

Garden State Preservation Trust
November 20, 2018 Meeting Minutes
Statehouse Annex Meeting Room 15

Chairman Greg Romano called the meeting to order at 11:34 a.m.

Executive Director Ralph Siegel read a statement that advance notice of at least 48 hours was given of the date, time, place and agenda of this public meeting of the Garden State Preservation Trust for Tuesday, November 20, 2018 at 11 a.m., and distributed in accordance with the New Jersey Open Public Meetings Act to Statehouse Press Corps, specifically to the Associated Press, Bloomberg News, New Jersey Spotlight, Town Square Radio Network, New Jersey Public Media NJTV and News 12 New Jersey, and to various Statehouse offices, the Office of Legislative Services and to the Office of the New Jersey Secretary of State for due notification and to be posted, published and broadcast.

Mr. Siegel called the roll. Public members in attendance were: Chairman Romano, Andrew Buzby and Ben Spinelli. Ex-officio members in attendance were Susan Payne (for Agriculture Secretary Douglas H. Fisher), Martha Sapp (for DEP Commissioner Catherine McCabe), Dorothy Guzzo (for Community Affairs Commissioner Lt. Gov. Sheila Y. Oliver) and David Moore (for Treasurer Elizabeth Muoio).

Vice Chairman Ken Atkinson and public member Andrew McNally were absent.

Mr. Siegel announced to the board Vice Chairman Atkinson's intention to resign from the board on the occasion of his retirement at the end of the year. (A letter of resignation was submitted on Nov. 26.)

OPENING REMARKS

Chairman Romano welcomed members to the meeting and thanked them for coming. He thanked Vice Chairman Ken Atkinson for running the last meeting and he wished everyone Happy Thanksgiving. He made note of the fact that this, the third meeting of the year for the Trust, represented the largest number of meetings since 2012.

APPROVAL OF MINUTES OF OCT. 9 2018 BOARD MEETING

Chairman Romano requested one correction to the minutes and asked if there were any other corrections or clarifications to the draft minutes of the meeting. There were none. Mr. Siegel noted the consideration of these official minutes was a formality because a substantive version of the minutes had been submitted on Oct. 9 and had completed the Governor's veto period.

Moved by Ms. Payne

Seconded by Mr. Buzby

Approved 5-0

Mr. Spinelli and Ms. Sapp abstained because they had not attended the Oct. 9 meeting.

ELECTION OF OFFICERS FOR 2019

Mr. Siegel explained the statutory rotation of officers as defined in the statutory language of the Garden State Preservation Trust Act. He said former board member Laura Overdeck had been elected chair for this year but had resigned from the board, which caused Vice Chairman Romano to advance to fill the role as Chairman. Mr. Siegel said that for the chairmanship in 2019 one of the Senate President's appointees was to serve as chair. These are Chairman Romano and Mr. Spinelli.

Mr. Spinelli nominated Chairman Romano to serve again as chairman for 2019.

Ms. Payne seconded the nomination.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Chairman Romano as chairman again for 2019.

Mr. Siegel explained the vice-chairman could be elected from any of the public board members. He also announced word from Vice Chairman Ken Atkinson that he would be leaving the board at the end of the year. (A letter of resignation was submitted on Nov. 26.)

Chairman Romano nominated Mr. Buzby as vice-chair for 2019.

Ms. Payne seconded the nomination.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Mr. Buzby as vice-chairman for 2019.

Mr. Siegel explained the board could elect anyone to serve as Secretary and as Treasurer and could combine the positions. The statute does not require these posts to be held by a voting board member. He explained the posts have been combined since 2004.

Chairman Romano nominated Mr. Siegel to serve in the combined post of Secretary-Treasurer for 2019.

Mr. Moore seconded the nomination.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Mr. Siegel Secretary-Treasurer for 2019.

CONSIDERATION OF MEETING DATES FOR 2019

Mr. Siegel explained the proposed schedule of meetings and the deadlines for project package submissions. The proposed meeting schedule for 2019:

1. Tuesday, May 7 (Project submission deadline April 24)
2. Tuesday, June 11 (Project submission deadline May 29)
3. Tuesday, October 8 (Project submission deadline Sept. 25)
4. Tuesday, November 19 (Project submission deadline Nov. 6)

Mr. Siegel conducted a roll call vote.

Approved 7-0 to adopt the four-date meeting schedule for 2019.

EXECUTIVE DIRECTOR'S REPORT

Mr. Siegel explained the contents of the Members' "Meeting Folders" including the locations of the Resolutions and the Green Acres Summary and project descriptions. He said Blue Acres acquisitions were explained including a map showing all municipalities in the state being eligible.

Mr. Siegel special note of the package of news clippings, highlighting a story and press release about the massive 2,200-acre Hudson Farm easement acquisition in Morris County.

Mr. Siegel said the board's resolutions for Farmland Preservation and Historic Preservation projects from the last meeting on Oct. 9 were introduced as appropriations legislation on Oct. 29. The bills have been assigned to committees and are ready for action.

Mr. Siegel noted progress on Senate Bill S-3031 Historic Property Reinvestment Act and Gov. Murphy's endorsement of the bill to allow tax credits to offset part of the costs of historic restoration projects. Mr. Siegel noted that most privately owned properties cannot be eligible for receive GSPT funding through New Jersey Historic Trust grants so this tax-credit proposal is an important initiative and outreach measure to the private sector owners of historic properties.

EXECUTIVE DIRECTOR'S FISCAL REPORT

Mr. Siegel continued his report by merging into the Fiscal Report for the Green Acres program.

Mr. Siegel said the sums requested \$12,642,000 for Green Acres State Acquisitions and \$3,054,000 for Blue Acres acquisitions are available according to the table provided by the Office of Management of Budget.

CBT Allocation By Department							
<i>(in thousands)</i>							
Agency	Prior Years			FY19			Available
	A CBT 71% Dedication ¹	B Diesel Balance ²	C (A+B) Subtotal, CBT Resources	D CBT 71% Dedication ³	E Diesel Balance ²	F (D+E) Subtotal, CBT Resources	G (C+F) Grand Total, CBT Resources ⁴
Environmental Protection (64%)							
Open Space (60%)	21,426	-	21,426	33,080	1,893	34,972	56,399
Acquisition ⁵	1,160	-	1,160	11,446	36	11,482	12,642
Development ⁶	-	-	-	2,903	37	2,940	2,940
Loans and Grants - Locals	17,114	-	17,114	15,817	1,537	17,353	34,467
Grants - Non-profits	3,152	-	3,152	2,914	283	3,197	6,349
Blue Acres (4%)⁵	269	-	269	2,775	10	2,784	3,054
Total, Environmental Protection	21,696	-	21,696	35,855	1,902	37,757	59,452
Agriculture (31%)							
Farmland Preservation	2,708	-	2,708	20,860	-	20,860	23,567
Stewardship	-	-	-	25	68	94	94
Total, Agriculture	2,708	-	2,708	20,885	68	20,953	23,661
Community Affairs (5%)							
Total, Historic Preservation	6,436	-	6,436	3,469	11	3,480	9,915
Grand Total	\$ 30,839	\$ -	\$ 30,839	\$ 60,208	\$ 1,982	\$ 62,190	\$ 93,029

Mr. Siegel explained the \$2.94 million recommended to fund capital projects at the Department of Environmental Protection (DEP) for State Parks and other State-owned lands. He said this sum was a supplement to the \$9.7 million approved by the board last June 12, which was subsequently passed by the Legislature as Assembly Bill 4211 and signed into law on August 10. He said the \$9.7 million was based on forecasts of Corporation Business Tax (CBT) revenue for the current fiscal year but that those forecasts have changed as a result of a set of CBT rate increases approved as part of the State Budget adopted on July 1. This uptick to the expected collection of the CBT added \$2.94 million now available for DEP capital

projects and so that supplemental amount was being recommended for board approval at this time.

Mr. Siegel said this supplement added to the recommendation approved in June with bring to the total for DEP capital projects to \$12.64 million for the current fiscal year.

Ms. Sapp cautioned from the repeated use of the phrase “block grants” in GSPT documents reference to the allocation of funds for the Green Acres State Acquisition program. Mr. Siegel said he calls them block grants with respect to the deployment of GSPT funds but Ms. Sapp said are not really grants, they are appropriations, and that a different phrase might be better to avoid confusion. Mr. Siegel agreed to do so.

PRESENTATION OF GREEN ACRES STATE ACQUISITION RECOMMENDATIONS

Fawn McGee of the Office of Green Acres made a presentation on her agency’s recommendations for funding.

Ms. McGee thanked the board for holding a meeting to address the recommendations. She said a new round of funding will enable her office to proceed on exciting projects large and small that they have been looking forward to completing. She discussed the historic Hudson Farms acquisition of an easement in October on a 2,200-acre tract in Byram, Sparta and Hopatcong townships in Sussex County. She said it was the final phase of a conservation easement deal in the Highlands that exceeds 3,000 acres. She said the project will include a 12-mile trail system easement that will add a significant section to the “Highlands Trail.” She noted the DEP prepared a promotional video on this 10-year project that can be viewed on Facebook and You Tube at <https://www.youtube.com/watch?v=j1gYZi6zpss>.

Concerning the recommendations at issue in this meeting, Ms. McGee outlined the nine geographical sections in which these grant projects were identified out of a total of about 20 geographical sections in the State used by her program. She said, “We are literally looking at active negotiations or priorities for the Departments of Parks & Forestry and Fish & Wildlife, and once we have the moneys in place we can move forward with our normal real estate transactions, appraisals and environmental (reviews) and then making offers.” She said landowners have offered about 350 parcels for sales to the DEP under this program. She said sites are selected according to their proximity to existing facilities or parcels, as critical habitat and other criteria.

Concerning Blue Acres, Ms. McGee said they still drawing down from over \$300 million in federal funds that have come to the State through the Federal Emergency Management Agency (FEMA), with about \$172 million in federal grants expended to date on more than a thousand properties approved for acquisition. She said offers have been made to 944 families, of which 723 offers have been accepted, of which her agency has closed on 672 properties, of which 542 of the houses have been demolished to clear the land for habitat, recreational access or open space. In 67 cases, she said negotiations have included working with mortgage-holding banks to accept a lower value on the property because the mortgage loans exceeded the final value of the properties. She said these negotiations have led to more than \$5 million in debt forgiveness.

Ms. McGee said State Blue Acres funds fill the gaps when properties are not qualified for FEMA funding. She also highlighted a special project in the acquisition of 28 lots and the restoration of Money Island in Downe Township, Cumberland County, which is a critical wildlife habitat. She said wildlife issues limit the time of year that demolitions can be accomplished.

Ms. McGee said the program for its efforts in planning and completion of acquisitions has received the New Jersey Floodplain Management Leadership Award for 2018.

Ms. McGee said consistent funding enables planning and forecasting for major projects. These include a 136-acre acquisition in Lacey Township to protect Barnegat Bay watershed to be added to Double Trouble State Park. She said another project in Cape May is a 682-acre tract in Upper Township Peaslee Wildlife Management Area, one of the state's largest. She also mentioned a parcel of more than 1,000 acres in Hamilton Township, Atlantic County, to be added to Great Egg Harbor Wildlife Management Area. She said this last project will be acquired in cooperation with The Nature Conservancy. She said the Office of Green Acres is working to leverage taxpayer funds by establishing funding partnerships with other agencies and nonprofits.

Chairman Romano thanked Ms. McGee for her presentation and asked if there were any questions.

Mr. Siegel asked about the mortgage negotiations.

Ms. McGee said they are allowed to make purchase offers based on the pre-storm value of the property and then to negotiate with the mortgage-holding banks to show that Green Acres was offering the best price available. She said there were 67 cases of acquisitions in which the mortgage loan exceeded to home value. She said they negotiated with these banks to accept a lower price than the mortgage loan value "because they were still getting more than they would by trying to put those homes on the market themselves" through foreclosure. She said part of the negotiation included informing the banks that if they did proceed with a mortgage foreclosure to seize the property, Green Acres would not then be willing to buy it from them nor would they be able to sell the property on the private market because it would be identified as flood prone or as being located in a flood-hazard zone.

Chairman Romano asked if the use of pre-storm values was in federal regulation. She said it was. Chairman Romano said he thought it was interesting that this method of appraising pre-storm values was permitted because it was quite similar to the dual-appraisal valuations done in the Highlands (which the federal government does not recognize).

Chairman Romano congratulated Ms. McGee and the Office of Green Acres on the Hudson Farms acquisition.

DISCUSSION, CONSIDERATION OF RESOLUTION #18-009 TO APPROVE \$12,642,000 FOR GREEN ACRES RECOMMENDATIONS FOR STATE ACQUISITION FUNDING IN 9 PROJECT AREAS FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) GREEN ACRES FUND AND FROM THE DIESEL RISK MITIGATION FUND.

Chairman Romano asked for consideration of the resolution.

Moved by Ms. Payne

Seconded by Ms. Sapp

Approved 7-0

SIDE NOTE (NOT PART OF THE SUBSTANTIVE MINUTES): This resolution approves the appropriation of \$12,642,000 for Green Acres State acquisitions as recommended by and to be carried out by the Office of Green Acres.

The sources of funding break down as follows:

- **\$11.446 million from CBT FY2019 funds**
- **\$1.160 million from CBT FY2018 funds that were unappropriated**
- **\$36,000 from Diesel Risk Mitigation funds**

DISCUSSION, CONSIDERATION OF RESOLUTION #18-010 TO APPROVE \$3,054,000 FOR OFFICE OF GREEN ACRES RECOMMENDATIONS FOR BLUE ACRES ACQUISITIONS FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) BLUE ACRES FUND AND FROM THE DIESEL RISK MITIGATION FUND.

Chairman Romano asked for consideration of the resolution.

Moved by Ms. Sapp

Seconded by Ms. Payne

Approved 7-0

SIDE NOTE (NOT PART OF THE SUBSTANTIVE MINUTES): This resolution approves the appropriation of \$3,054,000 for Blue Acres flood property acquisitions as recommended by and to be carried out by the Office of Green Acres.

The sources of funding break down as follows:

- \$2.775 million from CBT FY2019 funds
- \$269,000 from CBT FY2018 funds that were unappropriated
- \$10,000 from Diesel Risk Mitigation funds

PRESENTATION OF DEP CAPITAL PROJECT RECOMMENDATIONS

Chairman Romano introduced Robin Madden, a manager in the office of the DEP Assistant Commissioner for Natural Resources.

Ms. Madden said she was prepared to answer any questions about the list of Capital Projects included in the members' "Meeting Folders." She said the projects were at facilities and lands owned and operated by the Division of Fish & Wildlife and the Division of Parks & Forestry. She said, "We do have a nearly \$400 million backlog in capital projects and this funding is chipping away at that, slowly."

Ms. Payne asked how projects are prioritized.

Ms. Madden said there were multiple factors such as visitation and potential revenue that can be drawn. Ms. Payne asked about dam repairs and Ms. Madden said they are always a priority.

DISCUSSION, CONSIDERATION OF RESOLUTION #18-011 TO APPROVE A SUPPLEMENTAL RECOMMENDATION OF \$2,940,000 FOR DEP CAPITAL PROJECTS FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) GREEN ACRES FUND AND FROM THE DIESEL RISK MITIGATION FUND.

Chairman Romano asked for consideration of the resolution.

Moved by Ms. Sapp

Seconded by Ms. Guzzo

Approved 7-0

SIDE NOTE (NOT PART OF THE SUBSTANTIVE MINUTES): This resolution approves the appropriation of \$2,940,000 for Capital Projects in DEP Division of State Parks and Division of Fish & Wildlife for permanent capital improvements for FY2019.

The sources of funding break down as follows:

- **\$2.903 million from CBT FY2019 funds**
- **\$37,000 from Diesel Risk Mitigation funds**

This appropriation of \$2,940,000 for Capital Projects for FY 2019 is a supplement to an appropriation of \$9,703,000 approved by the Trust Board at its June 12 meeting. The June 12 vote was taken to ensure funds were in place for urgent facilities repairs at the onset of the new fiscal year on July 1. The subsequent State Budget Act increased CBT revenue forecasts for FY2019 so this second measure appropriates the additional sum available. The total appropriation for Capital Projects in DEP Division of State Parks and Division of Fish & Wildlife is \$12,643,000.

BOARD MEMBER COMMENT

Chairman Romano asked if any board members had anything to add or had a comment to make. At this point there were none.

Chairman Romano then asked Mr. Siegel if there was any other business.

Mr. Siegel reminded board members that at the June 12, 2018, board meeting they had received a presentation from Dr. John Haase of Rowan University and Laura Swzak of the New Jersey Conservation Foundation (NJCF) concerning the “New Jersey Conservation Blueprint,” a Web site GIS project being conducted by the university’s Geospatial Research Lab in collaboration with several nonprofit land trusts, including NJCF.

Mr. Siegel said he intended to discuss with Vice Chairman Andy Buzby and returning to the board with a proposal to develop a Garden State Preservation Trust grant to help fund this Web site program “under the notion that it is an advantage to all of the funded programs.” The intention was to consult and seek direction from the vice chairman because the chairman as an NJCF employee would need to recuse himself on this matter.

Mr. Siegel said initiating such a grant would be a bureaucratic challenge and that he did not yet know the procedures, and whether Treasury administrators would require a new regulation or the issuance of a “request-for-proposals.” He said he intended to proceed with researching how to create and award the grant but that he wanted some idea first that the board members generally agreed with the idea.

Mr. Siegel said during his first six years at the GSPT the board conducted and funded several side projects and conferences. He said nothing was done in the past eight years but that he would like to see the Trust undertake such projects again. He said he intended to continue to gather facts and make a presentation to discuss it with the board at their next meeting.

No formal vote was taken on the question but no board member one voiced any objections.

Continuing the board member comment period, Mr. Spinelli asked for a report showing the use and/or expenditure of CBT funds with detail on projects, acres and cost, “to show that we provided added value to the taxpayers, so that we can show some accountability” with real-world results. He said it would be important to see and report such accomplishments “with the dollars that we have been approving.”

Ms. Payne said farmland statistics are posted at their Web site. Mr. Spinelli agreed the agricultural statistics are made public and transparent but he was concerned with similar accounting for the other programs.

Ms. Payne added that her staff makes use of the New Jersey Conservation Blueprint every day and that she was “delighted” to hear that the executive director was researching and the board would consider a grant to help fund the program.

ADJOURNMENT

Chairman Romano asked to adjourn the meeting.

Moved by Ms. Payne

Seconded by Ms. Guzzo

Approved unanimously 7-0 by voice vote.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'R. Siegel', with a stylized flourish at the end.

RalphSiegelSiegel
Ralph Siegel
Executive Director/Board Secretary
October 8, 2019

Also attending the meeting:

Robin Madden of the DEP Office of Natural Resources, Carrie-Anne Calvo of the Office of Legislative Services, Thea Sheridan of the Assembly Republican Staff, Drew Tompkins of NJ Audubon/Keep-It-Green Campaign.