

Garden State Preservation Trust
October 9, 2018, Meeting Minutes
Statehouse Annex Meeting Room 15

Vice Chairman Ken Atkinson called the meeting to order at 11:06 a.m. as Acting Chairman.

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, Oct. 9, 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 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: Vice Chairman Kenneth Atkinson, Andrew Buzby and Andrew McNally. Ex-officio members in attendance were Susan Payne (for Agriculture Secretary Douglas H. Fisher), Assistant DEP Commissioner Ray Bukowski (for DEP Commissioner Catherine McCabe), Dorothy Guzzo (for Community Affairs Commissioner Lt. Gov. Sheila Y. Oliver) and Michael Kanef (for Treasurer Elizabeth Muoio).

Chairman Greg Romano and public member Benjamin Spinelli were absent.

OPENING REMARKS

Acting Chairman Atkinson welcomed members to the meeting and thanked them for coming. He made special note of welcoming Mr. Bukowski to his first meeting.

APPROVAL OF MINUTES OF JUNE 12, 2018 BOARD MEETING

Acting Chairman Atkinson asked if there were any 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 in July and had completed the Governor's veto period.

Moved by Ms. Payne
Seconded by Mr. McNally
Approved 5-0

Mr. Buzby and Ms. Guzzo abstained because they had not attended the June 12 meeting.

EXECUTIVE DIRECTOR'S REPORT

Mr. Siegel told board members of his July 25 meeting with Deputy Treasurer Catherine Brennan to discuss the problems the GSPT is having in receiving comprehensive revenue information concerning the Corporation Business Tax (CBT). He said he was pleasantly surprised to see that Ms. Brennan had called to the meeting David Ridolfino, acting director of the Office of Management & Budget, and several of his staff. He said the discussion was lengthy and candid and that issues were not resolved but progress had been made and he was confident the GSPT was on track to getting the information it needed.

Mr. Siegel reviewed the elements of Senate bill S-2920 to adjust and update the allocation of CBT funds beginning in FY2020. Copies of the bill were included in the members' Meeting Folders. He said he had been involved in some meetings and discussions about the bill but that when it was introduced a lot of it was new to him. He said the most basic change was the elimination of a separate Blue Acres dedication and account by folding Blue Acres into the Green Acres State Acquisition program, which is where it had been in the past. He noted that the Green Acres State Acquisition staff administered the Blue Acres acquisitions.

Mr. Siegel said Gov. Murphy in the previous week had signed a bill implementing several changes and amendments to CBT collections. He said this latest piece of legislation demonstrates that the implementation of the upper tax brackets of the CBT reforms, which were approved as part of the FY2019 State Budget, were still being refined. He said this makes it especially difficult to forecast revenues with reliability.

Mr. Siegel reviewed important court cases.

Mr. Siegel made note of the Quaker Valley Farms case in which a unanimous State Supreme Court on Aug. 14 ruled in favor of the State Agriculture Development Committee (SADC) and the Farmland Preservation Program in its efforts to enforce the soil conservation elements of the easement on the controversial Hunterdon County farm.

Mr. Siegel made note of the fact that when the U.S. Supreme Court opened its term the previous Monday, the first cases they heard involved land conservation disputes. One case from Pennsylvania was brought by a farmer fighting a municipal order that placed a public-access easement on her property against her will because of the presence of an old cemetery. A second case came from a Louisiana lumber company fighting endangered-species restrictions on its land because of a rare forest frog that doesn't even live there but which does live on adjacent state-owned land.

EXECUTIVE DIRECTOR’S FISCAL REPORT: FARMLAND PRESERVATION PROGRAM

Mr. Siegel reviewed documents in the members’ Meeting Folders, pointing out the single chart from the Treasury Department’s Office of Management and Budget showing funds available for the Farmland Preservation and the New Jersey Historic Trust programs.

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 said he could offer no details “on where that number comes from and how they determined that figure.” He said he has no idea how much of the available funds was left over from the reserve held back last year, how much was from unappropriated funds in FY2016, how much had been accrued by interest earnings and how much had been returned to the funds from project cancellations or loan repayments.

Mr. Siegel said he had confidence the number is correct. He said, “I don’t think anyone is lying to us.” But he said the GSPT is unable to independently verify the availability of these funds as per its mission and responsibility. He said he believed these problems would be rectified soon. He said, “We are in the process.”

Mr. Siegel said the Farmland Preservation Program is asking for \$22.3 million “and according to this chart the exact sum is available have it. He said, “I expect to provide more details as our work with the Treasury department continues.”

PRESENTATION OF STATE AGRICULTURE DEVELOPMENT COMMITTEE (SADC) RECOMMENDATIONS FOR ACQUISITION PROJECTS & STEWARDSHIP FUNDING FOR FY2019

Heidi Winzinger, SADC Director of Acquisitions, made the presentation of the program recommendations for farmland preservation acquisitions. Finance officer Matt DiStaulo joined her at the table.

Ms. Winzinger said, “We are so proud to be part of the state that takes farmland preservation so seriously.” She said every year the target is 85 rea-estate closings. She in the past fiscal year the SADC had 92 closings, attributing the uptick to a backlog of farms in Gloucester and Burlington counties that came through the system.

Ms. Winzinger said the staff has focused on a lot of outreach and public meetings to learn and to concentrate on what their “customers” – farmers, landowners and preservation office staff – need the most. She said her staff deals with a lot of municipalities which in farmland preservation transactions rely on volunteers or on municipal officials with many other duties. These municipal officials lack the time or experience to conduct effective outreach to landowners. She said the SADC’s work includes training on how to execute preservation deals “because it is becoming more difficult to make the deal happen.” She said some towns were just sending letters to the owners of farms targeted for preservation. She said, “We are trying to help some of our partners develop a different strategy,” including in-person meetings with landowners to discuss their needs. “These are complicated real estate transactions,” Ms. Winzinger said, and their training has included providing checklists and logs so local staff can be sure they are executing the steps needs to ensure a successful acquisition.

Ms. Winzinger reviewed the appropriations for FY2018 before delving into the details of the program recommendations for FY2019. She said various programs have been emphasized in separate fiscal years. She said the priority last year was to fund State Acquisitions and the County Incentive Grant competitive fund. She said this year’s priority has been funding the Municipal Planning Incentive Grant programs, together with staff training, outreach and “hand-holding” to help them execute the deals they might have in the works. She said there are 45 Municipal PIGs, and 20 of them are recommended to receive grants in this grant round. She used a slideshow presentation to illustrate the different funding categories, with figures showing what has been used and what is proposed.

Ms. Winzinger said, “We are trying to give them enough money so they can bring the farms in and at least process what they have on their plate.” She said the other Municipal PIGs have enough funds allocated to them to execute the projects on which they are currently working.

Ms. Winzinger said their newest PIG community is Mannington, which is 50 percent prime farmland with farmers ranging from the older generation to young farmers. She said, “We expect this to be a very successful town (for preservation projects) and to be out of money very quickly.”

Ms. Winzinger reviewed the Nonprofit grant program recommendations for six farm applications from four major land trusts, which she called “the normal players we see in the Nonprofit program.” She said the SADC was considering a move toward block grants to the Nonprofits to give them a set sum of money they could then apply to any number of farmland preservation projects.

Ms. Winzinger reviewed how the State Acquisition program uses its funds to select projects from all across New Jersey on farmland that meets their criteria but which is not being preserved through the local or county programs.

Ms. Winzinger reviewed the farmland stewardship recommendations, noting that the restored “Soil & Water Grant” program has been “very, very popular.” She said her office has received 97 applications for these matching conservation grants and so far 47 projects have been funded. She also said the matching grants to fund deer fencing have been popular and much-sought after, with 32 grants awarded so far. She said, “We are still working on getting through that but we have a line of people looking for the grants in this (recommended) funding round.”

Mr. Siegel asked Ms. Winzinger about the Highlands Planning Partnership mentioned in her slideshow presentation. Ms. Payne answered, saying the Highlands Council has some \$18 million to mitigate the impact of utility construction projects. Ms. Payne said the money is now available as matching funds for land and development credit acquisitions.

Mr. Siegel referred board members to a table in their Meeting Packets showing the “Summary” of the Farmland Preservation Program recommendation and available revenues.

Ms. Payne explained that in past years SADC recommendations for appropriations would rely on funds that became available from cancelling and withdrawing funds from dormant projects. “Those days are over,” she said. She said any unused funds from old appropriations have been pretty much called in. She said, “We don’t anticipate” significant sums available in the future.

Acting Chairman Atkinson, who directs the Gloucester County farmland preservation program, commended Ms. Payne, Ms. Winzinger and the SADC staff for their reimbursements to the county on 21 farmland preservation projects in the past year. He said these projects had already been acquired by the county and the SADC reimbursements returned \$6 million back into the county’s program. He said, “Closing on 21 farms in a nine-month period is pretty incredible.”

DISCUSSION, CONSIDERATION OF RESOLUTION #18-004 TO APPROVE SADC RECOMMENDATIONS FOR STATE ACQUISITIONS, MUNICIPAL PLANNING INCENTIVE GRANTS IN CERTAIN CUMBERLAND, GLOUCESTER, HUNTERDON, MONMOUTH, SUSSEX & WARREN COUNTY MUNICIPALITIES, NONPROFIT GRANTS FOR D&R GREENWAY LAND TRUST, LAND CONSERVANCY OF NJ AND MONMOUTH CONSERVATION FOUNDATION, AND FARMLAND STEWARDSHIP GRANTS FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) FARMLAND PRESERVATION FUND AND THE DIESEL RISK MITIGATION FUND.

Mr. Siegel explained the need for four resolutions. He said the first two identified separate funding sources. He said the second two were generated to accommodate board members who needed to recuse on those projects.

Acting Chairman Atkinson asked for consideration of the resolution.

Moved by Mr. Kanef

Seconded by Mr. McNally

Approved 7-0

SIDE NOTE (NOT PART OF THE OFFICIAL MINUTES): This resolution approves the appropriation of \$15,875,000 for Farmland Preservation Program Municipal Planning Grants, State Direct Acquisitions, Nonprofit Grants and Farmland Stewardship Grants as recommended by and to be carried out by the State Agriculture Development Committee (SADC).

The sources of funding break down as follows:

- **\$15,807,000 from CBT FY2019 and FY2018 Reserve funds**
- **\$68,000 from Diesel Risk Mitigation funds**

DISCUSSION, CONSIDERATION OF RESOLUTION #18-005 TO APPROVE SADC RECOMMENDATIONS FOR STATE ACQUISITIONS FOR FY2019 FROM THE GARDEN STATE FARMLAND PRESERVATION BOND FUND AND FROM OLDER BOND FUNDS.

Acting Chairman Atkinson asked for consideration of the resolution.

Moved by Mr. Kanef
 Seconded by Ms. Payne
 Approved 7-0

SIDE NOTE (NOT PART OF THE OFFICIAL MINUTES): This companion resolution acknowledges a different funding source for some of the same programs as in #18-004. Resolution #18-005 approves the appropriation of \$1,826,229 for Farmland Preservation Program State Direct Acquisitions and Farmland Stewardship Grants as recommended by and to be carried out by the State Agriculture Development Committee (SADC).

The sources of funding break down as follows:

- **\$600,000 from cancellations of PIG grants from the 2009 Bond Fund**
- **\$824,973 from unallocated funds from the 2009, 2007 and 1995 Bond Funds.**
- **\$401,256 from unallocated funds from the Garden State Farmland Preservation Fund**

This appropriation of \$1,826,229 in #18-005 SHOULD NOT BE ADDED to the \$15,875,000 approved in Resolution #18-004. Instead, this is intended to provide a second source of funds for the same package of \$15,875,000 in projects. The maximum authorized under #18-004 and #18-005 combined is \$15,875,000.

DISCUSSION, CONSIDERATION OF RESOLUTION #18-006 TO APPROVE SADC RECOMMENDATION FOR A NONPROFIT GRANT FOR NEW JERSEY CONSERVATION FOUNDATION FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) FARMLAND PRESERVATION FUND AND THE DIESEL RISK MITIGATION FUND.

Mr. Siegel asked for consideration of the resolution.

Moved by Acting Chairman Atkinson
 Seconded by Mr. Buzby
 Approved 7-0

This resolution has been prepared to accommodate the recusal requirements for Chairman Romano but he was absent.

SIDE NOTE (NOT PART OF THE OFFICIAL MINUTES): This resolution was created to accommodate the recusal request by a board member. It approves the appropriation of one additional nonprofit grant of \$557,000 to New Jersey Conservation Foundation (NJCF). It was separated from the main project package in #18-004 so that a board member employed by NJCF could recuse on #18-006 while preserving his ability to vote for the main package in #18-004. This resolution is funded from CBT 2019 revenues.

DISCUSSION, CONSIDERATION OF RESOLUTION #18-007 TO APPROVE SADC RECOMMENDATIONS FOR MUNICIPAL PLANNING INCENTIVE GRANTS IN ALLOWAY, PILESGROVE, PITTS GROVE, MANNINGTON AND UPPER PITTS GROVE FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) FARMLAND PRESERVATION FUND AND THE DIESEL RISK MITIGATION FUND.

Mr. Siegel asked for consideration of the resolution.

Moved by Mr. Bukowski
 Seconded by Ms. Payne
 Approved 6-0

Mr. Buzby recused himself because he is chairman of the Salem County Agriculture Development Board.

SIDE NOTE (NOT PART OF THE OFFICIAL MINUTES): This resolution was also created to accommodate the recusal request by a board member. This resolution approves the appropriation of an additional five Municipal Planning Incentive Grants in Salem County totaling \$4 million. They were separated from the main project package in #18-004 so that a board member from Salem County could recuse on #18-007 while preserving his ability to vote for the main package in #18-004. This resolution is also funded from CBT 2019 revenues.

Taking into account the various funding sources and the two special resolutions to accommodate recusals, the 4-resolution Farmland Preservation Program package adds up as follows:

- **\$15 million for Municipal PIG grants**
- **\$4,957,399 for State Acquisitions**
- **\$1,591,000 for Nonprofit grants to 4 land trusts for 6 projects**
- **\$709,830 for Farmland Stewardship projects**
(Soil & Water Conservation matching grants & deer fencing matching grants)

EXECUTIVE DIRECTOR'S FISCAL REPORT: HISTORIC PRESERVATION

Mr. Siegel referred board members to the Summary Page in the Meeting Folders for the New Jersey Historic Preservation recommendations and funding. He said the recommendation for \$1,037,621 was well within the allocation of more than \$3.4 million available in FY2019.

PRESENTATION OF NEW JERSEY HISTORIC TRUST RECOMMENDATIONS FOR HISTORIC SITE MANAGEMENT GRANTS FOR FY2019

Mr. Siegel and Acting Chairman Atkinson introduced Ms. Guzzo, Executive Director of the New Jersey Historic Trust, to make her presentation.

Ms. Guzzo affirmed this was “a pretty small grant round” based on what was available in their accounts because this is the year for the smaller Historic Site Management (HSM) grants of up to \$50,000 with a one-third matching funds requirement of up to \$16,000 for the largest grants. She said they intended to hold the rest of the money over for next year when they planned to recommend a much larger “construction” grant round of Level 1 and Level 2 capital grants of up to \$500,000.

Ms. Guzzo said they received 50 applications in May for the HSM grants. The applications totaled \$1,579,352. She said the Historic Trust deemed 10 applicants to be ineligible, eight of them because they were religious properties. She made reference to the state Supreme Court ruling in April in which the court said grants to churches were prohibited. In other cases they found the project sites were not eligible. She said grants which were selected were done in a manner to ensure a fair geographic distribution statewide.

Ms. Guzzo used a slideshow presentation with individual photos to review the 33 recommended projects.

When Ms. Guzzo completed her presentation, Mr. Siegel took personal note of one of the recommended projects, Wildwood Naval Air Station Hangar #1 in Lower Township, urging members to pay a visit. Mr. Buzby replied that he had been there and took a flight in a restored B-24 bomber.

DISCUSSION, CONSIDERATION OF RESOLUTION #18-008 TO APPROVE NEW JERSEY HISTORIC TRUST RECOMMENDATIONS FOR HISTORIC SITE MANAGEMENT GRANTS FOR FY2019 FROM THE PRESERVE NEW JERSEY (CBT) HISTORIC PRESERVATION FUND AND THE DIESEL RISK MITIGATION FUND.

Acting Chairman Atkinson asked for consideration of the resolution.

Moved by Ms. Payne

Seconded by Mr. Buzby

Approved 6-0

Ms. Guzzo abstained because she is Executive Director of the New Jersey Historic Trust and had made the presentation to the board.

SIDE NOTE (NOT PART OF THE OFFICIAL MINUTES): This resolution approves the appropriation of \$1,037,621 for 33 Historic Site Management grants as recommended by and to be carried out by the New Jersey Historic Trust.

The sources of funding break down as follows:

- **\$1,026,621 from CBT FY2019 funds**
- **\$11,000 from Diesel Risk Mitigation funds**

BOARD MEMBER COMMENT

Acting Chairman Atkinson asked if any board members had additional comments. There were none.

Mr. Siegel urged members to take home the Conservation Press Release and Conservation News Stories packets that had been prepared.

Mr. Siegel said he has heard from the Office of Green Acres State Acquisition program and that he expected to receive a package of project recommendations from them shortly so it was likely the Nov. 13 meeting would remain on the schedule.

PUBLIC COMMENT

Acting Chairman Atkinson asked if any members of the public wished to direct comments to the board. There were none.

ADJOURNMENT

Acting Chairman Atkinson asked to adjourn the meeting.

Moved by Mr. Buzby
Seconded by Ms. Payne

Approved unanimously 7-0 by voice vote.

Respectfully submitted



Ralph Siegel
executive director/board secretary
Nov. 20, 2018

Also in attendance were Cindy Roberts and Amy Mandelbaum from the SADC staff, Judeth Yeany from the Office of Green Acres, Carrie Anne Calvo-Hahn from the Office of Legislative Services, Thea Sheridan from the Assembly Republican staff and Drew Tompkins from New Jersey Audubon representing the Keep-It-Green Campaign.