

APPROVED

Garden State Preservation Trust

Jan. 29, 2008

Meeting Minutes

Chairwoman Rosenfeld called the meeting to order at 11:05 a.m. Ralph Siegel, executive director, read a statement certifying compliance with the Open Public Meeting's Act, and called the roll. Public members present were: Jan Rosenfeld, chair; Herbert G. Wegner and Robert Hughey. Ex-officio members present were Agriculture Secretary Charles M. Kuperus, Deputy Commissioner John S. Watson Jr. (for DEP Commissioner Lisa P. Jackson) James Requa (for Department of Community Affairs Commissioner Joseph V. Doria) and Elizabeth Cervenak (for State Acting Treasurer R. David Rousseau.)

OPENING REMARKS

Chairwoman Rosenfeld welcomed members. She welcomed former DEP Commissioner Hughey to his first meeting as a Senate appointee to the Garden State Preservation Trust.

APPROVAL OF MINUTES OF OCT. 3, 2007 BOARD MEETING

Chairwoman Rosenfeld asked for corrections or clarifications to draft minutes from the Oct. 3 2007 meeting. Several corrections were made.

Moved by Chairwoman Rosenfeld

Seconded by Ms. Cervenak

Approved 7-0.

ELECTION OF OFFICERS FOR 2008

Mr. Siegel explained the statutory rotation of the chairmanship between different appointees. He said for 2008 the GSPT Act specifies that the chair be selected from among the Assembly appointees. Since one of the Assembly seats was vacant, that left only Mr. Wegner eligible to be selected as chairman for 2008.

Secretary Kuperus nominated Mr. Wegner as chair.

Chairwoman Rosenfeld seconded.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Mr. Wegner chairman for 2008.

Mr. Siegel reminded the members the election does not take effect until the Governor's 14-day veto period has expired so Chairwoman Rosenfeld continued to chair the meeting.

Chairwoman Rosenfeld nominated Mr. Murphy to be vice chairman for 2008.

Mr. Watson seconded.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Mr. Murphy vice chairman for 2008.

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Mr. Siegel explained the board could elect anyone to serve as Secretary and as Treasurer. The statute does not require this post to be held by a board member. Mr. Siegel also explained the board since 2004 has seen fit to combine the two positions into a single Secretary-Treasurer and further that the board since 2004 has elected him to that position.

Chairwoman Rosenfeld nominated Mr. Siegel to the combined post of Secretary-Treasurer for 2008.

Mr. Wegner seconded.

Mr. Siegel conducted a roll call vote.

Approved 7-0 to elect Mr. Siegel Secretary-Treasurer for 2008.

EXECUTIVE DIRECTOR'S FISCAL REPORT Part 1

Mr. Siegel presented a "snapshot" document of the funds available in the Garden State Historic Preservation Trust Fund and explained the \$12 million remaining in the fund is more than adequate to cover to recommended grants of \$1.1 million.

PRESENTATION BY NEW JERSEY HISTORIC TRUST RECOMMENDATIONS ON HISTORIC SITE MANAGEMENT GRANTS FOR FY2008

New Jersey Historic Trust Supervising Historic Preservation Specialist Ross Sweetland presented the recommendations approved by the NJHT board. He said the Historic Trust last year received 55 applications for the planning grants, which are awarded every other year in alternating rounds with the larger capital grants. He said the Historic Trust board had approved 26 grants ranging from \$6,800 to \$50,000.

Mr. Sweetland said three consultants were hired to assist the Historic Trust staff in reviewing the grant applications. He said criteria for approval include the significance of the resource, the concept of the project, the ability of the applicant to carry out the project, and the public benefit.

Mr. Sweetland made a slideshow presentation showing the 26 sites which were recommended for grants totaling \$1,068,921.

Mr. Sweetland said the long-range plan was to recommend an \$11 million round of the larger capital grants later in the year or in early 2009. He said applicant workshops would be held in the spring so that applications could come in during the summer.

Secretary Kuperus asked about the Bivalve Shipping Sheds project. Mr. Sweetland said previous funding has stabilized the shucking-house buildings and the current recommended grant was to improve accessibility and to fund visitor interpretation of the historic commercial fishing site. He said it is a unique site because it is one of the only in New Jersey to preserve and interpret the shell-fishing industry of the 19th Century.

Secretary Kuperus said it was critical to interpret the past with an opportunity to also publicize the renewal of the modern shell-fishing industry. Mr. Wegner agreed it was an interesting area where historic tours could be linked to and integrated with agricultural tourism.

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Mr. Watson asked how many applications were turned down. Mr. Sweetland said the recommendations before the Trust board represented about half the number of the grant applications. Mr. Watson asked which factor was primary in limiting the number of grants. Mr. Sweetland said they were primarily limited by the total funds available.

RESOLUTION # 08-001 APPROVING NEW JERSEY HISTORIC TRUST RECOMMENDATIONS FOR HISTORIC SITE MANAGEMENT GRANTS FOR FY2008

Chairwoman Rosenfeld asked for motions to approve the Resolution.

Moved by Mr. Wegner
Seconded by Mr. Watson.
Approved 7-0

Vice Chairman Michael Murphy arrived for the meeting at 11:35 a.m.
Susan Craft replaced Secretary Kuperus at the meeting and served as his designee.

EXECUTIVE DIRECTOR'S FISCAL REPORT Part 2

Mr. Siegel presented a "snapshot" document of the funds available in the Garden State Green Acres Preservation Trust Fund. He said funds available have been revised upward because interest earnings in the fund during 2007 were double what had been forecast, providing additional funds available for appropriation.

Mr. Siegel said \$73 million has been appropriated or recommended for appropriation for FY2008, with \$22.5 million remaining available for appropriation. Of this amount, \$16.1 million was available for use by the Local Grants program and \$1 million available for use by the Nonprofit Grants program.

Mr. Siegel explained the FY2008 State Budget also provided a one-time special appropriation of \$25 million for the Green Acres Program to use for Local and Nonprofit grants. He said \$21 million was also available from funds that were be reallocated from old grants that had been cancelled. These funds in combination provided adequate funding for the Green Acres recommendations of \$55 million in Local Grants and \$8.3 million in Nonprofit Grants.

PRESENTATION BY OFFICE OF GREEN ACRES OF RECOMMENDATIONS FOR LOCAL GRANTS AND NONPROFIT GRANTS FOR FY2008

Green Acres Program administrator John Flynn told the members 2007 was an exciting and productive year for the program thanks largely to his hard-working staff. He introduced deputy administrator Gary Rice and Local Grants program director Martha Sapp, who made the presentation.

Ms. Sapp offered the following statement:

"We appreciate the opportunity to bring for your consideration a funding package that will improve the quality of life of residents in every county — and by residents I

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mean humans, plants and critters. We are excited to be here because we have something for everyone.

“As you know, Green Acres was created in 1961. Since that time, together with public and private partners, we have protected almost 620,000 acres of open space and provided hundreds of outdoor recreational facilities in towns around the State. The total acreage of protected open space and farmland across the State has exceeded 1.35 million acres.

“Green Acres focuses on preserving environmentally sensitive open space, vital water resources and significant natural and historic resources.

“We care about habitat for our threatened and endangered species. We also ensure that kids of every age – all over the state – have a safe place to play.

“What we do promotes smart growth and connects community with nature.

“In fact, I remember after 9/11, reading about all of the impromptu gatherings that occurred in parks around the country. People needed support and reached out to each other. And where did they go? They naturally gravitated to parks, our community gathering places.

“That is just one of countless examples of why we should be proud of what we do.”

Ms. Sapp said the Local and Nonprofit Grants have executed two specific functions: building parks and acquiring land. She said funds for these critical purposes are dwindling. She noted the 2008 State Budget included a special appropriation of \$25 million to keep the Local and Nonprofit Grants programs going. She also explained her office has been canceling grants to old projects that failed to make sufficient progress. She said Green Acres local projects often take time and her office endeavors to be flexible, but if no progress is seen the funds are then recalled so they can be made available as new grants to local governments that are “ready to move.” She said canceling old grants is unpleasant but necessary.

Ms. Sapp said applications for the FY2008 recommendations were distributed in July 2007 and received in October. She said Local Grants funding would be going to 20 of 21 counties simply because one county filed no applications. She said Nonprofit Grants would fund potential projects in all 21 counties.

Ms. Sapp said the grant formulas recognize urban communities and those with high population densities. She said most GSPT funds by necessity go to land acquisitions outside of urban areas, so the Green Acres Local Grant program becomes especially important because it provides funding for urban recreation sites. She said the “base award” grant level was \$300,000 for land acquisition and \$250,000 for recreational development projects, but urban communities, densely populated communities and communities that raise their own taxes to fund conservation will receive proportionate increases in excess of this base award. She said all municipalities were limited to one grant approval and counties are limited to two grant approvals.

Ms. Sapp said 234 municipalities and all 21 counties have open-space preservation taxes bringing in local matching funds of \$340 million annually. She said 86 grants, the largest number, are going to “planning incentive” communities to continue to fund their multi-year land acquisition plans.

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Chairwoman Rosenfeld asked about the terms on Green Acres “Green Trust” loans which are awarded. Ms. Sapp said loans for land acquisition have 30-year terms and loans for park development are 20 years. She said the loans are made with an interest charge of 2 percent except in urban-aid communities, where no interest is charged.

Chairwoman Rosenfeld asked about the consequences for failure to repay the loan. Mr. Rice explained if the loan repayment is not built into the municipal budget the budget will not be approved by the state Department of Community Affairs. In addition, he said, loan default would impair the flow of state aid and of other state funds.

Chairwoman Rosenfeld asked how much comes in annually in loan repayment revenue. Mr. Rice said it was about \$2 million a year.

Ms. Sapp continued her presentation, explaining the Nonprofit Grants go to land trust organizations that range from small, local groups to international conservation organizations with chapters in New Jersey.

Ms. Craft asked whether Nonprofit Grant applicants who plan multi-million dollar projects complain that small grants of \$300,000 do not do help them. Ms. Sapp said such projects frequently accumulate grants over multiple years and that Green Acres takes this into account when calculating whether grants are being used in a timely manner. Mr. Rice added the scenario Ms. Craft described is quite rare, and that in most cases the land has been acquired already before the grant applications are filed for reimbursement in phases over multiple years. He said this method of funding seems to be working but there are complaints. He cited a case where one applicant needed \$7 million and received a grant of \$300,000. But he said over the history of the program the funding system has worked.

Mr. Requa asked if the “planning incentive” grants provided funds to prepare preservation plans. Ms. Sapp the grants were only for acquisitions or development.

Ms. Craft noted the Nonprofit Grants would be awarded to project areas, not specific land acquisitions. She asked whether the land trust which receives the grant has the choice to apply the funds to the project of their choice within the project area. Ms. Sapp said they did. She said this flexibility allows land trusts to select priority sites.

Ms. Craft referred to a map of proposed Green Acres Nonprofit Grants statewide and asked about the apparent concentration of grants in Essex County. Ms. Sapp said a large number of applications came in from nonprofits which are active in developing parks in Newark.

RESOLUTION # 08-002 APPROVING GREEN ACRES

LOCAL ACQUISITION AND DEVELOPMENT GRANTS FOR FY2008

Chairwoman Rosenfeld asked for motions to approve the Resolution.

Moved by Ms. Craft.

Seconded by Mr. Requa

Approved 8-0

Mr. Siegel explained the Nonprofit Grant resolutions are broken into three parts to accommodate the chairwoman’s need to recuse herself from one Morris County project

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and because the funding was coming from two different trust funds and so ought to be authorized in a separate resolutions.

RESOLUTION # 08-003 APPROVING GREEN ACRES NONPROFIT ACQUISITION AND DEVELOPMENT GRANTS IN COUNTIES OF ATLANTIC, BERGEN, BURLINGTON, CAMDEN, CAPE MAY, ESSEX, GLOUCESTER, HUDSON, MERCER, MIDDLESEX, MONMOUTH, OCEAN, PASSAIC, SALEM, SOMERSET, SUSSEX, UNION AND WARREN; PLUS PROJECTS IN MORRIS COUNTY PROPOSED BY THE LAMINGTON CONSERVANCY, MORRIS LAND CONSERVANCY, NEW JERSEY CONSERVATION FOUNDATION AND TRUST FOR PUBLIC LAND FROM GSPT FUND AND STATE BUDGET APPROPRIATIONS.

Chairwoman Rosenfeld asked for motions to approve the Resolution.

Moved by Mr. Wegner

Seconded by Chairwoman Rosenfeld.

Approved 8-0

RESOLUTION # 08-004 APPROVING GREEN ACRES NONPROFIT ACQUISITION GRANT TO SCHIFF NATURAL LANDS TRUST IN MORRIS COUNTY FROM GSPT FUND AND STATE BUDGET APPROPRIATIONS.

Mr. Siegel asked for motions to approve the Resolution.

Moved by Mr. Wegner

Seconded by Mr. Watson

Approved 7-0

Chairwoman Rosenfeld recused herself from discussion and vote.

RESOLUTION # 08-005 APPROVING GREEN ACRES NONPROFIT ACQUISITION AND DEVELOPMENT GRANTS FOR \$1 MILLION IN COUNTIES OF ATLANTIC, BERGEN, BURLINGTON, CAMDEN, CAPE MAY, ESSEX, GLOUCESTER, HUDSON, MERCER, MIDDLESEX, MONMOUTH, OCEAN, PASSAIC, SALEM, SOMERSET, SUSSEX, UNION AND WARREN; PLUS PROJECTS IN MORRIS COUNTY PROPOSED BY THE LAMINGTON CONSERVANCY, MORRIS LAND CONSERVANCY, NEW JERSEY CONSERVATION FOUNDATION AND TRUST FOR PUBLIC LAND OF \$1 MILLION FROM 2007 REFERENDUM GREEN ACRES BOND TRUST FUND.

Chairwoman Rosenfeld asked for motions to approve the Resolution.

Ms. Craft asked what would occur if the bonds to fill the 2007 Green Acres Trust Fund established after the November 2007 referendum are not sold. Mr. Siegel said he would

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consult the Treasurer in such an instance but that the State Budget General Fund would automatically cover the Trust Fund's obligations. Mr. Hughey confirmed this procedure was common in government trust funds.

Moved by Mr. Requa

Seconded by Chairwoman Rosenfeld.

Approved 8-0

EXECUTIVE DIRECTORS REPORT

Mr. Siegel reviewed the contents of the members' meeting books, the status of GSPT appropriations legislation, the GSPT agency office budget, the latest Expenditure Monitoring Program report and a report on the results of land conservation referenda going back to 1961.

Mr. Siegel said land acquisition expenditures in the past have been consistently above target, including 27 percent above the targets set for Fiscal Year 2007. He said this was highly significant because it meant there were \$248 million in closing transactions, including park development projects, which in his view was the highest pace for any program in the United States.

Mr. Siegel said for the first six months of the current 2008 fiscal year the programs had achieved 91 percent of their expenditure target. He said he had little doubt the programs would easily make up this shortfall and hit their targets by the end of Fiscal 2008.

Chairwoman Rosenfeld praised the programs for a "tremendous job" in expenditure performance. She said it was important to meet the targets for the timely use of bond funds. She said the brisk pace of expenditures also make the case to the public that the programs are a success, that the money gets put into the field quickly for conservation and that it merits continued public funding.

SUBSTANTIAL APPROVAL OF MEETING MINUTES FOR TRANSMITTAL TO THE GOVERNOR'S OFFICE.

Mr. Siegel reviewed the actions taken during the meeting and requested "substantial approval" of the minutes of these actions as he had reviewed them.

Chairwoman Rosenfeld asked for a motion for substantial approval of the January 29 meeting minutes.

Moved by Mr. Requa

Seconded by Ms. Craft

Approved 8-0.

GSPT MEMBER COMMENT

Chairwoman Rosenfeld asked if any board members wished to make any remarks.

Mr. Wegner, chairman-elect, thanked the members for their confidence in voting for him. He said he was pleased to be active in farmland preservation because he grew up

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on a farm and his father was the head of the state poultry association and a former president of the State Board of Agriculture. He recalled how poultry was once a major industry but has now declined as evidence of dramatic changes and challenges for agriculture in New Jersey. Mr. Wegner said on his retirement nine years earlier he had become active in local conservation affairs in Pittsgrove.

Mr. Wegner said this year presented a major challenge for the continuation of conservation funding. He said he worked hard on the approval of the November 2007 referendum, speaking at a number of rallies. He said it would require hard work from all members to have a renewal of GSPT funding approved.

Mr. Wegner said global attention to climate change also serves to emphasize the importance of land conservation in New Jersey, and may be useful in winning public support for a new measure to fund the GSPT. He said conservation in the nation's most densely populated state was an important aspect of the effort to manage global warming.

Ms. Craft thanked Mr. Siegel for his compilation of the voter referendum report.

Mr. Siegel welcomed thoughts from the board members and the public as to how they might interpret the vote results and why the referendum failed in eight counties.

Mr. Watson thanked Chairwoman Rosenfeld for her service in the past year.

Mr. Murphy thanked Mr. Wegner for his service to the GSPT and to land conservation over the years and applauded him on his election as chairman.

Chairwoman Rosenfeld said she looked forward to a year with Mr. Wegner as chair.

PUBLIC COMMENT

Chairwoman Rosenfeld asked if there were any comments from members of the public.

Michael Catania of Conservation Resources Inc. praised Chairwoman Rosenfeld for her tenure as chair.

Mr. Catania said it was important to clarify how Gov. Corzine's proposals for financial restructuring would affect the Garden State Preservation Trust. He said it has been reported in a news media that one plan by the Governor was to pay off GSPT bonds at once. He said this would then make the \$98 million presently dedicated for debt service available for additional land conservation funding.

Mr. Catania said he has been unable to receive clarification of whether this is the Governor's plan, and what it might entail. He said it would be helpful to have this clarified.

Joanna Wolaver of New Jersey Audubon Society and director of the Keep-It-Green Campaign briefed the members about the campaign's activities.

Ms. Wolaver said the Campaign was a coalition of nearly 100 organizations representing most of the state's land trusts, environmental and recreation organizations. She said the Keep-It-Green Campaign actively worked for passage of the November 2007 referendum and was focusing efforts on educating legislators that the referendum only provided funding for one year. She said a major effort was underway to press for a referendum to renew permanent funding for Garden State Preservation Trust. She said the campaign was planning forums statewide to promote public education on the matter.

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Mr. Siegel discussed a new handout on the GSPT Web site explaining the GSPT's \$98 million dedication. He said the handout explained that starting in 2010 the \$98 million dedication was committed to debt service, and if the bonds were to be erased the dedication of the funds would also come to an end. He said continued use of the \$98 million for land conservation after 2010 would require a new voter referendum to amend the State constitution.

ADJOURNMENT

Chairwoman Rosenfeld asked for motions to adjourn the meeting.

Moved by Ms. Craft
Seconded by Mr. Wegner
Approved 8-0.

Respectfully submitted

Ralph Siegel
executive director
board secretary
May 28, 2008

Others in attendance representing agencies:

GSPT DAG Cliff Rones
Sonia Frontera, Governor's Counsel, Authorities Unit
Daniel Patrick O'Connell of Evergreen Capital Advisers
John Flynn, Office of Green Acres
Martha Sapp, Office of Green Acres
Gary Rice, Office of Green Acres
OLS staff member Carrie Anne Calvo-Hahn
OLS staff member Lucinda Tiajolloff
Legislative Staff Thea Sheridan
Joanna Wolaver of the New Jersey Audubon Society/Keep-It-Green Campaign
Michael Catania of Conservation Resources Inc.
Assorted legislative staff members and public audience