

STATE AGRICULTURE DEVELOPMENT COMMITTEE

Implementation Details for the SADC's County Planning Incentive Grant Program

Procedure #3 Updated 12.07.17

Purpose:

To identify the procedures for encumbering funds once SADC final approval has been granted.

Authority:

N.J.S.A. 4:1C-43.1

N.J.A.C. 2:76-17.14

Guidelines:

- I. Implementation Details for the SADC's New County Planning Incentive Grant Program - Procedure #2 (adopted January 24, 2008) details the SADC requirements for obtaining SADC final approval for a cost-share grant on the sale of a development easement.
- II. At the time of SADC final approval, the grant for each farm will be encumbered in an amount equal to 103 percent of the projected cost in order to provide a small buffer to reduce the risk of a shortfall of funds at the time of closing. This buffer applies to either base or competitive grant encumbrances, pending funding availability.
- III. Pursuant to N.J.A.C. 2:76-17.14 and SADC Procedure #2, Section III, final approval shall first encumber all funds from the base grant.
 - A. After closing on a farm, any unused funds encumbered from the base grant shall be returned to County's base grant for use on other projects by that County.
 - B. If additional base grant funds are needed due to an increase in acreage, beyond the amount encumbered at the time of SADC final approval, the grant may be increased so long as there are sufficient unencumbered funds available in the county's base grant.
- IV. Pursuant to N.J.A.C. 2:76-17.14 and SADC Procedure #2, Section IV, once all base grant funds have been encumbered, final approval shall encumber funds from the competitive grant fund, subject to funding availability and the total cap on funding to each county for each appropriation.
 - A. After closing on a farm, any unused funds encumbered from the competitive grant shall be returned to the most current legislatively authorized competitive grant fund for use by any County competing for those grant funds.
 - B. No additional competitive grant funds can be sought after final approval. Increases in acreage that result in a shortfall of SADC funding must be covered by a landowner donation or other authorized funding source (Municipality, County, Federal and/or Nonprofit), or unencumbered and available base grant funds.