Voters Approve County Trust Fund

On November 2, 1999, Hunterdon County residents cast their votes on "The County Open Space, Recreation, Farmland Preservation and Historic Trust Fund" (Open Space Trust Fund) ballot question. The ballot question was approved by a margin of 2 to 1 – a clear indication of the overwhelming commitment residents have toward preservation in Hunterdon County.

The Trust Fund authorizes the Board of Chosen Freeholders to raise up to three cents per hundred dollars of equalized real property value. Funds can be used for the following purposes:

- purchase of lands for recreation, conservation, general open space, and farmland preservation;
- historic preservation of county owned structures, properties, facilities, sites, areas or objects; and
- payment of debt service or indebtedness issued or incurred by the County for any of the above purposes.

A Trust Fund provides a stable source of funding which increases over time with the growth in ratables. The current Board of Chosen Freeholders has indicated that the Trust Fund is intended to supplement, rather than replace, existing capital funds and bond issues that are used for farmland, open space,

and historic preservation. The Trust Fund will terminate on December 31, 2004. At that time, County residents will have an opportunity to assess its effectiveness and desirability and to vote on its continuation.

A History of Strong Support for Preservation in Hunterdon County That voters approved the County Trust Fund should be of no surprise. **Hunterdon County residents have** demonstrated a long-standing commitment to preservation initiatives. In 1980, for instance, they supported a \$2.2 million bond referendum for agricultural preservation in Hunterdon County. Continued support for county funding was evident from results of a public opinion survey conducted by the Planning Board in 1993. Fifty-four percent of respondents indicated their willingness to pay higher taxes for farmland and open space.

In 1998, Hunterdon County voters supported the Garden State Preservation Trust Act which provides a stable source of funding statewide for farmland, open space and historic preservation. Over the past several years, residents in 12 out of 14 townships in the County approved the adoption of local trust funds.

There are several reasons why Hunterdon County residents are so fervent in their support for funding open space, farmland and historic resource protection. These resources define the character of our

communities. Virtually every municipal master plan cites the need to protect "community character" as a principal goal. By community character, they mean the visual and historic character as well as the environmental integrity of their communities. Rolling hills, farm fields, stream corridors, woodlands, centuries old hamlets and villages – all of these features contribute to community character.

At the same time, Hunterdon County is faced with some of the most intensive development pressures statewide. As residents witness the rapid conversion of open land to homes, shops and office parks, there is a growing sense of urgency to achieve a balance between growth and preservation.

In the same public opinion survey cited earlier, residents expressed a strong willingness to pay higher taxes not only for preservation of farmland and open space, but also for a clean, natural environment. A clean, natural environment ranked most important to survey respondents among 11 quality of life considerations. Certainly, preservation of woodlands, grasslands, stream corridors, hillsides, etc. contributes to water quality, air quality, and other factors that comprise "a clean natural environment."

There is another important reason as well. Numerous studies have been conducted throughout the na-

tion and they reach the same conclusion - land preservation makes economic sense and is a critical balance to residential development. Residential development tends to create an economic burden on communities because, in many cases. the costs of services they demand far exceed the tax revenues generated. Such costs may include education, road maintenance, fire, police, emergency services, recycling, and libraries, among other services. The American Farmland Trust analyzed five communities in New Jersey. For every dollar raised in revenues, homes generated an average of \$1.30 in costs. Farms, forestland and open space generated costs of only 45 cents.

A study done in 1991 in Princeton Township showed that despite the initial outlay of funds necessary to purchase easements, it was far more cost-effective than a residential subdivision on the same property. A similar study in Tewksbury Township conducted in 1997 arrived at the same conclusion.

Freeholders' Commitment to Preservation

The County Freeholders' response to the strong show of resident support is reflected in a track record of preservation planning and investment. This track record applies to farmland, open space, and historic preservation.

The Agriculture Retention and De-

velopment Act of 1983 established New Jersey's Farmland Preservation Program. Even prior to that, Hunterdon County positioned itself to institute what would become one of the most successful farmland preservation efforts statewide. This it did in 1980, when voters approved

ADA's are areas considered most viable for future agriculture based on a set of guidelines established in the Agriculture Retention and Development Act and criteria developed by each County. (Also see p. 13).

a \$2.2 million bond referendum for farmland preservation. Since then, the County has in-

vested \$6.3 million to preserve thou- During the past 10 to 12 years, the sands of acres of farmland. Hunterdon County was the first to appoint a County Agriculture Development Board, charged with developing a countywide program to assist in agricultural retention. It was also the first to adopt criteria for establishing Agriculture Development Areas (ADA's).

The Freeholders have shown a strong commitment to the County Park System as well. Since the Park System's inception in 1973, the County has spent approximately \$23.5 million on parkland acquisition. Today, the Park System maintains 5,389 acres dedicated to active and passive recreation and to conservation.

In 1971, the Freeholder Board created the Hunterdon County Cultural and Heritage Commission. The Commission is charged with cultivating public understanding and interest in history, arts and culture.

Among the numerous activities it undertakes, the Commission teamed up with the County Planning Board to prepare a comprehensive inventory of historic resources (Sites of Historic Interest, 1979). During the 1990s, it collaborated with the Planning Board and Engineering Department in a study and evaluation of 108 stone arch bridges. This study included an assessment of the historic significance of each bridge and maintenance recommendations.

County spent approximately \$2.5 million on repairs and enhancements to eight truss bridges, all of which are over 75 years old. Most of these bridges are either on or deemed eligible for the State and National Register of Historic Places. The County also spent approximately \$100,000 on restoring and repairing an old farmhouse at Tower Hill Park in Bethlehem Township. Another \$600,000 was invested into the restoration and repair of the exterior of the historic courthouse in Flemington (matched by \$600,000 from the State).

New Opportunities for Preservation

Hunterdon County is poised to benefit tremendously from funding programs established by the State over the past few years. In November 1998, New Jersey voters approved a constitutional amendment that provides a dedicated funding source for open space, farmland

and historic preservation. The constitutional amendment dedicates \$98 million over the next 10 years to be generated from State sales tax revenues, plus up to \$1 billion in bond proceeds for these purposes. The \$2 billion dollars to be generated over the next 10 years is necessary to meet Governor Whitman's ambitious goal of preserving another one million acres of land in New Jersey.

The Garden State Preservation
Trust Act provides the regulatory
framework for implementing the
goals of the constitutional amendment. It stipulates that \$6 million be
used for historic preservation. Of
the remaining \$92 million, the Green
Acres program receives 60 percent
and the Farmland Preservation Program receives the balance.

Counties, municipalities and nonprofit organizations all have access to the new State funding. This funding is made available through enhancements to pre-existing State programs and through brand new funding opportunities. For example, the Office of Green Acres offers acquisition grants to municipalities and counties through its Green Trust Planning Incentive (PI) program. Applicants must have an approved Trust Fund and Open Space and Recreation Plan to qualify. In the past, these grants were limited to 25 percent of the total project cost, coupled with a 75 percent low-interest loan. Since the adoption of the Garden State Preservation Trust Act.

the award package provides 50 percent grants.

Since 1989, the Office of Green Acres has offered land preservation grants to qualifying nonprofit organizations as well. Such organizations are eligible for up to 50 percent of the cost of land or easement acquisition. The Garden State Preservation Trust Act has introduced a similar opportunity through the State Farmland Preservation Program. This program awards grants of up to 50 percent of the cost of development easements or fee simple title to farmland acquired by qualifying nonprofit organizations.

In the past, the State Farmland Preservation easement purchase program limited the number of applications to seven per county in any given funding round. With the infusion of the dedicated State funding, however, the State eliminated ceilings. As a result, the Hunterdon County Agriculture Development Board received 124 applications last year - a record number. Twenty-four were forwarded to the State and are currently under review.

In 1999, the State legislature approved another critical piece of legislation, providing additional opportunities for municipalities and counties. Specifically, it creates a new farmland preservation grant program. To be eligible for the grant monies, a county or municipality must prepare a multi-year plan for the preservation

of "project areas." These areas Fund req consist of multiple farms that are reasonably contiguous. Providing Freehold they satisfy a variety of additional program criteria, they are eligible for grant monies.

Both the State Farmland Preservation Program and the Green Trust PI program are largely premised on cost-sharing among multiple partners. These partnerships involve the State, counties, municipalities and nonprofit organizations. Cost-sharing benefits all partners because it allows them to stretch dollars further to preserve more land.

Over the past two years, there have been several requests before the **Hunterdon County Freeholder** Board by nonprofit organizations seeking county contributions toward a variety of land preservation projects. This should come as no surprise, given the tremendous infusion of State funding. An influx of requests by nonprofit organizations and municipalities will likely occur in • the coming years as long as State funds are available. Clearly, the Freeholders must be equipped with the information, tools, policies and procedures they need to respond to these requests in the future. This suggests the need for a strategic plan.

<u>Purpose of a Strategic Trust Fund</u> Plan

Before implementing the Hunterdon • County Open Space Trust Fund, the resolution authorizing the Trust

Fund requires the development of a countywide acquisition plan. The Freeholder Board directed the County Planning Board to prepare the plan.

Recommendations presented in the plan are intended to guide the Free-holders' future spending decisions to achieve a variety of preservation goals in the most cost-effective and administratively efficient manner possible. These goals include the following:

- Continue to support the Farmland Preservation Program administered by the County Agriculture Development Board;
- Support the continued expansion of the County Park System by seeking not only Green Acres funding, but also municipal contributions, nonprofit support, and/or other potential funding sources;
- Consider future partnerships with nonprofit organizations pursuing land preservation projects that are consistent with the County's park, open space, and farmland preservation goals;
- Provide a stable source of funding to advance municipal open space plans and preservation initiatives;
 - Establish a system for implementing new Open Space Trust Fund programs that removes

- administrative responsibilities from the Board of Chosen Free-holders;
- Strengthen open space and parks planning through interdepartmental coordination; and
- Provide a stable source of funding to contribute to the restoration and enhancement of County-owned historic facilities.

The Plan recommends the following actions and policies to support these goals:

- Create a special funding program for municipalities and nonprofit organizations through an Open Space Trust Fund Municipal Grants Program and Nonprofit Grants Program, and create an Open Space Advisory Board to oversee the programs;
- Allocation of available funding among the numerous recommended Trust Fund programs should be determined on an annual basis, with up to 10 percent of the annual Trust Fund allocated each to the Municipal Grants Program, Nonprofit Grants Program, and historic preservation.
- In making long-term funding decisions, the Freeholder Board should weigh the merits of bonding and/or capital funds to supplement Trust Fund monies;

- for implementing Trust Fund programs should convene periodically to review program needs and issues, and to offer recommended changes to the Freeholder Board as necessary;
- Create and maintain systems for data sharing among all government and private entities engaged in open space and farmland preservation planning in Hunterdon County; and
- Evaluate staffing needs and requirements to implement various aspects of the Trust Fund.

It is important to distinguish the Open Space Trust Fund Plan from other related plans that are in place or in preparation. This plan is not intended to replace other county plans, such as the draft Hunterdon County Farmland Preservation Plan or the draft Park and Recreation Master Plan. Rather, it views these and all other relevant planning activities around the County collectively in offering various financial and administrative recommendations. It does so within the context of a 10-year planning horizon, consistent with the duration of the State's spending plan.

The Plan also contains a historic preservation plan element. This element provides background information, goals and recommendations for the preservation of County-owned historic resources.