



## State of New Jersey

Highlands Water Protection and Planning Council  
100 North Road (Route 513)  
Chester, New Jersey 07930-2322  
(908) 879-6737  
(908) 879-4205 (fax)  
[www.nj.gov/njhighlands](http://www.nj.gov/njhighlands)

**PHILIP D. MURPHY**  
*Governor*

**SHEILA Y. OLIVER**  
*Lt. Governor*



**CARL J. RICHKO**  
*Chairperson*

**LISA J. PLEVIN**  
*Executive Director*

## MEMORANDUM

**To:** Landowner Equity and Land Preservation Committee

**From:** Lisa J. Plevin, Executive Director

**Subject:** Committee Meeting Minutes – August 24, 2020

**Date:** September 1, 2020

A Landowner Equity and Land Preservation Committee meeting was held via tele-conference on Monday, August 24, 2020 at 2:30.

Committee Members present: Committee Chair Walton, and Committee Members Francis, Holtaway, and Vissioli.

Additional Council Members present: Council Chair Richko.

Staff Members present: Lisa J. Plevin, Christine LaRocca, James Humphries, Carole Ann Dicton, Alex Hascha, Karen Castanhas, and Annette Tagliareni

*Committee Chair Walton called the meeting to order at 2:31pm.*

### Update on Approved Purchases

The Highlands Development Credit (HDC) Purchase Program has completed its last purchase and there are no pending applications or purchases.

- The HDC Bank has purchased easements on 70 properties;
- \$27,772,000 has been provided to landowners;
- The Highlands Council leveraged \$4,480,000 in federal Highlands Conservation Act funds; and
- 2,565 acres have been preserved.

To date, the Highlands Council has approved 3 funding rounds for the Open Space Partnership Program (OSPP):

- 10 OSPP applications have closed;

- 3,423 acres have been preserved;
- The Highlands Council has contributed \$4,112,277 to these 10 applications;
- The total project cost for these 10 applications is \$11,604.369;
- The Highlands Council has leveraged \$7,492,093 from funding partners; and
- 25 previously approved OSPP applications remain pending. Of these, 22 involve federal U.S. Fish and Wildlife Service funding.

#### FY2019 Federal Funding Round and Award

In March 2019, the Council received a Notice of Funding Opportunity for the Highlands Conservation Act (HCA) Grant Program by the US Fish and Wildlife Service (USFWS). The HCA program is a reimbursement-based matching grant program that will fund up to 50% of the cost of qualifying land preservation projects.

At the time of the 2019 Notice, the Council had exhausted all of its available acquisition funding through either completed HDCPP/OSPP transactions or by setting aside funding for previously approved OSPP applications that were still active and pending.

Due to the match requirements of the HCA and lack of available funding, the Council staff believed the best approach to the 2019 HCA application was through the OSPP. Funds committed by OSPP partners would be used to match the federal dollars and meet the federal match requirement. Upon consultation with the Highlands Council Chairman Richko and Landowner Equity and Land Preservation Committee Chairman Walton, the Council launched a new funding round of the OSPP in May 2019 to solicit applications for projects that would qualify for funding under the provisions of the HCA program. Council staff reviewed the OSPP applications and prepared the HCA grant application using the specific projects proposed in the OSPP applications. The HCA application was submitted to USFWS in July 2019 using all but one of the OSPP proposals received, which did not meet the federal application requirements.

The Council applied for and received approval of funding in the amount of \$3,491,650.00 under the HCA program. As noted above, all \$3,491,650.00 is tied to specific OSPP applications.

Committee members received details for each application. These 13 applications were approved by USFWS for funding under the HCA grant program and have fulfilled all requirements under the Council's Open Space Rule (N.J.A.C. 7:70).

Mr. Humphries noted that all funding is coming from the HCA grant, of which one (1) property will go before the Highlands Development Credit Bank in November 2020.

Member Holtaway had questions about these properties regarding:

- Easement or title ownership
- Easement or fee valuation
- Estimated cost of per preserved acre for the transaction
- Potential recusals

Member Visioli made a point to make sure values are fair and consistent across the board.

Mr. Humphries noted that during the OSPP application process there is no requirement for appraisals. Figures noted on materials are not-to-exceed amounts.

Member Holtaway noted that only one of the property owners is contributing towards the transaction.

As an overview of the discussion, Committee Chair Walton noted that the challenge here is that the low-hanging fruit (of properties available for preservation) is gone, hence the higher price for this round.

Mr. Humphries emphasized that 14 applications were received but 13 properties were approved by USFWS for funding. Mr. Humphries also added that values are certified prior to closing under both the Council's OSPP process and the federal grant process using very robust standards.

Ms. Plevin emphasized that the Highlands Council staff sent out an application round and this is what we received. Ms. Plevin noted that Highlands Council is the only entity in New Jersey that eligible to receive this federal grant funding. Ms. Plevin also noted that Member James will likely need to recuse himself regarding one of the properties involving Passaic County if the committee brings this to Council for consideration.

Council Richko gave some background on one of the properties.

Committee Member Francis commented that the cost of the property being acquired depends on the underlying value of the property and there will be variability.

Committee Chair Walton added that due to the pandemic in the urban areas, prices in our area will likely go up.

*The Committee unanimously agreed to move the 12 OSPP applications and 1 HDC Purchase Program application to be considered by the Council and HDC Bank at their next scheduled meetings.*

**Report out to Council and Council Resolution to Approve Open Space Program Applications for Funding (September 17, 2019 @ 4:00pm)**

Committee Chair Walton will provide an update to Council at its next meeting scheduled on September 17, 2020 and the Council will consider the Committee's recommendation.

Committee Chair Walton asked Council staff to keep the Committee apprised regarding the valuations of the properties.

*The meeting adjourned at 2:55pm.*