

Garden State Preservation Trust
July 20, 2006
Substantive Meeting Minutes

Chairman Murphy called the meeting to order at 10:47 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: Michael Murphy, chair; Jan Rosenfeld and Herbert Wegner. Ex-officio members present were Susan Craft (for Agriculture Secretary Charles M. Kuperus), Assistant Treasurer Patrick O'Connor (for State Treasurer Bradley Abelow); Eileen Swan (for Department of Community Affairs Commissioner Susan Bass Levin) and Assistant Commissioner Amy Cradic (for DEP Commissioner Lisa P. Jackson.) Vice Chairman Robert DiVincent was absent.

OPENING REMARKS

Chairman Murphy welcomed new members and members attending their first meeting of 2006.

APPROVAL OF MINUTES OF JUNE 13 MEETING

Chairman Murphy asked for corrections or clarifications to draft minutes from the May 16, 2006, meeting.

Mr. Wegner questioned the phrase that cash flow would not be a problem for several years. He said he was of the view Trust funds were running out. Mr. Siegel explained the cash flow referred to balances in the GSPT's three trust funds, which includes funds already earmarked by appropriation. He said the capacity to approve new appropriations was running out but that cash reserves are heavy.

Chairman Murphy said Mr. Wegner's point was well taken that in the absence of a new source of funds, the land preservation programs will have a problem.

Mr. Wegner and Ms. Craft also offered corrections of some typographical errors.

Chairman Murphy asked for a motion to approve the minutes subject to the amendments and corrections.

Moved by Ms. Craft

Seconded by Mr. Wegner

Approved 7-0.

PUBLIC COMMENT ON PENDING AGENDA ITEMS

Chairman Murphy asked if there was anyone from the public who wished to address remarks to the Trust members concerning items on the meeting agenda.

Jeff Tittel, executive director of the New Jersey Chapter of the Sierra Club, asked how much would be available in the Green Acres and the Farmland Preservation Program for FY2008 appropriations. Mr. Siegel said the estimate for Green Acres was \$58 million, all of it on the State Acquisitions side, and \$71 million in the Farmland Preservation Program.

Mr. Tittel said the State Budget recently approved shifted health benefits costs for the staff onto the GSPT fund. Mr. Siegel said he has not yet been advised of the precise cost of this new expense.

Mr. Tittel said it would take at least a year to reauthorize a new funding source for GSPT and he asked if there was a contingency plan to fund appropriations for the programs in the interim. He also asked whether additional debt capacity existed in the \$98 million that is presently dedicated to free up more cash for appropriations.

Chairman Murphy said the Treasury Department has made it clear funding is extremely tight and he was doubtful temporary funds would be available for any appropriations gap. He said the focus will be on full GSPT reauthorization.

Mr. Siegel said there was no additional debt capacity. He said the full \$98 million dedication was tied up in debt service in current bonds and in current appropriations.

Mr. Tittel asked if there were refinancing opportunities to lower debt costs or to free up some more funds.

Mr. Siegel said a refinancing bond issue had been done in December and that opportunities for refinancing would be continuously studied and pursued.

EXECUTIVE DIRECTOR'S REPORT (FISCAL)

Mr. Siegel reviewed fund balances and funds available for the Garden State Green Acres Preservation Trust Fund 727. He said the proposed appropriation would bring Green Acres spending to \$91 million for the fiscal year, and that adequate funds were in the Green Acres trust fund to cover this appropriation.

PRESENTATION OF GREEN ACRES LOCAL AND NONPROFIT ACQUISITION AND DEVELOPMENT PROJECT RECOMMENDATIONS FOR FY2007

John Flynn, Green Acres administrator, offered his greetings and introduced his staff. He reviewed the \$73.4 million Local and Nonprofit Grants proposal, of which \$10 million would be drawn from GSPT funds. He said the rest of the \$73 million would be drawn from old bond issue funds and from about \$20 million in old grants that had been cancelled. Mr. Flynn praised his staff for the difficult work of canceling stranded and outdated grants.

Mr. Flynn said \$40 million in grants would go to 111 towns and counties for land acquisition. He said \$24.8 million in grants and loans would go to towns and counties for 50 park development and recreational facilities projects. He said \$6.1 million would go to 28 separate nonprofit organizations for land acquisitions, plus \$2 million in grants to 11 nonprofit organizations for recreational development projects.

Mr. Flynn noted requests in the previous three years exceeded \$120 million, but that this year the requests for GSPT funds were only \$90 million, a 10-year low. He said it shows the funds for new appropriations are running out and that Green Acres has been appropriating funds more rapidly than had been anticipated.

Mr. Flynn discussed the July 17 Open Space Funding Forum, which he said was evidence of the Corzine Administration's commitment to renewing the land preservation funds. He thanked Mr. Siegel for his work in preparing for the forum.

Chairman Murphy thanked Mr. Flynn for his presentation.

**RESOLUTION # 06-010 APPROVING GREEN ACRES LOCAL ACQUISITION
& DEVELOPMENT PROJECT GRANT RECOMMENDATIONS FOR FY2007**

Chairman Murphy asked for motions to approve the Resolution.

Moved by Mr. Wegner
Seconded by Ms. Rosenfeld
Approved 7-0

**RESOLUTION # 06-011 APPROVING GREEN ACRES NONPROFIT
DEVELOPMENT GRANT RECOMMENDATIONS FOR FY2007**

Mr. Siegel explained the Nonprofit grant recommendations have been divided into three separate resolutions at the request of a Trust member. He said trust staff always complies with any such request from any member.

Chairman Murphy asked for motions to approve the Resolution.

Moved by Mr. O'Connor
Seconded by Mr. Wegner
Approved 7-0

**RESOLUTION # 06-012 APPROVING GREEN ACRES NONPROFIT
ACQUISITION 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 PROPOSED
BY THE MORRIS CANAL GREENWAY, OPEN SPACES OF HARDING
TOWNSHIP, LAMINGTON CONSERVANCY, MORRIS LAND
CONSERVANCY, NEW JERSEY CONSERVATION FOUNDATION, NEW
YORK-NEW JERSEY TRAILS CONFERENCE, PASSAIC RIVER COALITION
AND TRUST FOR PUBLIC LAND FOR FY2007**

Mr. Siegel explained the resolution named all of the Nonprofit grant recommendations except those Morris County projects associated with the Schiff Natural Lands Trust.

Chairman Murphy asked for motions to approve the Resolution.

Moved by Ms. Swan
Seconded by Ms. Craft
Approved 7-0

**RESOLUTION # 06-013 APPROVING GREEN ACRES NONPROFIT
ACQUISITION GRANT FOR THE SCHIFF NATURAL LANDS TRUST IN
MORRIS COUNTY FOR FY2007**

Ms. Rosenfeld announced her intention to recuse herself from the proceedings.

Chairman Murphy asked for motions to approve the Resolution.

Moved by Mr. O'Connor

Seconded by Chairman Murphy

Approved 6-0

Ms. Rosenfeld recused herself because her husband is an officer on the Schiff Natural Lands Trust.

Gary Rice, deputy administrator of Green Acres, publicly thanked Sally Lane and Dave Prentice of the Department of Environmental Protection for their work in preparing the "Press Release" book explaining the local and nonprofit grant projects one by one in detail.

Chairman Murphy expressed the appreciation of the Trust for their effort.

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Mr. Siegel reviewed the July 17 Open Space Funding forum at the Rutgers Ecological Complex in Florence coordinated by the Departments of Environmental Protection, Community Affairs and Agriculture, with keynote addresses by the commissioners of all three departments. He said the major nonprofit organizations and GSPT funding partners attended.

Mr. Siegel said six GSPT appropriations bills totaling \$200 million are on the Governor's desk and the Governor's staff has had questions about the bills but is now satisfied with the legislation. He said he expected them to be signed promptly once public ceremonies could be scheduled.

STEWARDSHIP FUNDING DRAFT PRESENTATION

Mr. Siegel made a slideshow presentation of the GSPT Draft Stewardship Program as the culmination of one year of research in advance of the GSPT's Sept. 20 Stewardship conference meeting at the Johnson Education Center in Princeton.

Mr. Siegel explained the stewardship study dated to the discussions in May 2005 on the Green Acres request for \$10 million for capital projects at State parks. This discussion about the appropriation of park development and land acquisition funds for State Park capital projects led to a directive from Trust members for a study of stewardship needs and issues, and a discussion of which of these needs might be addressed by the GSPT as a financing authority.

Mr. Siegel said a stewardship grant component could build broader support for renewal of the GSPT's overall land acquisition program.

Mr. Siegel said his research also showed sharp differences of opinion on the definition of stewardship, what needs to be funded and what ought to be funded by

GSPT. He said differences in perceptions and in priorities in the land preservation, conservation and agricultural communities explain why stewardship is difficult to define.

Mr. Siegel offered preliminary recommendations on a conditional basis pending the outcome of the Sept. 20 conference meeting and subsequent Trust deliberations. With these conditions established Mr. Siegel recommended:

1. A new land acquisition program for forestry easements
2. Capital grants for natural lands management
3. Capital grants for preserved farmland soil and water facilities
4. Capital grants for State Park visitor centers and historic sites.
5. Cash funds for annual, non-capital grants for stewardship emergencies and for easement surveillance and monitoring

Mr. Siegel cautioned any of these programs if endorsed by the Trust would reduce the base funds available for land acquisition, which has been the GSPT's core mission.

Mr. Siegel said these recommendations would be presented at the outset of the Sept. 20 conference meeting, after which the Trust would listen to a full program of presentations by GSPT funding partners and others. He said the proceedings would be documented in a written report to the Trust, at which point the Trust would decide which recommendations to endorse. These recommendations would then be compiled into a final report to the Governor and Legislature.

At the suggestion of several Trust members, Mr. Siegel agreed to remove the phrase "recommendations" from his presentation so that people do not assume the Trust has already made up its mind about any proposals prior to the Sept. 20 conference.

Ms. Swan said protection of land with proper stewardship was a crucial element to support land acquisition. She said stewardship protects the GSPT's massive investment.

Chairman Murphy said the Trust's responsibility was to preserve and protect.

Ms. Swan said the encroachments on land in violation of the conservation easements also pose a threat to preserved land.

Ms. Craft asked if Mr. Siegel intended to send these recommendations to the Open Space Forum Working Group convened by DEP Commissioner Lisa Jackson. Mr. Siegel said the GSPT's stewardship research predated the establishment of this Working Group and that he believed the working group may have concluded its work by the time the GSPT's stewardship report is complete.

Ms. Craft asked about the audience for the Sept. 20 conference meeting. Mr. Siegel said it would be the Trust members with all of the nonprofit organizations, GSPT funding partners and the general public.

Ms. Rosenfeld asked if the plan was to address the positive nature of funding stewardship without addressing how stewardship grants might reduce land acquisition funding. Mr. Siegel said he did not expect to hear much about the tradeoff but it would be appropriate to have this discussion. Ms. Rosenfeld said the Sept. 20 conference meeting should address these tradeoffs to make it clear to everyone what is given up if stewardship funding is added to the GSPT program. Chairman Murphy agreed.

Mr. Siegel said most of the groups scheduled to make presentations have a direct interest in land acquisition and should be aware funding for a new stewardship program would come out of funding for existing land acquisition programs.

Mr. Siegel asked Mr. Catania for his comment on this matter, and Mr. Catania said most organizations are in the position of acquiring land, even if it is in the form of conservation donations.

Mr. Wegner thanked Mr. Siegel for his presentation and thanked all of those who contributed to his research effort. He said the demand for stewardship is a major controversy in the southern New Jersey area because those who attend local meetings in Salem County raise many questions about who will take care of preserved farms and other preserved lands.

Mr. Wegner also said a significant number of forest acres have been preserved through the farmland preservation program. He said these lands raise serious stewardship issues. He questioned whether the forests were being properly managed by landowners who needed to cut timber to make the minimum agricultural revenue required to qualify for the reduced farmland tax assessment.

Mr. Wegner said in his view New Jersey is in a land acquisition phase now and that every available dollar should go into land acquisition because we have “forever” to implement land stewardship. Using the analogy, “If we build it, they will come,” Mr. Wegner said we must buy as much property as we can now, and that stewardship can be established later.

Chairman Murphy said the corollary of “Built it and they will come” is, “Preserve it and they will stay away.”

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. He reviewed the new procedures for immediate, substantial approval of minutes so the resolutions can proceed to the Governor’s office for review in a timely manner.

Chairman Murphy asked for a motion for substantial approval of the July 20 meeting minutes.

Moved by Chairman Murphy
Seconded by Ms. Rosenfeld
Approved 7-0.

TRUST MEMBER COMMENTS

Chairman Murphy asked if there were additional comments by Trust members.

Ms. Craft asked if there was an update on the Installment Purchase Agreements project, as listed on the meeting agenda.

Mr. O’Connell said he and Mr. Siegel planned to meet with the Environmental Infrastructure Trust staff.

PUBLIC COMMENTS

Chairman Murphy asked if there was anyone from the public who wished to address remarks to the Trust members.

Michael Catania, chairman of the Coalition for Conservation, thanked Mr. Siegel for his stewardship presentation and supported his view that stewardship is a Pandora's Box that sets off controversy. He said there were many people who wanted to see many new expenditure done, but the Trust may not be the correct agency to fund them.

But Mr. Catania warned the Trust against jumping on the train of the things that need to be done until there is a clearer consensus on how much land acquisition investment is still required. He said the GSPT has become the primary vehicle for the funding of land acquisition programs. He said this is a unique mission for the GSPT. He urged the Trust to hold in abeyance any effort to launch new missions. He said he did want the GSPT to stray too far from the core land acquisition mission.

ADJOURNMENT

Mr. Siegel explained that on advice of counsel, motions and votes would be required to adjourn meetings. Past practice had been for the chairman to announce adjournment.

Chairman Murphy asked for a motion to adjourn the meeting.

Moved by Mr. O'Connor

Seconded by Mr. Wegner

Approved 7-0.

Respectfully submitted

Ralph Siegel
executive director
board secretary
Nov. 28, 2006

Others in attendance representing agencies:

GSPT Mairin Bennett
GSPT Daniel Patrick O'Connell
GSPT DAG Kevin Mistry
Legislative Staff Thea Sheridan
OLS staff members
Gary Rice, Office of Green Acres
Sally Lane, DEP
NJ Conservation Foundation Amy Hansen
Coalition for Conservation Michael Catania

APPROVED 5-0 Nov. 28, 2006