes responses through July 14, 2026, as well as its questions, can be found in Appendix A.

The public survey outlined the top two planning priorities to be "to protect the existing resource base through sensitive design, energy efficiency, sustainable waste management and to minimize the impact on the local environment" and "to create a balanced Borough - residential, business/employment, retail, community and leisure." Actions recommended assisting with these goals included prioritizing flood hazard mitigation strategies, supporting the distinct character of the CBD, promoting context-sensitive redevelopment, and remediating abandoned properties.

The primarily selected priorities to make Highlands a better place to live included:

1. Flood hazard Mitigation (Pump stations, etc.) (56%)
2. Character & Quality of the business districts (42%)
3. Abandoned Property Identification/Remediation (29%)

Further, per the survey results, nearly 90% of participants ranked the following two economic development objectives as "very/somewhat important": *"Capitalize on the economic resources represented by Sandy Hook, Route 36, the Twin Lights, the New York Ferry and the physical attractiveness of the area"* and *"Focus economic activity in the Borough's economic centers including Bay Avenue and commercial waterfront areas. Recognize the unique character of each area and promote development that will strengthen and reinforce market niches."*

Planning objectives for the Borough remain rooted in maintaining its predominately residential character, while promoting development that will strengthen and reinforce its niches (i.e., economic activity in the Borough's economic centers including Bay Avenue and commercial waterfront areas). Regulating and providing adequate parking for all uses remains an important factor to the Borough. Based on the survey results and these primary planning goals and objectives, additional recommendations are offered:

1. Prepare an Amended Stormwater Management Plan

The Borough's most recently adopted Stormwater Management Plan was adopted in August of 2007. This Plan should be amended to reflect revised State-, County- and local-level documents, particularly Chapter 25 of the Borough Ordinance "Stormwater Management and Control," which was most recently amended on June 5, 2024 (via Ordinance 24-09).

2. Attain Community Rating Certification (CRS) Certification from FEMA.
3. Amend the Central Business District Redevelopment Plan to reconsider parking standards along Bay Avenue.
4. Establish a Borough-wide list of historic sites and implement physical plaques to denote them.
5. Coordinate with the Clam Plant Steering Committee, desired partners, Borough professionals, and other applicable entities to actualize the plans for the JT White Clam Plant (as outlined in the adopted 2025 JT White Clam Depuration Plant Plan).

As of the writing of this Plan, the Borough has prepared a marketing outline for the Clam Plant project and received a cost estimate from the Borough Construction Official.

Recommended Changes to the Borough's Master Plan

1. Update the Land Use Element

As the MLUL revisions require the Land Use element of a municipality's Master Plan to address "smart growth" and include a Climate Change-Related Hazard Vulnerability Assessment (CCRHVA), it is recommended that the Borough's Land Use element be reviewed and amended or supplemented as needed. It is recommended that the Borough conduct a CCRHVA to evaluate the impact of natural hazards, especially flooding, in relation to the Master Plan, and to develop strategies for addressing climate change-related natural hazards. The CCRHVA could also help in implementing the high-priority projects identified in the County Hazard Mitigation Plan.

2. Update the Circulation Element

Promoting a fully intermodal transportation system which encourages alternatives to driving such as mass transit, ferry and bicycle/ pedestrian facilities remains a goal of this Reexamination Report. The Borough's Circulation Element should be updated to provide strategies to improve the Borough's circulation patterns for pedestrians, cyclists, and vehicles alike, particularly to/from the CBD zone, the waterfront, and in relation to the Seastreak ferry terminal. It is noted that an application for the Seastreak terminal is currently in front of the Borough's Land Use Board. This application proposes to update the parking and circulation throughout the terminal's parking lot, as well as stormwater management improvements.

As pedestrian safety improvements along Shore Drive and others have been ongoing, the amended Circulation Element should also outline the Borough's strategies for shared roadways and emerging mobility options (e.g., e-bikes and e-scooters) and include an updated inventory of areas with high traffic accident rates. Improvements for these high traffic areas was ranked as important consideration in the public survey for this 2026 Master Plan Reexamination Report. Parking concerns and logistics, another important issue outlined in the previous Reexamination Report and public survey, will also be addressed in the updated Circulation Element.

3. Update the Conservation and Community Facilities Element

To evaluate existing parks, open space, and recreation programs in the Borough, the Conservation and Community Facilities Element should be reviewed and amended or supplemented as needed. The Borough is actively completing updates to Frank Hall Park, and since the previous 2016 Reexamination report has authorized professional engineering services for Overlook Park, Gertrude Ederle Park, Veterans Memorial Park, Snug Harbor Park, and Huddy Park. Other suggestions, including an inventory of public and private beaches within the Borough, could also be considered in an Open Space Element update.

4. Update the Utilities Plan Element

A thorough review and revision of the Utilities Plan Element should be conducted, particularly in relation to the completed drainage and stormwater improvements along Portland Road, Twin Light Terrace, Jones Creek, and Grand Tour, and the Borough-wide sanitary sewer projects which were authorized after the previous 2016 Reexamination Report. Appropriate replacement of community utilities, particularly in relation to redevelopment, was cited in the public survey as important to Borough residents.

5. Prepare a Public Access Element

It is recommended that a Public Access Plan be prepared for the Borough of Highlands to expand recreational opportunities along the Sandy Hook Bay waterfront, the Henry Hudson trail, and Sandy Hook. The NJDEP provides a map of public access points across New Jersey and a model Public Access Plan for municipalities. In addition to a map of public access points, the plan should also include public facilities that support access including parking, boat ramps, and marinas; an assessment of the need for additional public access; a statement of goals and administrative mechanisms to ensure that access will be permanently protected; and a strategy that describes the forms of access to satisfy the need for such access with an implementation schedule and tools for implementation. Findings from the Borough's 2023 Landscape Architecture Study should inform this document, as it targets public parking lots, beaches, parks, and the Sandy Hook Bay Bluff Slope.

6. Prepare a Green Building and Sustainability Element

The Borough adopted Resolution 22-129 on May 4, 2022, which endorsed the adoption of Green Building practices for civic, commercial, and residential buildings. The creation of a Green Building and Sustainability Element will enhance the resiliency of the Borough's built environment.

Recommended Changes to the Borough's Land Use Ordinance

1. Condense the overall number of zoning districts in the Borough.

- a. The public survey released for this current Master Plan Reexamination Report reiterated the need to reduce the number of zoning districts in the Borough. All zoning districts in the Borough should be reviewed to determine whether any of the existing zones can be merged. While all zones should be considered, a particular focus should be made on condensing the single-family residential (i.e., R-1.01, R-1.02, R-1.03, R-2.01, R-2.02, R-2.03) business (i.e., B, PB, and HO), and waterfront commercial (i.e., WT-C, WC-1, WC-2, WT-C/T) zones.
- b. **During this evaluation, all bulk standards should be reviewed, particularly to:**
 - i. Add standards for building story limitations, in addition to height limits.
 - ii. Revise the minimum required front and side yard setback requirements in the residential zones.
 1. Between 2018 and 2025, within the existing residential zones (i.e., R-1.01, R-1.02, R-1.03, R-2.01, R-2.02, and R-2.03) a total of 21 and 20 variances were requested for insufficient side and front yard setbacks, respectively. The Borough should revisit these requirements and increase the minimum requirements, according to what is appropriate in each district.

SECTION E: RECOMMENDED REDEVELOPMENT PLANS

“The recommendations of the Planning Board concerning the incorporation of redevelopment plans adopted pursuant to the “Local Redevelopment and Housing Law,” P.L. 1992, c. 79 (C.40A: 12A-1 et seq.) into the land use plan element of the municipal master plan, and recommended changes, if any, in the local development regulations necessary to effectuate the redevelopment plans of the municipality.”

The Borough designated its first Area in Need of Redevelopment at the site of the former ShadowLawn Mobile Home Park, which is now called Scenic Highlands. The Redevelopment Agreement and Financial Agreements for the site were executed on November 7, 2025, and February 3, 2026, respectively.

It is recommended that additional investigations be made to create an amended redevelopment plan for the Captains Cove Marina site at Block 84, Lot 2.01.

It is also recommended that underutilized waterfront commercial properties be investigated for redevelopment, to foster economic development efforts which recognize the unique character of these areas.

SECTION F: RECOMMENDATIONS REGARDING ELECTRIC VEHICLE INFRASTRUCTURE

“The recommendations of the Planning Board concerning locations appropriate for the development of public electric vehicle infrastructure, including but not limited to, commercial districts, areas proximate to public transportation and transit facilities and transportation corridors, and public rest stops; and recommended changes, if any, in the local development regulations necessary or appropriate for the development of public electric vehicle infrastructure.”

In accordance with State Law (P.L. 2021, c. 171), the Borough adopted §21-65.6A, “Electric Vehicle Supply/Service Equipment” on May 17, 2023, via Ordinance O-23-07. Further, the Borough has installed EV infrastructure on its municipal parking lot at 171 Bay Avenue, and at the parking lot for the Bahr’s Landing Restaurant.

It is recommended that the Borough encourage the installation of public electric vehicle (EV) infrastructure on all public parking lots, and those surface parking lots located within the Central Business District along Bay Avenue.