

**STATE AGRICULTURE DEVELOPMENT COMMITTEE**

**POLICY**

**PAYMENT OF COST SHARE GRANTS FOR ELIGIBLE EXPENSES ASSOCIATED WITH MUNICIPAL AND NONPROFIT PRESERVATION APPLICATIONS**

I. **Purpose**

To establish the documentation a Nonprofit or Municipality needs to provide to the State Agriculture Development Committee (SADC) and timeframe for submission, to authorize payment of a cost share grant for reimbursement of eligible ancillary costs.

II. **Authority**

N.J.S.A. 4:1C-13e  
N.J.S.A. 4:1C-43.1h  
N.J.S.A. 13:8C-39

N.J.A.C. 2:76-6.1  
N.J.A.C. 2:76-6.11(d)3i. and ii.  
N.J.A.C. 2:76-12.6  
N.J.A.C. 2:76- 17A.14(b)1

III. **Policy**

The SADC shall provide the Municipality or Nonprofit with a cost share grant for 50% of eligible costs ancillary to the acquisition of a development easement on farms permanently protected pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq., P.L. 1983, c.32 and the Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq., P.L. 1999, c.152.

The SADCs cost share grant for the purchase of a development easement and for eligible ancillary costs is subject to the availability of funds approved pursuant to N.J.A.C. 2:76-12.2 and 17A.8.

V. **Procedures**

1. **Payment Request**

Within 120 days of the date of the SADC providing a cost share grant for the acquisition of a development easement or fee simple purchase, the Municipality or Nonprofit shall submit to the SADC all eligible ancillary costs.

A copy of the vendors invoice and evidence of the Municipality or Nonprofit's payment of the bill must be provided.

**Eligible costs:**

**Municipality :**

- Appraisal fees
- Survey fees
- Title search and title insurance fees
- Wetlands determination costs

**Nonprofit:**

- Appraisal fees
- Survey fees
- Title search and title insurance fees
- Wetlands determination costs
- Phase I Preliminary Assessment Environmental costs
- Demolition costs in fee simple acquisitions, provided they are necessary and reasonable

To be eligible for reimbursement for demolition costs the Nonprofit must submit a letter from the municipal building code official stating that the building is unsafe; unfit for habitation, occupancy or use; and in violation of the municipal building code. At least three reputable cost estimates must be provided for demolition and confirmation from the appraisers stating they did not value the improvements to be demolished and that the improvements do not have any agricultural value.

2. **SADC Review and Processing of a Payment Request**

Upon receipt of a request for reimbursement of eligible ancillary costs, the SADC shall review the information provided and verify conformance with applicable rules and polices. Provided the information is complete and accurate, the SADC will authorize a grant

to the Municipality or Nonprofit in an amount equal to 50% of eligible ancillary costs, subject to available funds at that time.

If funding is not available for an ancillary cost reimbursement request, the SADC will issue a grant equal to the amount of funding available at that time, or, provide notification the reimbursement request cannot be paid.

An SADC vendor invoice summarizing the eligible ancillary costs will be prepared and sent to the Municipality or Nonprofit for an authorized signature. Upon receipt of the executed invoice, payment will be processed.

In the event the Municipality or Nonprofit fails to submit the necessary documentation for reimbursement of ancillary costs to the SADC within the 120-day period following the date of closing a cost share grant will not be authorized.

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