

# **The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund**

Hereinafter referred to as “The Morris County Preservation Trust Fund”

## **1. Introduction**

The State of New Jersey enacted legislation which permits "...the governing body of any County in which the voters of the County have approved in a general or special election, a proposition authorizing the acquisition of lands for conservation as open space and/or as farmland may annually raise by taxation a sum not to exceed the amount or rate set forth in the proposition approved by the voters..."

Acknowledging the need to preserve open space and farmland, the Morris County Board of Chosen Freeholders passed a resolution on August 12, 1992 authorizing the placement of a public question on the November 3, 1992 ballot. The voters of the county, in order to assure Morris County's long standing tradition of maintaining a high quality of life through the acquisition of open space, recreational lands, and areas of environmental significance, approved a non-binding referendum by a margin of 2 to 1 for the creation of the Morris County Open Space and Farmland Preservation Trust (“trust fund”) to be funded by a tax not to exceed \$.02 per \$100 of total county equalized real property valuation.

As a result of voter approved referendum, the Board of Chosen Freeholders established the trust fund by resolution on December 22, 1992. The fund commenced on July 1, 1993 with a tax equal to one-half cent per \$100 of total county equalized real property valuation. The Board of Chosen Freeholders annually reviews and sets the collection rate. Since its inception, five amendments have been approved by non-binding referenda; these amendments permit additional uses of trust fund dollars in accordance with Chapter 24 and increase the maximum collection rate. Rules and Regulations for the administration of the Morris County Preservation Trust Fund were formally adopted by the Board of Chosen Freeholders on December 14, 1994 pursuant to N.J.S.A. 40:12-19, and have been periodically amended as necessary.

The trust fund is divided into five program areas: 1) Open Space Preservation; 2) Farmland Preservation; 3) Historic Preservation; 4) Trail Construction and 5) Park Improvement Trust Fund (administered by the Park Commission). The Open Space Program is further divided into four program areas: 1) Municipal and/or qualified charitable conservancy projects; 2) Morris County Park Commission; 3) Morris County Municipal Utilities Authority; and 4) Flood Mitigation.

The Morris County Open Space Committee was created by the Board of Chosen Freeholders to review and evaluate applications under the Municipal and/or qualified charitable conservancy program and provide recommendations for funding. All recommendations are subject to the final approval of the Board of Chosen Freeholders.

The Morris County Park Commission was formed by referendum in 1955 to acquire and develop land for leisure and recreational use. The determination of which properties are to be acquired under this program shall be the responsibility of the Park Commission, subject to the final approval of the Board of Chosen Freeholders.

The Morris County Municipal Utilities Authority (M.U.A.) supports many efforts focused on protecting the environment including purchasing open space to protect the water supply, aquifers and their recharge areas. The determination of which properties are to be acquired under this program shall be the responsibility of the Municipal Utilities Authority, subject to the final approval of the Board of Chosen Freeholders.

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The Morris County Agriculture Development Board (CADB) was created by the Board of Chosen Freeholders in 1983 to oversee preservation of farmland in accordance with the Agriculture Retention and Development Act (N.J.S.A. 4:1C). The determination of which properties are to be acquired under this program shall be the responsibility of the CADB, subject to the final approval of the Board of Chosen Freeholders.

The Morris County Historic Preservation Trust Fund Review Board was created by the Board of Chosen Freeholders in 2002 to review and evaluate applications under the Historic Preservation Trust Fund Program and provide recommendations for funding. All recommendations are subject to the final approval of the Board of Chosen Freeholders. Sections 5.1 and 5.2 provide further details on the background of this program.

In September of 2011, P.L 1997, c.24 (N.J.S.A. 40:12-15.1 et seq.) was amended and authorization expanded specifically to include “Blue Acres Projects”, additionally the name of these municipal open space trust funds could be changed to be “Municipal Open Space, Recreation, Floodplain Protection and Farmland and Historic Preservation Trust Funds.” The bill defines “Blue Acres Project” to mean any project to acquire, for recreation and conservation purposes, lands that have been damaged by, or may be prone to incurring damage caused by, storms or storm-related flooding, or that may buffer or protect other lands from such damage, and includes the demolition of structures on, the removal of debris from and the restoration of those lands to a natural state or to a state useful for recreation and conservation purposes.

The Morris County Flood Mitigation Program was created by the Board of Chosen Freeholders in March 2012 in response to increased, repetitive flooding in New Jersey, and especially the excessive flooding caused by Hurricane Irene in 2011. This program provides funding for the buyout of flood-prone residential properties (“Blue Acres Projects”); please see Section 6 for details. The Morris County Flood Mitigation Committee was created by the Board of Chosen Freeholders to review and evaluate applications under this program and provide recommendations for funding. All recommendations are subject to the final approval of the Board of Chosen Freeholders.

In May 2016, the Morris County Board of Chosen Freeholders adopted the Trail Construction Grant Program and created the Trail Program Advisory Committee. The development of the program was supported by the results of a survey performed during the creation of the 2013 Preservation Trust Fund Analysis and Strategy Report and the subsequent ballot question approved by voters. The Program will distribute grants to municipalities for the construction of trails on permanently preserved public parkland. The Trail Program Advisory Committee will review and evaluate applications under this program and provide recommendations to the Board of Chosen Freeholders for approval.

In October 2016, the Morris County Board of Chosen Freeholders created the Community Rating System (CRS) Assistance Program within the Flood Mitigation Program. Federal legislation, namely the Biggert-Waters Act of 2012 and the Homeowners Flood Insurance Affordability Act of 2014, significantly increased the cost of flood insurance for property owners in the private, business and public sectors nationwide. The CRS program, created by the National Flood Insurance Program (NFIP), incentivizes communities to better communicate and protect against future flood events through the implementation of superior flood hazard mitigation measures; these efforts may result in flood insurance discounts for all property owners within the community. Through the CRS Assistance Program, municipalities in need will be provided with technical expertise and resource support in their efforts to join and participate in the NFIP’s CRS program.

### **1.1 Allocation of Funds**

- a. The monies for the Park Improvement Trust Fund shall be allocated by resolution by the Board of Chosen Freeholders on an annual basis.

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- b. The monies for the Farmland Preservation program, Historic Preservation program, Trail Construction program and Open Space Preservation programs: (1) Municipal and/or qualified charitable conservancy projects; 2) Morris County Park Commission; 3) Morris County Municipal Utilities Authority; and 4) Flood Mitigation shall be allocated by resolution by the Board of Chosen Freeholders on an annual basis.

*Ancillary*

The Morris County Board of Chosen Freeholders may allocate funds by resolution to an ancillary category for County costs associated with property acquisition or trail construction.

**1.2 Allocation of Funds-Interest on Investments  
(Amended by Resolution #18, 12/23/2013)**

Any interest earned on the investment of funds from the Morris County Preservation Trust Fund shall be retained within the trust fund. Commencing in 2014, the total amount of interest credited from January to December shall be added to the following year's dedicated tax amount and distributed in accordance with Section 1.1b.

**1.3 Allocation of Added and Omitted Assessments**

Any Added and Omitted Assessment for a given year shall be allocated among all Preservation Trust Fund Programs in the following year in accordance with the Freeholder Resolution adopted in the following year.

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## 2. Definitions

The following words and terms shall have the following meanings unless the context clearly indicates otherwise:

Acquisition - the securing of a fee simple or a lesser interest in land, including but not limited to an easement restricting development, by gift, purchase, installment purchase agreement, devise, or condemnation, and includes the demolition of structures on, the removal of debris from, and the restoration of those lands to a natural state or to a state useful for recreation and conservation purposes.

Aquifer Recharge Protection Area - lands through which water of significant volume and high quality moves down to an underlying groundwater reservoir.

Charitable Conservancy - a corporation or trust exempt from federal income taxation under paragraph (3) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986 (26 U.S.C. §501 (c)(3)), whose purpose include (1) acquisition and preservation of lands in a natural, scenic, or open condition, or (2) historic preservation of historic properties, structures, facilities, sites, areas, or objects, or the acquisition of such properties, structures, facilities, sites, areas, or objects for historic preservation purposes.

Community Rating System (CRS) Assistance Program – provision of technical expertise and resource support to municipalities endeavoring to join or participate in the National Flood Insurance Program’s CRS program.

Conservation Restriction - an interest in land less than fee simple, stating in the form of a right, restriction, easement, covenant, or condition, in any deed, will, or other instrument, other than a lease, executed by or on behalf of the owner of the land, appropriate to retaining land or water areas predominantly in their natural, scenic, open, or wooded condition; appropriate for conservation of soil or wildlife; appropriate for outdoor recreation or park use; or appropriate as suitable habitat for flora or fauna.

Department - the Morris County Office of Planning & Preservation

Farmland - land actively devoted to agricultural or horticultural use that is valued, assessed, and taxed pursuant to the “Farmland Assessment Act of 1964,” P.L. 1964, c. 48 (C. 54:4-23.1 et seq.).

Flood Mitigation – acquisition of flood-prone homes and land, which are then reverted to their natural state to act as flood capture and storage areas, providing a barrier which protects the remaining homes and businesses.

Historic Preservation - the performance of any work relating to the stabilization, repair, rehabilitation, renovation, restoration, improvement, protection, or preservation of a historic property, structure, facility, site, area, or object.

Historic property, structure, facility, site, area, or object - any property, structure, facility, site, area, or object approved for inclusion, or which meets the criteria for inclusion, in the New Jersey Register of Historic Places pursuant to P.L. 1970, c. 268 (C.13:1B-15.128 et seq.).

In-kind Contribution – gift or donation of goods and services other than cash.

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Lands - real property, including improvements thereof or thereon, rights-of-way, water, lakes, riparian and other rights, easements, privileges, and all other rights or interests of any kind or description in, relating to, or connected with real property.

Recreation and Conservation Purposes - use of lands for parks, open space, natural areas, ecological and biological study, forests, water reserves, wildlife preserves, fishing, hunting, camping, boating, winter sports, or similar uses for either public outdoor recreation or conservation of natural resources, or both.

Restoration to a Natural State – grade the demolition site, provide topsoil and seed with grass and/or with wildflower mixes.

Subsequent Owner - current property owner who purchased, or took title to the property, not including estate situations, subsequent to the flood of record. Appraisals shall utilize post-flood, current market value; however in no case shall the value exceed the consideration paid for the property.

Trail – a thoroughfare or track across land or snow, used for recreational purposes excluding roads generally accessible by low clearance passenger vehicles but includes high clearance primitive roads, such as:

1. Non-motorized activities; and/or
2. Motorized vehicular activities
  - a. Gas powered such as all-terrain vehicles, motorcycling, and snowmobiling
  - b. Non-gas powered such as electric segways and bikes

Trails do not include sidewalks or running tracks as defined by an oval shaped track that is used for races involving athletes at tracks meets.

Trail Enhancement – improvements of trail design and/or surface type of existing trails to accommodate increased volume and/or make the trail ADA compliant. Trail enhancement is more than an in-kind replacement of current conditions. Deferred maintenance activities are not eligible.

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## **3.0 Open Space Preservation**

### **3.1 Morris County Park Commission**

Eligible applicants, properties and review procedures of open space projects to be acquired by the Morris County Park Commission shall be determined by this agency.

### **3.2 Morris County Municipal Utilities Authority**

Eligible applicants, properties and review procedures of open space projects to be acquired by the Morris County Municipal Utilities Authority shall be determined by this agency.

## **3.3 Municipal and/or Qualified Charitable Conservancy Projects**

### **3.3.1 Acquisition Strategies**

The following acquisition strategies shall be considered in the allocation of funds from the Municipal and/or Qualified Charitable Conservancy (hereinafter “Non-Profit”) program of the Morris County Preservation Trust Fund:

1. Projects which qualify for State Green Acres funding.
2. Multi-use projects (projects including several elements such as water protection, recreation, historic and scenic preservation, etc.)
3. Projects involving land under immediate threat of commercial, industrial or residential development where development of the property would be inconsistent with overall character of the community.
4. Projects submitted by municipalities with little or no existing lands preserved as open space or recreation.
5. Projects with matching funds.
6. Joint public/private sector projects.
7. Projects consistent with County and Municipal Open Space Plans.

### **3.3.2 Eligible Applicants**

The following entities are eligible to apply for funds:

1. Any of the thirty-nine municipalities in the County of Morris
2. Charitable conservancies

### **3.3.3 Eligible Acquisitions**

Projects eligible for consideration for funding from the Morris County Municipal and/or Non-Profit program of the Morris County Preservation Trust Fund include the following:

1. Land or water areas for recreation and conservation purposes, including but not limited to:
  - a. Parkland, natural areas, greenways
  - b. The protection of ecologically sensitive areas including freshwater wetlands, steep slopes and stream corridors
  - c. The preservation of lands containing exceptional flora or fauna
  - d. The preservation of areas of scenic, historic and cultural value
  - e. Passive and active outdoor recreational opportunities
  - f. The protection of critical water supplies such as areas surrounding municipal/county wells,

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aquifer recharge protection areas or watershed areas, and floodplains

2. The acquisition of historic sites eligible under the Historic Preservation Trust Fund Program (See Section 5.6).

**3.3.4 Ineligible Acquisitions**

Projects ineligible for consideration for funding from the Morris County Municipal and/or Non-Profit program of the Morris County Preservation Trust Fund include but are not limited to the following:

1. Sites which will remain predominantly covered by buildings or structures, except sites which meet historic preservation criteria under the Historic Preservation Trust Fund Program.
2. Former landfill sites.
3. Sites which at the time of application are designated (i.e., zoning, plan and/or court settlement) for affordable housing.
4. Development costs such as construction of ballfields, tennis courts, roads etc.
5. Any administrative, maintenance, care, custodial or policing expenditures associated with the acquisition of open space.
6. Sites already owned by municipalities/qualified charitable conservancies or acquired during the application process.
7. Flood mitigation acquisition projects, except projects which have been reviewed and rejected by the Flood Mitigation Committee (FMC) or the Board of Chosen Freeholders (See Sec. 6.8 Acquisition Procedures), or are ineligible for the program.

**3.3.5 Open Space Trust Fund Committee**

3.3.5.1 Purpose and Appointments

The Open Space Trust Fund Committee (“Committee”) shall review, prioritize, and make recommendations to the Morris County Board of Chosen Freeholders on the funding of projects. The Committee shall not have the authority to amend or modify acquisitions undertaken by the Park Commission, M.U.A., Agriculture Development Board, Flood Mitigation Committee or Historic Preservation Trust Fund Review Board.

All nominees to the fifteen member Committee shall be reviewed according to standard County procedures in order to avoid any potential conflict of interest. The Morris County Board of Chosen Freeholders shall appoint the Committee based upon the recommendation(s) from the various municipalities and/or entities as follows:

Number of Appointees	Appointee Representation
8	Municipal representatives, with one representative from each of the Open Space Regions as stipulated below and on Figure 1.
2	At-Large members
1	Morris County Planning Board from its membership
1	Morris County Park Commission from its membership
1	Morris County Agriculture Development Board from its membership
1	Morris County Municipal Utilities Authority from its membership
1	Morris County Historic Preservation Trust Fund Review Board from its membership

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Region	Municipalities (listed in order of rotation sequence)
I	Mt. Olive, Washington, Chester Twp., Chester Boro.
II	Mendham Boro., Mine Hill, Randolph, Mendham Twp., Victory Gardens, Dover
III	Roxbury, Mt. Arlington, Jefferson, Netcong
IV	Rockaway Twp., Denville, Rockaway Boro., Wharton
V	Parsippany, Mt. Lakes, Boonton Twp., Boonton Town
VI	Pequannock, Butler, Lincoln Park, Kinnelon, Montville, Riverdale
VII	Morristown, Morris Plains, East Hanover, Hanover, Morris Twp.
VIII	Madison, Chatham Boro., Chatham Twp., Florham Park, Harding, Long Hill

Municipal representatives shall be a resident of the municipality, and an elected official or appointed to a municipal board or commission recommended to the Board of Chosen Freeholders from the respective town. Municipal administrators shall not be required to meet the residency requirement of the municipality. The Morris County League of Municipalities shall decide upon the rotation sequence for each municipality within the regions.

The Morris County Board of Chosen Freeholders may also appoint a liaison to the Committee; this member shall not have voting privileges.

All members shall abide by Morris County's Policy and Procedures for Attendance of Volunteer Members of Advisory Bodies at Scheduled Meetings and Conflict of Interest.

All Committee members shall be residents of Morris County (with the exception noted above for municipal administrators).

#### 3.3.5.2 Terms of Office

Terms for members representing the Morris County M.U.A., the Morris County Planning Board, the Morris County Park Commission, the Morris County Agriculture Development Board, the Morris County Historic Preservation Trust Fund Review Board and the two At-Large appointees shall be for a two year period. All terms for municipal members representing the regions shall be for a three year period.

Municipal members representing the regions shall serve for only one term. All other Committee members shall serve no more than two consecutive terms. All members shall serve on a voluntary basis without compensation.

Members representing the Morris County M.U.A., the Morris County Planning Board, the Morris County Park Commission, the Morris County Agriculture Development Board, the Morris County Historic Preservation Trust Fund Review Board and the two At-Large appointees who have served two consecutive terms cannot be re-appointed to the Committee for a time period of two years from the expiration date of their last term.

If the municipal member's elected or appointed term of office expires prior to the end of his/her term on the Open Space Trust Fund Committee, the municipal member may complete his/her entire term, at the discretion of the appointing municipal governing body. If a municipal member is unable to complete his/her entire term, a new representative from that municipality shall be appointed for the remainder of the term.

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If the term of office of a member representing the Morris County M.U.A., the Morris County Planning Board, the Morris County Park Commission, the Morris County Agriculture Development Board and/or the Morris County Historic Preservation Trust Fund Review Board expires prior to the end of his/her term on the Open Space Trust Fund Committee, the member's term shall be completed by a different individual representing that member's jurisdiction.

### 3.3.5.3 Selection of a Chairperson, Vice-Chairperson and Secretary

The Committee shall elect a Chairperson, Vice-Chairperson and Secretary from its membership at its annual re-organization meeting in April. The term of the office shall extend until the reorganization of the subsequent year's Committee.

The Chairperson shall preside at all meetings of the Open Space Trust Fund Committee and be an ex-officio member of any and all sub-committees that may be created. The Chairperson shall appoint all standing and ad hoc committees as may be required.

The Vice-Chairperson shall perform the duties of the Chairperson in his/her absence. Should the office of Chairperson become vacant, the Vice-Chairperson shall succeed to the office of the Chairperson for the balance of the term. The Vice-Chairperson shall perform such duties as may be assigned by the Chairperson.

The Secretary shall sign all official documents as may be required.

### 3.3.6 Acquisition Review

The Morris County Office of Planning & Preservation shall develop a grant application package and schedule for review. Each applicant shall complete the grant application form (found at <http://morriscountynj.gov/planning/divisions/prestrust/openspace/application/>) and comply with all application requirements and deadlines found in the form. Office of Planning & Preservation staff shall review submitted applications for eligibility and completeness. All eligible and complete applications will be forwarded to the Open Space Trust Fund Committee that will annually review, prioritize and recommend funding. Recommendations shall be made to the Morris County Board of Chosen Freeholders.

#### 3.3.6.1 Site Visits and Final Presentations

##### A. Purpose

To establish requirements for site visits and final presentations by municipalities and non-profit organizations seeking funding through the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund. This policy will help ensure the Morris County Open Space Trust Fund Committee (hereinafter "Committee") conducts its site visits and final presentation meetings in compliance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. The site visits and final presentations are held in closed session because they are an essential part of the contract negotiation process between the applicants and the property owners for the purchase of property with County funding.

##### B. Applicability

All applicants seeking funding shall comply with this policy during site visits and final presentations before the Committee.

##### C. Definitions

"Representative" shall mean an applicant's municipal official (whether an employee or volunteer), staff member, board member or paid professional or consultant designated by the municipality to represent it with respect to the application for funding for the subject property. For non-profit applicants, a

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“representative” shall mean a member of the non-profit board, staff member or paid professional or consultant. Any person who meets the above definition with respect to a funding partner for the subject property is also considered to be a “representative.”

“General public” shall mean anyone other than the Committee who is not a “representative” of the applicant or funding partners. This shall include but not be limited to: the subject property’s owner, other property owners, and members of the press.

### D. Requirements

#### *Site Visits*

Site visits are conducted in “closed session” of a public meeting. During the Committee’s site visit to an applicant’s subject property, only representatives of the applicant are permitted to be present. Members of the general public are not permitted to be present. The applicant is responsible for ensuring that only its representatives are present. Applicants are encouraged to have only a limited number of representatives and to provide the Committee time to ask questions during the site visit.

#### *Final Presentation*

One or more final presentation meetings will be scheduled for dates after the conclusion of all site visits and will be noticed as public meetings. Members of the public will be given an opportunity to make comment at the beginning of each final presentation meeting during the public comment portion of the meeting, limited to no more than three (3) minutes in duration. Members of the public may also submit written comments in advance of the final presentation meeting. The applicant’s final presentation to the Committee will be held in closed session and only representatives of the applicant and any funding partners are permitted to be present during the closed portion of the meeting. Members of the general public will be excluded from closed session in accordance with the Open Public Meetings Act.

#### *Handouts*

The applicant shall not distribute any handouts other than maps to the Committee during site visits or the presentation.

### 3.3.6.2 Appraisal Requirements

#### A. Purpose

To establish requirements for appraisals and reports submitted by municipalities and non-profit organizations seeking funding through the Municipal and/or Non-Profit program of the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund.

#### B. Applicability

All applicants seeking funding shall have one appraisal that is documented by a written report which is prepared in compliance with these requirements. All appraisals and reports must be prepared by a New Jersey Certified General Real Property Appraiser who is on the current List of Approved Appraisers of the New Jersey Green Acres program. Two hard copies of the appraisal report and an electronic copy in pdf format shall be submitted to the Office of Planning & Preservation.

#### C. Definitions

“Pre-appraisal estimated value” shall mean the anticipated appraised value for the subject property and is only for use in determining which type of appraisal to prepare. The applicant may consult tax records and/or the municipal tax assessor for assistance and guidance in this determination.

#### Informational Note:

For applicants who will also seek funding through the New Jersey Green Acres program, N.J.A.C. 7:36-8.3 requires an on-site meeting with Green Acres staff and the appraiser prior to commencement of the

appraisal. Compliance with this Green Acres provision is not required by the County; however, applicants should be aware of this Green Acres requirement.

Each funding year, the appraisal submission date shall coincide with the application deadline. All appraisals shall comply with all appraisal requirements at the time of submission. Applicants are required to submit one appraisal report (i.e., two hard copies of a written appraisal report and an electronic copy in pdf format). Any applicant that does not meet the appraisal submission deadline shall have its application deemed incomplete and not be eligible for consideration in that funding year. The Office of Planning & Preservation shall have the right to disqualify any appraisal that does not meet the criteria outlined in this policy.

All appraisals must specifically include the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund as an Intended User of the appraisal and report.

For properties that have a pre-appraisal estimated value approaching the \$250,000 limit, the applicants are encouraged to have the Summary Appraisal Report or the self-contained appraisal report prepared. If the applicant chooses to prepare the Restricted Use Appraisal Report, documentation must be provided with the funding application that substantiates the estimated value of the property at less than \$250,000. Based on the pre-appraisal estimated value, the following Appraisal Requirements shall apply:

D. Appraisal Requirements for property with an “estimated value” of \$250,000 or more

1. Fee Simple

- a. The applicant’s appraiser shall prepare an appraisal of the subject property and submit a written report, commonly known as a **“Summary Appraisal Report,”** of its opinion of the market value of the subject property in accordance with the definition of “Market Value” as set forth in the most current edition of the Uniform Standards of Professional Appraisal Practice (USPAP). The appraisal and report must contain at a minimum the scope of work contained in the New Jersey Green Acres program’s “Scope of Work for Appraisal Services” (as updated through 10/26/11 or later). Alternatively, the applicant may submit a “Self-Contained Appraisal Report” prepared in conformance with the Green Acres scope of work.
- b. The “As of Date” of the appraisal shall be the application deadline of the application year or the date of the property inspection with the property owner, whichever date is more current to the date of the appraisal. If an appraisal and report have already been prepared, the “As of Date” must be more recent than August 1 of the year prior to making the application.
  - i. The applicant’s appraiser shall separate the land value from the value of all structures or improvements for all properties that are the subject of the application, and shall provide a discrete land value separated from the value of all structures and improvements for properties under different ownerships.
- c. The applicant’s appraiser shall be provided with a report from the municipal engineer or licensed professional planner of the municipality in which the subject property is located, demonstrating the development potential of the subject property. This report shall include an evaluation of the development potential of the Subject Property including but not limited to: municipal land use ordinances and regulations, environmental restrictions; such as, wetlands, Category 1 streams, sub-soil conditions and steep slopes. A copy of this report, which is signed and sealed by the municipal engineer or licensed professional planner, shall be included and attached in the appraisal report. *The Office of Planning & Preservation staff, at their sole discretion in consultation with the County’s Review Appraiser, shall have the right to disqualify any development potential report that does not contain sufficient detail.*

- d. The applicant's appraiser shall not prepare an appraisal or issue a report based on any unsubstantiated "extraordinary assumptions and/or hypothetical conditions" relative to the development potential or any environmental conditions of the subject property. The appraiser must rely upon the appraiser's expertise as well as the information provided by the municipal engineer or professional planner in formulating their opinion of the Market Value of the Subject Property.
  - e. If the municipal engineer or professional planner does not provide such analysis, the municipality or the non-profit must hire an independent professional engineer, professional planner or licensed landscape architect to prepare a report on the land's development potential for consideration by the appraiser.
  - f. If the landowner's professional engineer or planner provides an analysis of the development potential of the property, said analysis must be reviewed by an independent professional engineer, professional planner or licensed landscape architect hired by the applicant and a report prepared of the findings for consideration by the appraiser.
  - g. The applicant's appraiser shall provide a separate value in the appraisal and report segregating the value for any and all structures and improvements on the property.
2. For less than fee simple purchases (e.g. a conservation easement), a "before" and "after" appraisal must be prepared utilizing the same standards outlined above. In addition, the easement's deed restrictions must be provided to the appraiser prior to preparation of the appraisal and report, with a copy of the easement language or document included in the appraiser's report.

E. Appraisal Requirements for property with an "estimated value" of less than \$250,000

1. Fee Simple
  - a. The applicant's appraiser shall prepare an appraisal of the Subject Property and submit a written report, commonly known as a "**Restricted Use Appraisal Report**" of its opinion of the market value of the subject property in accordance with the definition of "Market Value" as set forth in the most current edition of the Uniform Standards of Professional Appraisal Practice (USPAP). The appraisal and report must contain at minimum the scope of work contained in the New Jersey Green Acres program's "Scope of Work for Appraisal Services" (as updated through 10/26/2011 or later). Alternatively, the applicant may submit a "Summary Appraisal Report" or "Self-Contained Appraisal Report" prepared in conformance with the Green Acres scope of work.
  - b. The "As of Date" of the appraisal shall be the application deadline of the application year or the date of the property inspection with the property owner, whichever date is more current to the date of the appraisal. If an appraisal and report have already been prepared, the "As of Date" must be more recent than August 1 of the year prior to making application.
  - c. The applicant's appraiser shall separate the land value from the value of all structures or improvements for all properties that are the subject of the application, and shall provide a discrete land value separated from the value of all structures and improvements for properties under different ownerships.
  - d. The applicant's appraiser shall be provided with a report from the municipal engineer or licensed professional planner of the municipality in which the subject property is located, demonstrating the development potential of the subject property. This report shall include an

evaluation of the development potential of the Subject Property including but not limited to: municipal land use ordinances and regulations, environmental restrictions; such as, wetlands, Category 1 streams, sub-soil conditions and steep slopes. A copy of this report, which is signed and sealed by the municipal engineer or licensed professional planner, shall be included and attached in the appraisal report. The Preservation Trust staff shall have the right, at their sole discretion, to disqualify any development potential report that does not contain sufficient detail.

- e. The applicant's appraiser shall not prepare an appraisal or issue a report based on any unsubstantiated "extraordinary assumptions and/or hypothetical conditions" relative to the development potential or any environmental conditions of the subject property. The appraiser must rely upon the appraiser's expertise as well as the information provided by the municipal engineer or professional planner in formulating their opinion of the Market Value of the Subject Property.
  - f. If the municipal engineer or professional planner does not provide such analysis, the municipality or the non-profit must hire an independent professional engineer, professional planner or licensed landscape architect to prepare a report on the land's development potential for consideration by the appraiser.
  - g. If the landowner's professional engineer or planner provides an analysis of the development potential of the property, said analysis must be reviewed by an independent professional engineer, professional planner or licensed landscape architect hired by the applicant and a report prepared of the findings for consideration by the appraiser.
  - h. The applicant's appraiser shall provide a separate value in the appraisal and report segregating the value for any and all structures and improvements on the property.
2. For less than fee simple purchases (e.g. a conservation easement), a "before" and "after" appraisal must be prepared utilizing the same standards outlined above. In addition, the easement's deed restrictions must be provided to the appraiser prior to preparation of the appraisal and report, with a copy of the easement language or document included in the appraiser's report.

#### F. County Appraisal Review

1. All appraisals submitted for funding through the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund shall be reviewed by an appraiser hired by Morris County ("Review Appraiser") who is currently at a minimum a New Jersey State Certified General Real Estate Appraiser (SCGREA) and is on the current List of Approved Appraisers of the New Jersey Green Acres program.
2. The Review Appraiser shall review the appraisal in accordance with USPAP Standard 3 requirements. If applicable, the Review Appraiser shall develop questions regarding development of the opinion of value and transmit these to the applicant's appraiser with copy to the applicant.
3. The Review Appraiser shall contact the applicant's appraiser (via e-mail, phone, or letter) to address any questions regarding the development of the opinion of value that are not addressed in the appraisal report or resolved via written correspondence from the applicant's appraiser.
4. It is the applicant's sole responsibility to directly contact their appraiser to respond to the Reviewer's questions regarding development of the value conclusion and the final value

conclusion which may occur as a result of the appraisal review.

5. The Review Appraiser shall develop an opinion as to the completeness, accuracy, relevance, adherence to appraisal guidelines and reasonableness of the analysis in the work under review given law, regulations and intended user requirements applicable to the work under review (USPAP Sec. 3-3).
6. If the Review Appraiser concludes the applicant's appraiser provides reasonable documentation to support the assumptions and analysis in the report and adequately addresses all questions raised, the value conclusion shall be deemed Morris County's **Accepted Market Value** (AMV) upon which Morris County may cost share for the project.
  - a. The AMV is not a certified value and is not a substitute or replacement for Green Acres' Certified Market Value (CMV) or Average of Appraised Values
  - b. Various program areas receive funding allocations from the Morris County Preservation Trust Fund. These are the Park Commission, Municipal Utilities Authority, Agriculture Development Board, Municipal/Non-Profit Open Space Program, Historic Preservation Program, and Flood Mitigation Program. *Morris County's maximum cost share participation on a project shall include sources of funds from all of these programs, not to exceed the AMV.* Funding participation by other partners and the applicant is encouraged.
  - c. Morris County may cost share on a project up to the lower of either the contract value or AMV.
7. If the Review Appraiser concludes the applicant's appraiser does not provide reasonable documentation to support the assumptions, analysis and value conclusion in the report, and fails to adequately address all questions raised leaving significant issues unresolved, then the Review Appraiser shall, at the direction of the Committee, develop an independent opinion of value which shall be deemed the AMV for Morris County cost share participation.

### **3.3.7 Acquisition Procedures**

#### **3.3.7.1 Allowable Project Costs**

- A. Applicants approved for funding shall fund costs incurred in connection with the acquisition of any land or interest therein including but not limited to the cost incurred for: appraisals, wetland delineations, surveys, preliminary assessment reports, hazardous waste testing (land, soil and/or water), title searches, legal expenditures and any other administrative costs associated with the acquisition of such land or interest therein.
- B. Definitions
  1. "Demolition" shall mean the entire removal of a structure and any appurtenances.
  2. "Restoration to a Natural State" or "Restoration" shall mean grading of the existing surface of the demolition site, topsoiling and seeding with grass and/or with wildflower mixes.
- C. Allowable costs for demolition and restoration of the property to a natural state are limited to a maximum of 10% of the eligible land cost, or \$50,000 whichever is less.
  1. Sites which meet historic preservation criteria under the Historic Preservation Trust Fund Program are ineligible (See Sections 3.3.4 and 5.6).
  2. Estimated costs shall be provided in the application in order to be considered for funding.

The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund

3. Eligible costs for demolition and restoration shall be paid on a reimbursement basis for completed work only upon submittal of copies of paid bills, receipts, or invoices certified by the Municipal Finance Official or equivalent.
  - i. Applicants shall submit all reimbursement documentation for completed work within 90 days of closing, or the expiration date of the grant agreement, whichever is sooner.
  - ii. Demolition and restoration funds not utilized within the time period outlined above shall be forfeited. However, in the event of unforeseen circumstances or circumstances beyond the control of the applicant, the applicant may request an extension. The request shall be made in writing to the Open Space Trust Fund Manager and shall state the reasons for the delay and the proposed schedule for the completion of the demolition and restoration. The Manager shall respond within 10 days of the request to approve, deny or modify the request.

3.3.7.2 Grant Agreement

All applicants approved for funding shall execute a grant agreement in order to effectuate the grant award. The grant agreement shall be provided by Morris County. No modifications to the grant agreement are permitted. Applicants approved for funding shall have 90 days from January 1 to return the executed grant agreement to the County. Failure to return the executed grant agreement to the County within this time frame shall result in the forfeiture of the grant award.

The grant award approved by the Morris County Board of Chosen Freeholders is based on the cost of acquisition (i.e., appraised value, contract amount, verbal offer) provided in the grant application. Upon review and acceptance of an applicant’s appraisal report, the appraised value shall become the Morris County Accepted Market Value (AMV). The final grant award shall be the dollar amount approved by the Freeholder Board or the dollar amount calculated by multiplying the actual acquisition cost by the original grant award percentage of the application acquisition cost, whichever is less. The maximum County cost share shall not exceed the Morris County Accepted Market Value (AMV). The final grant award shall be based on the Morris County AMV when the actual acquisition cost exceeds the AMV.

Examples:

Grant Request	Cost (in Application)	Morris County AMV	Freeholder Grant Award	Maximum County Grant Award	Actual Acquisition Cost	Final Morris County Grant Award
\$300,000	\$500,000 (appraised value)	\$500,000	\$300,000	$300/500 = 60\%$	\$450,000	60% of \$450,000 = <b>\$270,000</b>
\$600,000	\$1,000,000 (verbal offer)	\$750,000	\$500,000	$500/750 = 67\%$	\$900,000	<b>\$500,000</b>
\$400,000	\$800,000 (contract amount)	\$650,000	\$400,000	$400/650 = 62\%$	\$800,000	<b>\$400,000</b>

Applicants approved for funding shall have fifteen (15) months to acquire the property. The timeframe will commence on January 1<sup>st</sup> following the grant award by the Board of Chosen Freeholders. Additionally, all approved applicants can obtain up to two grant extensions if it is shown that there are challenging circumstances which inhibit a project’s acquisition within the initial 15-month deadline. The first grant extension shall extend for six (6) months from the expiration of the initial 15-month deadline. Applicants shall have a fully executed contract by the expiration date of the first grant extension to be eligible for a second grant extension. The Open Space Trust Fund Committee shall have the ability to grant a second grant extension without a fully executed contract, upon showing of good cause (e.g.,

delays in obtaining NJDEP permits). An updated appraisal may be required as a condition of a second grant extension. The change in requirements for granting a second grant extension shall apply to all grants awarded in 2012 and all subsequent funding rounds. The second grant extension for eligible applicants shall extend from the expiration of the first grant extension to the date of the application deadline for the next year’s funding round. The change in the expiration date of the second grant extension shall apply to all grants awarded in 2008, 2009 and all subsequent funding rounds. Example for a grant awarded in 2009:

Grant Period	Expiration Date
Initial grant of 15 months	April 1, 2011
First grant extension	October 1, 2011
Second grant extension	Open Space application deadline in June 2012

If the applicant fails to complete the project within the aforementioned timeframes, the applicant shall forfeit the grant and may re-apply in a subsequent funding round. Under no circumstances shall this guarantee the project would again be awarded a grant. All resubmissions shall comply with current application requirements, including an updated appraisal in compliance with Section 3.3.5.2.

3.3.7.3 Land Use Restrictions

Land and water areas, and any improvements thereon, acquired by applicants with the aid of funding from the Municipal and/or Non-Profit program of the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund shall be used exclusively for purposes authorized pursuant to P.L. 1997, c.24, N.J.S.A. 40:12-15.1, et seq., and any amendments thereto.

Preserved lands shall not be conveyed, transferred, disposed of or diverted to use for other than recreation, conservation, farmland or historic preservation purposes without the prior approval of Morris County.

Applicants shall include in all deeds of lands which are purchased with the aid of funding through the program open space deed restrictions provided by the County. Said deed restrictions will vary depending upon all funding sources used to acquire the property. Public access is a requirement of County funding.

3.3.7.4 Subdivision Review and Approval

All Approved Projects which involve subdivision of property are subject to review and, where applicable, approval by the Morris County Planning Board. The applicant shall submit a Land Development Review application to the County Planning Board for any Approved Project subject to a subdivision.

The applicant should submit the Morris County Land Development Review application to the County Planning Board at least 45 days prior to the scheduled closing date. Applicants are encouraged to consult with the Morris County Land Development Review Section prior to submitting the application.

In accordance with Section 313D of the County Land Development Review Standards, subdivisions submitted by municipal governments and non-profits are not subject to review fees.

No funds shall be released until a copy of the County Planning Board approval or exemption letter is received and all dedications to the County of Morris are finalized.

3.3.7.5 Requirements for Surveys

A. Purpose

To establish requirements for surveys by all applicants with an Approved Project.

B. Applicability

All applicants with an Approved Project shall have a survey prepared and submitted that is in compliance with these requirements.

C. Definitions

“Approved Project” shall mean the properties subject to the county open space application as referenced in Schedules B and C of the executed grant agreement between municipal and non-profit applicants and the County of Morris.

“Approved Funding Plan” shall mean the cost of acquisition of the approved project referenced in Schedule D (Final Project Finance Sheet) of the executed grant agreement between municipal and non-profit applicants and the County of Morris.

D. Survey Requirements

Applicants are required to submit a survey prepared by a New Jersey licensed land surveyor in conformance with this policy not later than 30 days prior to closing for its review and approval. The Office of Planning & Preservation shall have the right to disqualify any survey that does not meet the deadlines and/or requirements. In the event the survey of the property determines that the actual area is less than the area given in Schedule B, the County reserves the right to reduce its grant award on a per acre basis, unless the variation in the acreage is determined by the Office of Planning & Preservation to be de minimis.

The survey shall show all easements and right-of-way dedications for County roads, bridges and drainage structures, (e.g., sight triangle easements, bridge maintenance easements, and roadway dedications) in accordance with the County Official Map, the County Engineer, and requirements of County Planning Board approval, where applicable.

Scope of Work/Specifications/ Deliverables

One electronic and one paper copy of the survey plat, along with a metes and bounds description, shall be prepared according to the Digital Mapping Submission Standards (Appendix G) of the Morris County Land Development Standards.

1. For Approved Projects with an Approved Funding Plan indicating definite or possible New Jersey Green Acres Program participation, the survey must contain the scope of work contained in the New Jersey Green Acres program’s current “Standard Scope of Survey Work.”
2. For Approved Projects with an Approved Funding Plan indicating no New Jersey Green Acres Program participation, an open space survey must be prepared to the minimum standards for land surveys as defined in N.J.A.C. 13:5.1 et. seq. by the State Board of Professional Engineers and Land Surveyors.

**3.3.8 Diversions of Preserved Lands**

**The County of Morris strongly discourages the diversion of open space lands preserved with funding assistance of the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund for other uses. Diversions of open space and parkland for other uses impacts the use and enjoyment of the remaining open space in potentially many ways including fragmentation of parkland, trails and wildlife habitat as well as impacts to unique environmental features, water quality and buffers. Any diversion of preserved land must fulfill a compelling public need or significant public benefit or service.**

## The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund

### A. Purpose

To establish procedures for all grant recipients seeking to divert preserved open space properties funded entirely or in part through the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund.

### B. Applicability

All grant recipients shall abide by these requirements.

### C. Determination of Jurisdiction

1. Prior to making an application to the County Open Space Committee the applicant must verify with NJDEP Green Acres Program (“Green Acres”) that Green Acres does not have jurisdiction over the proposed diversion regardless if it is funded or unfunded parkland. The determination of Green Acres must be in writing.
2. If Green Acres claims jurisdiction over the diversion, Green Acres will take the lead in the process. In such case:
  - a. Applicant shall copy the County on all submissions to Green Acres.
  - b. The County shall review the applicant’s submissions and any public hearing transcripts.
  - c. Applicant shall make a presentation to the Open Space Committee regarding its diversion request for the Committee’s recommendation to the Board of Chosen Freeholders prior to the applicant’s hearing before the Statehouse Commission.
3. If Green Acres declines jurisdiction over the proposed diversion or disposal application, the applicant shall be required to comply with the Morris County Open Space Diversion Rules and Regulations.

### D. Morris County Diversion Requirements

1. The applicant must demonstrate that any land acquired by the applicant with County Open Space funds would be better served by, or is required for, another public use.
2. The County shall determine if the diversion is a major or minor diversion. The County shall use the Green Acres rules to define major and minor diversion (see N.J.A.C. 7:36-26.2(b) 1-5).

### Minor Diversion

- a. The applicant must provide an ordinance or resolution authorizing the application for the diversion and the proposed use of the property.
- b. The applicant must have one public hearing on the proposed diversion and use of the property. The public hearing must be advertised in accordance with Green Acres requirements. The applicant must submit a summary of the public comments received at the public hearing and the applicant's response to the public comments. In addition the applicant shall post on its website its request for the diversion and its supporting documentation. The applicant shall issue at least one press release at least ten (10) days prior to the public hearing describing the proposed diversion.
- c. The applicant shall submit to the County a survey and description of the property showing the diversion and a survey and description of any replacement property.
- d. The land shall be replaced by land of at least equal fair market value and of equivalent usefulness size, quality and location to the land conveyed and monies derived from the conveyance shall be used to reimburse the Morris County Preservation Trust Fund for its share of the purchase cost of the land. If the applicant conveyed the property as part of an exchange, the land and

improvements shall be of at least equal fair market value and reasonably equivalent usefulness, size, quality and location.

Major Diversion

- a. The applicant must provide an ordinance or resolution authorizing the application for the diversion stating the proposed public use of the property and the reason setting forth need and benefit of the diversion.
- b. The applicant shall provide an alternative analysis as set forth in N.J.A.C. 7:36-26.9.
- c. The applicant must have at least one public hearing on the proposed diversion and accept public comment. The applicant shall accept public comment for a minimum of two (2) weeks after the hearing. The hearing shall detail the proposed use of the property and the need for the diversion. The public hearing must be advertised in accordance with Green Acres requirements (N.J.A.C. 7:36-26.8). This includes but is not limited to the applicant (government or non-profit) providing the following:
  1. At least thirty (30) days prior to the hearing:
    - i. Publish legal notice of the hearing in the official newspaper of the municipality where the parkland is located; and
    - ii. Post notices on the official website; and
    - iii. Provide written notice to the County, the Governing Body, local Planning Board, Environmental Commission, and Open Space Advisory Committee of the Municipality where the parkland is located;
    - iv. Provide written notices to all easement holders;
    - v. Provide written notice to all property owners within 200 feet of the parkland; and
    - vi. Post and maintain a sign to advise the public of the proposed diversion, the public hearing, and the opportunity for all public comment. The sign shall be placed at the entrance to the parkland and shall remain posted and maintained until the conclusion of the public comment period.
  2. The information included in this notice shall conform to N.J.A.C. 7:36-26.8(c) 3.
- d. The applicant must submit a summary of the public comments received at the public hearing and the applicant's response to each of the public comments. In addition, the applicant shall post on its official website its request for the diversion and its supporting documentation. The applicant shall issue at least one press release at least ten (10) days prior to the public hearing describing the proposed diversion.
- e. The applicant shall submit any additional information the County deems necessary to fully consider the applicant's request.
- f. The applicant shall provide compensation for a major diversion or disposal. The primary objective is to prevent a net loss of parkland, including, but not limited to quantity, quality and accessibility of parkland and to discourage the use of parkland for other than recreation and conservation purposes, especially when a feasible alternative is available. Compensation shall meet the Green Acres guidelines as set forth N.J.A.C. 7:36-26.10.

## **The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund**

### **4. Farmland Preservation**

The Morris County Agriculture Development Board (CADB) oversees the preservation of farmland in accordance with the Agriculture Retention and Development Act (N.J.S.A. 4:1C). The Morris County Comprehensive Farmland Preservation Plan (“Plan”) was adopted as an element of the Morris County Master Plan in July 2008 and is used to guide the efforts of the CADB in preserving its remaining agricultural lands. The entire Plan can be viewed at the following website:

<http://planning.morriscountynj.gov/divisions/prestrust/farmland/program/>

# **The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund**

## **5. Historic Preservation**

### **5.1 Introduction**

The Morris County Historic Preservation trust fund was created by the Morris County Board of Chosen Freeholders to help support the preservation of the county's exceptional abundance of historic resources. The trust fund is being established under N.J.S.A. 40:12-15, et seq., which states that the selection of projects must be in agreement with a historic preservation plan prepared and adopted by the county. The county's Historic Preservation Element of the county Master Plan, together with the Morris County Historic Sites Survey, are the principal documents that have guided county and municipal preservation planning efforts for the last two decades. Reflecting its diverse history as the military capital of the American Revolution and as an important iron-producing region and agricultural center, Morris County has hundreds of sites and scores of districts listed on the New Jersey Register of Historic Places. The State Historic Preservation Office's most recently published list of county sites on the New Jersey and National Register of Historic Places can be viewed at the following website:  
[http://www.nj.gov/dep/hpo/1identify/nrsr\\_lists/Morris.pdf](http://www.nj.gov/dep/hpo/1identify/nrsr_lists/Morris.pdf)

### **5.2 Historic Preservation Planning in Morris County**

To assess the financial and technical assistance needs related to historic preservation, the County's former Department of Planning & Development conducted a survey of municipalities and historic sites and organizations in the spring of 2002. The survey results, and other counties' and state preservation grant programs were reviewed and carefully considered by a Freeholder-appointed Blue Ribbon Advisory Committee on Historic Preservation which developed rules and regulations for a historic preservation funding program. Morris County voters approved a referendum on November 5, 2002 authorizing the Board of Chosen Freeholders to permit historic preservation funding under the Open Space Trust Fund, as allowed by state law. The Board of Chosen Freeholders adopted the Historic Preservation Trust Fund Program Guidelines on December 11, 2002.

### **5.3 Program Overview**

The Morris County Historic Preservation Trust Fund will consider grants for the acquisition, stabilization, rehabilitation, restoration or preservation of historic resources by the County, municipalities and qualified charitable conservancies whose purpose includes historic preservation. Grant applications for plans and reports associated with the implementation of a historic preservation project are also eligible. All historic resources must be eligible, or certified as eligible, for the New Jersey and National Registers of Historic Places.

There are three types of applications available. Projects that are principally construction-related should be detailed in the Construction application. Grant requests for acquisition and preservation planning documents should be completed on the Preservation Planning application. Grant requests for the preparation of Construction Documents should be completed on the Construction Documents application. All applications should be submitted to the Morris County Office of Planning & Preservation whose staff will conduct a preliminary review to determine eligibility and application completeness. The application will then be reviewed by the Historic Preservation Trust Fund Review Board, who will also visit the site and rate each application according to established criteria. The Review Board's recommendations will be forwarded to the Board of Chosen Freeholders who will determine grant awards.

Applicants will be notified of their award and will receive a grant agreement setting out their State statutory and County requirements. The agreement must be executed by the applicant and the Board of Chosen Freeholders prior to any disbursement of funds from the County.

### **5.4 Goals of Program**

## The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund

1. Foster comprehensive preservation planning to ensure the continued preservation of historic resources.
2. Stimulate preservation activity by providing funding for technical assistance and restoration projects.
3. Encourage long-term facilities planning and capital budget planning of historic resources.
4. Further the stewardship of the built and natural environment by helping preserve historic structures on open space tracts.
5. Heighten the public's awareness of Morris County's irreplaceable historic character.
6. Increase opportunities for heritage tourism in the County.
7. Help insure that preservation planning is an integral part of community development.

### **5.5 Eligible Applicants**

1. Municipal governments within Morris County
2. Morris County Government
3. Charitable conservancies whose purpose includes historic preservation of historic properties, structures, facilities, sites, areas or objects, or the acquisition of such properties, structures, facilities, sites, areas or objects for historic preservation purposes. Charitable conservancies submitting applications must include documentation of their tax-exempt status. This includes charitable conservancies whose purpose is to preserve state and federal owned historic sites.
4. Religious institutions
5. Educational Institutions (Public School Districts and non-profit 501(c)(3) institutions)

### **5.6 Eligible Properties**

1. The property must be located in Morris County.
2. The property must be listed on the National Register of Historic Places or the New Jersey Register of Historic Places, individually or as part of a historic district listed on the New Jersey Register and National Register.
3. If not listed on either Register, the property must be certified as eligible for listing by the State Historic Preservation Office, either as an individually listed site or as part of a historic district. A Certificate of Eligibility letter or a State Historic Preservation Officer Opinion (SHPO Opinion) issued by the New Jersey State Historic Preservation Officer or proof of State and National Register status must be included with the application.

### **5.7 Ownership of Project Properties**

1. Owner consent is required to submit any application, except for an acquisition.
2. For Construction Grants: If the applicant is not the owner, then the applicant must be able to prove possession and significant control over the property through a valid lease. The unexpired term of the lease must be 20 years from the date of application.
3. For Preservation Planning and Construction Documents Grants: If the applicant is not the owner or lessee with a 20 year unexpired lease term, then the applicant must be able to prove significant involvement with the property's preservation. Additionally, applicants for the preparation of a New Jersey Register of Historic Places nomination require an owner's consent to place the property in the Register.

4. All properties that are to be purchased must be purchased in fee simple and the purchasing entity must have full control of the land.

### **5.8 Eligible Activities**

All of the eligible activities listed below must be in conformance with the Standards for the Treatment of Historic Properties 1995 (also known as the Secretary of the Interior's Standards for Rehabilitation). These regulations must be followed as currently in effect or as they may be subsequently modified, changed or amended.

All applicants that plan to submit construction grant requests exceeding \$50,000 must have prepared a Preservation Plan and obtained professional construction cost estimates based on construction documents before they are eligible to apply for funding toward the actual construction. Applicants may apply for a Non-Construction Grant that includes the preparation of a Preservation Plan, construction documents, construction cost estimates by a State of New Jersey-certified professional cost estimator, and/or relevant reports or analysis. The construction cost estimate must be escalated two (2) years to the anticipated construction period.

After obtaining a professional construction cost estimate, the applicant may apply for a Construction Grant that includes bidding, construction, and construction administration.

Construction grant applications must include a Maintenance Plan which conforms to the guidelines in the most current version of *Historic Structure Reports & Preservation Plans – A Preparation Guide* from the New Jersey Historic Preservation Office.

1. Acquisition - the purchase in fee simple of an eligible property, structure, facility, site, area or object by the County, a municipality or charitable conservancy. The applicant must meet the following requirements:
  - a. The property must be purchased by an eligible applicant.
  - b. Applicant must submit at least one independent market appraisal in accordance with the historic preservation appraisal requirements, Section 5.15.
  - c. No grant money may be used toward appraisals, attorney fees or other closing costs.
  - d. The applicant must provide at least 50 percent of the acquisition cost.
  - e. The Historic Preservation Program's match shall not exceed 50% of the Accepted Market Value (AMV) as defined in Section 5.15.5.
  - f. The applicant must provide written assurance that the grant would go toward reducing the mortgage with any balance dedicated to future rehabilitation and restoration of the property.

Generally, an applicant would not have closed on the property prior to the grant award. However, if they have closed on the property prior to award, the above submission criteria would still apply. However, in no event may the title to the property be acquired earlier than one year prior to the application submission deadline.

2. Stabilization - the essential protection of a deteriorated structure, facility or object as it exists at present, establishing structural stability and a weather-resistant enclosure.
3. Rehabilitation - the act or process of making possible the compatible use of a property through

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repair and alteration while preserving those portions or features which convey its historical, cultural or architectural value.

4. Restoration - the act or process of accurately depicting the form, features and character of a property as it appears at a particular period of time by means of the removal of features from other periods and historically accurate re-creation of missing features from the restoration period.
5. Preservation - the act or process of applying measures necessary to sustain the existing form, integrity and material of a historic property.
6. Plans and Reports - permitted when related to the development, and implementation of historic preservation projects, including the preparation of:
  - a. Architectural plans, designs, specifications, cost estimates and other contract documents
  - b. Feasibility studies
  - c. Historic structures reports
  - d. Historic landscape reports
  - e. Archeological reports
  - f. Engineering reports
  - g. Historic research reports
  - h. Preservation Plans
  - i. National Register of Historic Places nomination forms
7. Religious institutions - eligible activities include Historic Structure Reports, Preservation Plans, and Assessment Reports; and the preparation of construction documents and completion of construction activities for the exterior building elements, and the building’s structural and MEP systems (mechanical, electrical and plumbing).
8. Cemeteries that are individually listed on or eligible for the New Jersey or National Register of Historic Places: Eligible activities include the preparation of reports, assessments and studies that document the conditions of tombstones or other elements of the cemetery; and the preparation of construction documents and completion of construction activities for all historic cemetery elements.

**5.9 Requirements for Matching Funds**

To be eligible for a grant that requires match funding, the applicant shall, as part of the application, show evidence of matching funds in hand or demonstrate clearly the ability to match the grant requested.

Match Funding Requirements by Grant Type and Amount

Grant Type	Trust Fund will pay:	Applicant will pay:
Construction	80%	20%
Acquisition	50%	50%
Preservation Planning & Construction Documents		
If less than or equal to \$5,000	100%	0%
If more than \$5,000	80%	20%

Once a grant agreement has been signed and proof of match submitted to the Trust Fund, a "Notice to Proceed" authorizing the approved project application will be sent to the applicant.

**5.10 Ineligible Activities**

## The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund

1. Reconstruction
2. Administrative or operational costs of the agency
3. Ceremonial expenses
4. Publicity expenses
5. Bonus payments of any kind
6. Charges in excess of the lowest qualified bid when competitive bidding is required
7. Charges for deficits or overdrafts
8. Interest expense (or other financing costs)
9. Damage judgments arising from construction or equipping a facility, whether determined by judicial process, arbitration, negotiation, or otherwise
10. Contract cost overruns, not approved, which exceed the allowable amount under the contract specifications
11. Fundraising or lobbying
12. Work including construction, research, and preparation of plans and reports performed outside the approved project period
13. Work not intended in the scope of work set forth in the agreement, including construction, research and preparation of plans and reports
14. Work that does not comply with the Secretary of the Interior's Standards. Work performed on behalf of a municipal government that has not been awarded in compliance with the State Contracts Law (N.J.S.A.52:32-1 et seq.)
15. Work performed on behalf of a nonprofit corporation which has not been awarded in compliance with public bidding requirements if the costs of any contract for the historic preservation project funded with a historic preservation grant exceeds \$50,000.
16. Routine or ongoing maintenance work such as grounds maintenance, painting or cleaning that is not part of a comprehensive project.
17. Relocation of structures, buildings or objects unless all of the following standards are met:
  - a. Relocation is necessary to preserve the historic resource; and
  - b. The relocation re-establishes the property's historic orientation, the immediate setting, and the general environment; and
  - c. The State Historic Preservation Officer determines that the property, as relocated, will continue to meet New Jersey Register criteria.
18. Interpretive activities such as displays, signs, etc.

### **5.11 Historic Preservation Trust Fund Review Board**

The Historic Preservation Trust Fund Review Board (“Review Board”) shall review, prioritize and make recommendations to the Morris County Board of Chosen Freeholders on the funding of historic preservation projects under the Historic Preservation Trust Fund.

All nominees to the eleven member Review Board shall be reviewed according to standard County procedures in order to avoid any potential conflict of interest. The Morris County Board of Chosen Freeholders shall appoint the Review Board based upon the recommendations from the various

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municipalities and/or entities as follows:

Number of Appointees	Appointee Representation
4	Municipal representatives, with one representative from each of the Historic Preservation Regions as stipulated below and on Figure 2
2	At-Large members
1	Morris County Heritage Commission from its membership
1	Professional with expertise in Historic Preservation from the discipline of Preservation Architecture
1	Professional with expertise in Historic Preservation from the discipline of Architectural History
1	Professional with expertise in Historic Preservation from the discipline of Building Restoration
1	Professional with expertise in Historic Preservation, with a background as an archeologist, historic landscape specialist, historic site manager, historic site curator or engineer with historic preservation expertise

Region	Municipalities
I	Chester Boro., Chester Twp., Dover, Mendham Boro., Mendham Twp., Mine Hill, Mt. Olive, Randolph, Victory Gardens, Washington
II	Denville, Jefferson, Mt. Arlington, Netcong, Rockaway Boro., Rockaway Twp., Roxbury, Wharton
III	Boonton Town, Boonton Twp., Butler, Kinnelon, Lincoln Park, Montville, Mt. Lakes, Parsippany, Pequannock, Riverdale
IV	Chatham Boro., Chatham Twp., East Hanover, Florham Park, Hanover, Harding, Long Hill, Madison, Morris Plains, Morristown, Morris Twp.

All municipal and at-large representatives shall have served on a historic preservation commission, committee or board for five years or have demonstrated related historic preservation experience.

All members shall abide by the County’s Policy and Procedures for Attendance of Volunteer Members of Advisory Bodies at Scheduled Meetings and Conflict of Interest.

All Committee members shall be residents of Morris County and shall be required to properly file a financial disclosure statement as required by N.J.S.A. 40A:9-22.1.

**5.12 Term of Office**

The municipal members shall serve for no more than two terms of three years each. The Heritage Commission appointee shall serve no more than two terms of three years each. The At-Large representatives shall be appointed for no more than two terms of four years each.

In order to create staggered terms for the appointees with professional expertise in historic preservation, the following terms of office shall be applied for members with professional expertise in historic preservation. No explicit term limits apply to the members with professional expertise.

The appointment for the appointee with background as an archeologist, historic landscape specialist,

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historic site manager, historic site curator or engineer with historic preservation expertise, shall commence for 1 year for calendar year 2011. Subsequent appointments shall be for terms of 4 years each.

The appointment for the appointee with professional expertise in historic preservation from the discipline of preservation architecture shall commence for 2 years for calendar years 2011 and 2012. Subsequent appointments shall be for terms of 4 years each.

The appointment for the appointee with professional expertise in historic preservation from the discipline of architectural history shall commence for 3 years for calendar years 2011 through 2013. Subsequent appointments shall be for terms of 4 years each.

The appointment for the appointee with professional expertise in historic preservation from the discipline of building restoration commencing in calendar year 2011 and subsequent appointments shall be for terms of 4 years each.

### **5.13 Application Review**

The Morris County Office of Planning & Preservation will review submitted applications for eligibility and completeness. Applicants are encouraged to consult with the Department staff about any aspect of the application that requires clarification. All eligible and complete applications will be forwarded to the Historic Preservation Trust Fund Review Board who will evaluate them and may visit the sites under consideration during the application review period.

#### **5.13.1 Evaluation Criteria**

##### **a. Construction Projects**

1. Significance of the resource
2. Physical condition of the property
3. Proposed use of the site and/or quality of the interpretive program
4. Quality of the preliminary planning or contract documents, including credentials of the project team, and feasibility of the budget and work schedule
5. Ability of the applicant to match the funds requested
6. Ability of the applicant to complete the proposed work, maintain the property, administer the grant funds, and develop programs to sustain and interpret the property
7. Relationship of the project to community revitalization, preservation of the built or natural environment, and heritage education and tourism
8. Degree to which the project promotes preservation activity and represents innovative design and extent to which the project reaches new audiences

##### **b. Preservation Planning & Construction Documents Projects**

1. Significance of the resource
2. Physical condition of the property
3. Ability of the applicant to match the funds requested
4. Ability of the applicant to complete the proposed work
5. Potential of the project to foster preservation of the historic property; to promote other preservation activity or related cultural or economic activity; and to foster appropriate site management practices that sustain the long-term use of a property

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- 6. Overall quality of the work proposed for funding
- 7. Degree to which the project promotes preservation activity and represents innovative design and/or reaches new audiences
- 8. Impact of the project, including:
  - a. Heritage tourism opportunities and public access
  - b. Proposed use and interpretive program for the site
  - c. Plans for the continued preservation of the structure after the expenditure of historic preservation grant money.

**5.14 Application Procedures**

**5.14.1 Schedule**

January	Applications available
Last Friday in March	Applications must be received by the Morris County Office of Planning & Preservation by this date
June	The Historic Preservation Trust Fund Review Board will make its grant recommendations to the Board of Chosen Freeholders

**5.14.2 Professional Services Checklist**

All applicants seeking funding for a) Professional Services and/or b) Construction activities requiring Professional Services shall complete and submit the Professional Services Checklist, which is incorporated by reference herein. “Professional Services” shall mean services provided by professionals that are involved with the planning, designing and construction of historic preservation projects, including Architect, Structural Engineer, MEP (Mechanical, Electrical, Plumbing) Engineer, Landscape Architect, Cost Estimator, Conservator, Contractor/Craftsman, and personnel responsible for Paint Analysis and Mortar Analysis, and others.

This checklist is intended to clearly identify all consultants involved in a proposed project; and to clarify the associated requirements pertaining to the submission of documentation and affiliated services by Preservation Professionals if funding is awarded. This checklist and its associated Professional Proposals must be submitted as part of the applicable grant application or the application would not be considered for funding. If funded by the Trust Fund, this completed checklist and associated Professional Proposals will become the basis for the review of Professional Services.

**5.14.3 Historic Structure Report & Preservation Plan Checklist**

All applicants seeking funding for the preparation of Historic Structure Reports or Preservation Plans shall complete and submit the Historic Structure Report & Preservation Plan Checklist, which is incorporated by reference herein. This checklist and the Project Personnel sections should reflect the information that will be provided and the participating team members if the project is funded by the Trust Fund. If funded, the completed checklist will become the basis for the document review.

**5.15 Requirements for Historic Property Appraisals**

**5.15.1 Purpose**

To establish requirements for appraisals and appraisal reports submitted by County, municipalities and Charitable Conservancies seeking funding for acquisition of property through the Morris County Historic Preservation Trust Fund.

**5.15.2 Applicability**

All applicants seeking funding for acquisition of real or personal property shall have one real or personal

property appraisal that is documented by a written report that is prepared in compliance with Section 5.15. All appraisals and reports of real and personal property must be prepared by an appraiser who is either a New Jersey State Certified General Real Estate Appraiser for real property appraisals or an Accredited Member or Accredited Senior Appraiser of the American Society of Appraisers, or an equivalent professional organization specializing in the valuation of personal property, and who is registered to do business in the State of New Jersey.

The Office of Planning & Preservation staff shall have the right to disqualify any appraisal that does not meet the criteria outlined in Section 5.15.

### **5.15.3 Submission Requirements**

The deadline for appraisal submission shall be the same as the application deadline. Applicants are required to submit two hard copies of the appraisal report and an electronic copy in PDF format to the Office of Planning & Preservation staff. Any applicant that does not meet the appraisal submission deadline shall have its application deemed incomplete and not be eligible for consideration in that funding year.

### **5.15.4 Appraisal Requirements**

All appraisals must specifically include the Morris County Open Space, Farmland and Historic Preservation Trust Fund as an Intended User of the appraisal and appraisal report.

For purposes of Section 5.15, “pre-appraisal estimated value” shall mean the anticipated appraised value for the subject property and is only for use in determining which type of appraisal to prepare. The applicant may consult tax records and/or the municipal tax assessor for assistance and guidance in this determination.

For properties that have a pre-appraisal estimated value approaching the \$250,000 limit, the applicants are encouraged to have an appraisal report prepared in compliance with 2014-2015 USPAP Standard 2.2 (a) for valuations of real property and Standards 8.2 (a) for personal property.

If the applicant chooses to prepare the Restricted Use Appraisal Report as defined by 2014-2015 USPAP Standard 2.2(b) or Standard 8.2(b), documentation must be provided with the funding application that substantiates the estimated value of the property at less than \$250,000. Based on the pre-appraisal estimated value, the following Appraisal Requirements shall apply:

a. For Acquisition of Real Property (Fee Simple)

The applicant’s appraiser shall prepare an appraisal of the subject property and submit a written report, commonly known as a “**Summary Appraisal Report**,” of its opinion of the market value of the subject property in accordance with the definition of “Market Value” as set forth in the most current edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The appraisal and report must contain at a minimum the Scope of Work necessary to develop credible assignment results. The Appraisers specific Scope of Work for the assignment must be expressly disclosed in the appraisal report.

The appraiser must fully comply with the most recent requirements of USPAP's COMPETENCY RULE that states an appraiser must be competent to perform the assignment; or must acquire the necessary competency to perform the assignment; or must decline or withdraw from the assignment. An affirmation of the appraiser’s competency must be included in any appraisal report submitted for consideration.

The “As of Date” of the appraisal shall be the application deadline of the application year or the date of the property inspection with the property owner, whichever date is more current to the date of the appraisal. If an appraisal and report have already been prepared, the "As of Date” must be no earlier

than April 1 of the year prior to making the application.

The applicant's appraiser shall separate the land value from the value of all structures or improvements for all properties that are the subject of the application, and shall provide a discrete land value separated from the value of all structures and improvements.

The applicant's appraiser shall be provided with a structural engineer's report from a licensed professional detailing the structural integrity and weaknesses of the improvements on the subject land. A copy of this report, which is signed and sealed by the licensed professional, shall be included and attached in the appraisal report. The Office of Planning & Preservation staff, at their sole discretion, shall have the right to disqualify any structural engineering report that does not contain sufficient detail.

Where there is an assertion of development potential for the land, the applicant's appraiser shall be provided with a report from the municipal engineer or licensed professional planner of the municipality in which the subject property is located, demonstrating the development potential of the subject property.

This report shall include an evaluation of the development potential of the Subject Property including but not limited to: municipal land use ordinances and regulations, environmental restrictions; such as, wetlands, Category 1 streams, sub-soil conditions and steep slopes. A copy of this report, which is signed and sealed by the municipal engineer or licensed professional planner, shall be included and attached in the appraisal report. The Office of Planning & Preservation staff, at their sole discretion, shall have the right to disqualify any development potential report that does not contain sufficient detail.

The applicant's appraiser shall not prepare an appraisal or issue a report based on any unsubstantiated "extraordinary assumptions and/or hypothetical conditions" relative to the structural integrity of the improvements, or the development potential or any environmental conditions of the subject property. The appraiser must rely upon the appraiser's expertise as well as the information provided by the structural engineer, and/or the municipal engineer or professional planner in formulating their opinion of the Market Value of the Subject Property.

If the municipal engineer or professional planner does not provide such analysis, the municipality or the non-profit must hire independent consultants to prepare reports on the structural integrity of the improvements, and/or the land's development potential for consideration by the appraiser.

b. For Acquisition and Funding of Personal Property

All applicants seeking funding for acquisition of personal property shall have one personal property appraisal that is documented by a written report, which is prepared in compliance with Section 5.15.

An appraiser who is currently an Accredited Member or Accredited Senior Appraiser of the American Society of Appraisers, or an equivalent professional organization specializing in the valuation of personal property and who is registered to do business in the State of New Jersey must prepare all appraisals and reports of personal property submitted for funding consideration.

Two hard copies of the appraisal report and an electronic copy in PDF format shall be submitted to the Office of Planning & Preservation staff.

The applicant's appraiser shall prepare an appraisal of the subject property and submit a written report, commonly known as a "**Summary Appraisal Report**," of their opinion of the market value of the subject property in accordance with the definition of "Market Value" as set forth in the most current edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

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The appraisal and report must contain at a minimum the Scope of Work necessary to develop credible assignment results. The Appraisers specific Scope of Work for the assignment must be expressly disclosed in the appraisal report.

The appraiser must fully comply with the most recent requirements of USPAP's COMPETENCY RULE that states an appraiser must be competent to perform the assignment; or must acquire the necessary competency to perform the assignment; or must decline or withdraw from the assignment. An affirmation of the appraiser's competency must be included in any appraisal report submitted for consideration.

The "As of Date" of the appraisal shall be the application deadline of the application year or the date of the property inspection with the property owner, whichever date is more current to the date of the appraisal. If an appraisal and report have already been prepared, the "As of Date" must be no earlier than April 1 of the year prior to making the application.

All appraisals must be prepared in accordance with 2014-2015 USPAP Standard 7, Personal Property Appraisal Development, and reported in compliance with Standard 8, Personal Property Appraisal Reporting. All appraisal reports must be prepared using at minimum the requirements of 2014-2015 USPAP Standard 8.2 (a).

### **5.15.5 County Appraisal Review**

All appraisals submitted for funding through the Morris County Historic Preservation Trust Fund shall be reviewed by an appraiser hired by Morris County ("Review Appraiser") who is currently at a minimum a New Jersey State Certified Real Estate Appraiser (SCGREA) and is on the current List of Approved Appraisers of the New Jersey Green Acres program.

The Review Appraiser shall review the appraisal and issue a written review report in accordance with the most current edition of USPAP's Standard 3, Appraisal Review, Development and Reporting, requirements. If applicable, the Review Appraiser shall develop questions regarding development of the opinion of value and transmit these to the applicant's appraiser with copy to the applicant.

The Review Appraiser shall contact the applicant's appraiser (via e-mail, phone, or letter) to address any questions regarding the development of the opinion of value that are not addressed in the appraisal report or resolved via written correspondence from the applicant's appraiser.

It is the applicant's sole responsibility to directly contact their appraiser to respond to the Reviewer's questions regarding development of the value conclusion and the final value conclusion that may occur because of the appraisal review.

The Review Appraiser shall develop an opinion as to the credibility, completeness, accuracy, relevance, adherence to appraisal guidelines and reasonableness of the analysis in the work under review given law, regulations and intended user requirements applicable to the work under review.

If the Review Appraiser concludes the applicant's appraiser provides reasonable and credible documentation to support the assumptions and analysis in the report and adequately addresses all questions raised, the value conclusion shall be deemed Morris County's **Accepted Market Value** (AMV) upon which Morris County may provide 50% funding for the project. The AMV is not a certified value for any other purpose whatsoever and is not an average of appraised values.

Various program areas receive funding allocations from the Morris County Preservation Trust Fund. These are the Park Commission, Municipal Utilities Authority, Agriculture Development Board, Municipal/Non-Profit Open Space Program, Historic Preservation Program, and Flood Mitigation Program. Morris

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County's maximum 50% funding of the cost of acquisition on a project shall include sources of funds from all of these programs, not to exceed the AMV. Funding participation by other partners and the applicant is encouraged.

The Historic Preservation program may provide no more than 50% funding of the cost of acquisition on a project up to the lower of either the contract value or AMV.

If the Review Appraiser concludes the applicant's appraiser does not provide reasonable and credible documentation to support the assumptions, analysis and value conclusion in the report, and if the applicant's appraiser fails to adequately address all questions raised leaving significant issues unresolved, then the Review Appraiser shall, at the direction of the Historic Preservation Trust Fund Review Board, develop an independent opinion of value which shall be deemed the AMV for Morris County acquisition funding.

### **5.16 Conditions for Receiving Grant Funds**

All applicants selected for funding must complete and sign a grant agreement within 60 days of receipt of the grant agreement which details the scope of work and project schedule, as well as schedules for project reports and reimbursement requests. All grantees agree to abide by the Secretary of the Interior's Standards in performing funded work. Grant recipients must also agree to meet other conditions of the grant program before money is disbursed. These include, but are not limited to:

1. Easements – The County will draft, and the applicant (and all others with an ownership interest in the property) must execute an easement agreement with a 30-year term with the County of Morris. An easement is a deed restriction that is used to assure long-term preservation of a historic property through proper maintenance and by limiting changes in use or appearance and preventing demolition of the property. An easement is required for a) all acquisition projects at time of funding and b) construction grants over \$50,000, applied cumulatively over any number of funding cycles. The easement must be executed prior to the County's final payment on the particular construction grant. Once an easement has been executed, the scope of subsequent construction projects will be added as amendments to the existing easement with new 30-year terms. Easements are not required for non-construction projects resulting in plan development. In no way does this easement supersede any requirements pursuant to Section 106 of the National Historic Preservation Act of 1966 or New Jersey Register of Historic Places Act.
2. Public Access - Public access to all properties funded through this grant program is required. The County and the grantee will negotiate the days and hours that the property will be open to the public, based on the type of work funded by the grant. Public access requirements are stipulated in the easement agreement. No additional public access is necessary for properties open to the public on a regular basis, such as museums.
3. Required Historic Preservation Office Review - The County of Morris and the New Jersey Historic Preservation Office (HPO) have executed a Memorandum of Understanding which permits the County to retain qualified professional staff to review funded projects for compliance with the Secretary of the Interior's Standards. If the project, for which funding is requested, has already been authorized by the HPO, the authorization letter must be submitted with the grant application. For more information, contact the New Jersey Historic Preservation Office, Technical Review Section at (609) 292-2023. No construction can begin on any project until an administrative approval letter is received from the County of Morris.
4. Project Timetable - All work on projects funded through this program must be completed within two years of appropriation of grant funds. If an applicant is unable to complete the work within the two years of appropriation of grant funds, the applicant must come before the Historic Preservation Trust Fund Review Board before the expiration of the two years to officially request an extension. The Review Board may recommend to the Board of Chosen Freeholders an initial

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grant extension not to exceed two years from the date of the expiration of the original grant agreement. The Review Board may recommend a second grant extension not to exceed one year. In order to receive a second grant extension, more than 50% of the work must be completed and the applicant must provide proof that the lack of project completion is due to circumstances beyond the applicant's control.

5. National and New Jersey Register of Historic Places - All applicants receiving funding must list their property on the National and New Jersey Registers of Historic Places. The Grant Agreement between the applicant and the County will outline a timetable for the submission of a nomination to the State Historic Preservation Office. An applicant that has received funding for an individual property not yet listed on the National and New Jersey Registers of Historic Places must have a Register nomination accepted by the State Historic Preservation Office for transmission to the New Jersey State Review Board for Historic Sites before additional funding from the Trust Fund can be considered.
6. Accountability - All money dedicated for the preservation project must be kept separate from other agency or organization funds; funds may not be diverted from eligible to ineligible activities once a grant agreement has been approved. Any misuse of funds, misrepresentation, or non-compliance will result in termination of the grant agreement and penalties as specified in the agreement. Receipts and invoices submitted for activities deemed ineligible for funding under this program will not be reimbursed. Grantees must retain all financial records and other documents pertinent to their projects for three years after completion of the project.
7. County Payments – County payments for Construction grants will be limited to the amount of the grant, consisting of a Construction portion and a Professional Fees portion as provided in the Scope of Work section in the grant agreement. Payments for construction related activities will be capped at the total of the Construction portion in the Scope of Work, and payments for Professional Fees will be capped at the total of the Professional Fees portion in the Scope of Work. At the County's discretion, Professional Fees for partially funded Construction projects may be reduced to reflect the reduced scope of work. Upon the applicant's request and at the County's discretion, unused funds in the Construction portion of the grant may be used to pay for Professional Fees, and unused funds in the Professional Fees portion of the grant may be used to pay for Construction activities. For purposes of this section, Professional Fees include the preparation of Construction Documents, bidding / negotiations, construction administration and project closeout. For Construction grant projects, the cumulative total for Professional Fees should generally not exceed 15% of the value of the Construction budget. The County reserves the right to request additional documentation for those Professional Fees exceeding 15% of the value of the Construction budget.

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## **6. Flood Mitigation Program**

### **6.1 Introduction**

Increased, repetitive flooding in New Jersey, especially recovery from the excessive flooding caused by Hurricane Irene in 2011, has led Morris County to expand their floodplain mitigation efforts by creating a specific program with designated funding for the buyout of flood-prone residential properties.

In Morris County, flood problems are caused, in part, by development in the flood plain, which is particularly evident in the Passaic River Basin where development has encroached upon the floodway and in the flood hazard areas. Working closely with the affected municipalities, as well as funding partners at the state and federal level, Morris County will mitigate this situation by assisting municipalities with the acquisition of flood damaged properties, requiring the demolition of structures on-site and permanently preserving the land therein.

Priority will be given to municipalities that have sought funding from other sources prior to applying to Morris County. Application to other funding sources is *not* a requirement to be eligible for this program. Applications not funded through this program may apply, subsequently, to the traditional Morris County Open Space program.

The 1988 Morris County Open Space Master Plan states that developed areas, which are subject to recurrent flooding, pose a serious threat to the public's health, safety and general welfare and that land along streams and rivers should be preserved. A key management strategy for flood control involves the purchase and removal of frequently flooded housing within the flood plain. The objectives are to provide natural open space areas for floodwater storage, decrease the loss of life and property risk, lower costs for the governments involved, and provide a new beginning for flood-prone home owners. Morris County will endeavor to move people and homes out of harm's way and create new open space that will help absorb and contain future flooding.

### **6.2 Background**

The NJ Office of Emergency Management (OEM) administers Federal Emergency Management Agency (FEMA) programs that buyout flood prone properties, converting them to permanent open space. Flood inundated communities can utilize this federal acquisition funding as a hazard mitigation option. The federal program requires a matching grant for the cost of acquisition, either from the corresponding state or municipality. Once a property is bought, from willing sellers only, the local government must demolish all structures and maintain the site as public open space in perpetuity.

This FEMA Program, as well as the NJ Department of Environmental Protection (NJDEP) Blue Acres Program, is consistent with the goals and regulations of the Trust Fund. Therefore, Morris County will begin to work with FEMA, OEM and Blue Acres to assist local governments by providing the match requirement for land acquisition projects. Morris County will prioritize applications that obtain FEMA funding. However, Morris County will additionally consider properties outside the federal and state programs, with the requirement that the municipality provide the matching acquisition funds. These matching funds may not be derived from the Municipal and/or Qualified Charitable Conservancy Projects Program (a.k.a. the traditional Morris County Open Space Program).

### **6.3 Program Overview**

The Morris County Flood Mitigation Program will consider grant applications from municipalities for the acquisition of residences that have experienced severe, repetitive flooding, or sustained substantial

The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund damage (greater than 50%), that receive a minimum Benefit/Cost Ratio (BCR) of 1:1. Only acquisition projects will be considered for this program.

Through the MATCH program, Morris County will provide matching funds to municipalities in partnership with FEMA, Blue Acres, or the municipality, up to a maximum of 25% of total project cost. In the CORE Program, Morris County will take the lead funding role, providing up to a maximum of 75% of total project cost. CORE Applications must be accompanied by a basic, long-term acquisition plan for mitigating the flood-prone areas of a municipality, which includes an assessment of flooding risk and a delineation of desirable areas for acquisition. Morris County will directly assist municipalities, on an as-needed basis, with the preparation of this plan; this assistance will include all required mapping.

Grant applications may be filed throughout the year on a rolling basis. All applications are to be submitted to the Morris County Office of Planning & Preservation. The Flood Mitigation Program staff will review the application to determine eligibility and completeness. If proceeding, then staff will conduct a preliminary site assessment.

Viable applications will be presented to the Flood Mitigation Committee (FMC) which will assess each application according to established criteria. The FMC's recommendations will be forwarded to the Board of Chosen Freeholders who will determine grant awards based upon appraised values.

The municipal applicants will be notified of their awards and will receive a grant agreement detailing State and County requirements and conditions. The agreement must be executed by the municipality and the Board of Chosen Freeholders (BCF) prior to any disbursement of funds from the County.

Additionally, through the Community Rating System (CRS) Assistance program, Morris County provides technical expertise and resource support to municipalities seeking to join or participate in the National Flood Insurance Program's CRS program. This program incentivizes communities to better communicate and protect against future flood events through the implementation of superior flood hazard mitigation measures; these efforts may result in flood insurance discounts for all property owners within the community.

#### **6.4 Goals of Program**

- A. Provide natural open space areas for floodwater storage
- B. Decrease the risk of potential loss of life to both citizens and emergency response personnel
- C. Lower OEM and other relief and recovery costs for local governments.
- D. Create a buffer area that will protect inland homeowners and their property
- E. Lower property losses after storm events
- F. Lower property owners flood insurance costs
- G. Provide a new beginning for flood-prone homeowners
- H. Promote awareness of flood risk and mitigation measures available

#### **6.5 Eligible Applicants**

Any of the thirty-nine municipalities in the County of Morris.

### **6.6 Eligible Properties**

- A. The property must be located in Morris County.
- B. The property must be residential. Office, industrial or government properties are not eligible.
- C. Properties with a history of repetitive loss or a property that have sustained substantial damage (greater than 50%) in a single flood event
- D. The Project Area and/or property must receive a minimum “Benefit Cost Ratio” (BCR) of 1:1 to qualify for grant consideration. The BCR will be determined using FEMA’s Benefit Cost Analysis Model.
- E. Property owner must be a willing seller.
- F. Properties in the process of bank foreclosure or currently held by a bank post-foreclosure that meet the criteria in items A - E.

### **6.7 Eligible Activities**

- A. Acquisition of flood-prone and flood-damaged homes and the lands associated with these homes.
- B. Flood events that are eligible include:
  - 1. Overland water flow
  - 2. Excessive land saturation due to cumulative rainfall or snowmelt
  - 3. Slope failure, slope erosion or mudflow – public access to these properties may be limited due to public safety issues

### **6.8 Acquisition Procedures**

- A. Any application to Morris County for flood mitigation funding must first be made to the Flood Mitigation Program.
- B. Only if said application has been reviewed and rejected by the FMC or the BCF, may application be made to other grant programs funded by the Morris County Open Space, Recreation, Farmland and Historic Preservation Trust ).
- C. If a municipality seeks funding, up to 25% of the acquisition cost, to match a project underway with another funding agency, e.g. FEMA or NJDEP Blue Acres, then application shall be made to the MATCH program by meeting with Morris County staff and providing the full application given to the other funding agency, including any mapping, project analysis or determination of Benefit-Cost Ratio.
- D. If the project is a nationally declared disaster, which has received obligated funds from another agency, application shall be considered “Fast Track”; see section 6.15 for details.
- E. If a municipality seeks the majority of the acquisition cost, up to 75%, from Morris County, then application shall be made to the CORE program, wherein a Flood Acquisition Plan (FLAP) and Morris County CORE application is required and shall be developed with help from Morris County staff.
- F. The requirement for a FLAP is waived in the case of nationally-declared disasters which have

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G. **Flood Acquisition Plans (FLAP)** shall consist of three elements and are the proprietary property of the municipality. The County will keep the FLAP confidential and any decision regarding the distribution of the FLAP shall be determined by the municipality. Morris County staff shall work free of charge with the municipality to develop the FLAP.

1. Narrative - a brief recounting of the history of flooding in the municipality and goals for its flood mitigation effort
2. Map - shows the location of flood and stream features, including, but not limited to: riparian sources, floodplains, floodways, homes with active National Flood Insurance Policies, information from Flood Insurance Rate Maps, Flood Insurance Studies, and the identification of previously preserved properties
3. Project Areas – derived from the narrative and map, areas to be the focus of flood mitigation efforts shall be identified, including a list of specific parcels therein.

H. **Approval Process** shall be in two steps:

1. Preliminary Approval by FMC and BCF; this determines a lump sum amount to be encumbered for use in a defined Project Area
2. Approval by FMC and BCF to release a specified dollar amount to a municipality for the acquisition and preservation of a specific, individual property

I. **Application Process:**

1. Application – A municipality files an application with Morris County’s Flood Mitigation Program, which includes all documentation delineated on application checklist, including a FLAP if application is to the CORE Program and has not been approved by another funding agency. Both “Priority” and “Alternate properties” shall be included on the application’s acquisition list, and all resultant Municipal and County resolutions, in the event that a “Priority” property withdraws from the program.
2. Review – Morris County staff determines that the application has met eligibility requirements and presents the application to the Flood Mitigation Committee.
3. Appraisal – Municipality has an appraisal done of applicant property to determine reasonable, pre-flood event market value based on comparable sales
4. Contract – Municipality enters into a sales contract with willing landowner
5. Grant Agreement – Municipality enters in to a grant agreement Morris County
6. Acquisition – Morris County wires approved funds to the municipality who in turn purchases, fee simple, the eligible structures and lands from a willing landowner
7. Demolition – the entire removal of a residence(s) and any appurtenances within 90 days of the property’s acquisition; and restoration of the property to its natural state. Costs for demolition, debris removal, regrading, topsoil and seeding shall be provided by the Morris County Preservation Trust Fund in the same costshare percentage as the acquisition cost.

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8. Preservation – a permanent deed restriction will be placed on the land at the time of closing and it will be held as preserved open space in perpetuity by the municipality. Properties may be used for active or passive recreation. There shall be no impediment to the retention and absorption of flood waters – see Section 6.8-J for details.

J. **Post-Preservation Land Use Restrictions** – Restrictive covenants shall be included and conveyed in the deed to any property acquired through this program. The County shall provide model deed restrictions for grantee’s use. Said restrictions are similar to those approved by FEMA in 44 CFR Chapter 1, Section 206.434, item (e).

1. The property shall be dedicated and maintained in perpetuity for uses compatible with open space, recreation or wetlands management
2. No new structures are permitted to be built, except as indicated below:
  - i. a public facility that is open on all sides and functionally related to a designated open space or recreational use
  - ii. a rest room
  - iii. in general, allowable open space, recreational, and wetland management uses include parks for outdoor recreational activities, nature reserves, cultivation, grazing, unimproved parking lots, and buffer zones.

**6.9 Requirements for Matching Funds**

- A. Morris County will provide up to a maximum of 75% of total project cost.
- B. The municipality must arrange for the remaining match funding. It can be from a variety of sources, including, but not limited to: FEMA, NJDEP Blue Acres, NJDEP Green Acres, municipal open space trust fund, municipal general funds and homeowner donation of value (acceptance of a reduced price, which can then be considered as a donation of land for tax purposes).
- C. These matching funds shall not be derived from any program funded by the Morris County Open Space, Recreation, Farmland and Historic Preservation Trust.

**6.10 Activities Ineligible for FMP Funding**

- A. Elevations, and other non-acquisition mitigation techniques
- C. Any project involving eminent domain
- D. Acquisition of non-residential properties, including commercial, office, retail, industrial, vacant land, and public lands.
- E. Improvements to the property including, but not limited to, landscaping (beyond aforementioned seeding), and construction of facilities. (See Section 6.8-K for Post-Preservation Land Use – no structure or activity is permitted that shall impede the flow or absorption of floodwaters once the land has been acquired and permanently deed restricted.).

**6.11 Flood Mitigation Committee (FMC)  
(Amended by Resolution #17, 5/24/2107)**

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- A. The FMC is an advisory committee comprised of seven members that, shall review, prioritize and make funding recommendations to the Morris County Board of Chosen Freeholders.
- B. Meetings shall be held monthly, on an as-needed basis.
- C. A quorum shall consist of four FMC members.
- D. All nominees to the FMC shall be residents of Morris County.
- E. The Morris County Board of Chosen Freeholders shall appoint the FMC annually.
- F. The term of the FMC member shall be three years in length.
- G. Terms shall be staggered amongst the seven members.
- H. The Morris County Board of Chosen Freeholders may also appoint a Freeholder liaison to the FMC who shall not have voting privileges.
- I. In the event of a vacancy in the membership of the FMC occurring during the unexpired term of appointment, a person shall be appointed as a member of the FMC to serve for said unexpired term.
- J. Each year at its first annual meeting, the FMC shall elect a Chairperson and Vice-Chairperson from its regular members, for a term of one year.
- K. The Chairperson shall preside at all meetings of the FMC and shall appoint all standing and ad hoc committees as may be required.
- L. The Vice-Chairperson shall perform the duties of the Chairperson in his/her absence.
- M. Should the office of Chairperson become vacant, the Vice-Chairperson shall succeed to the office of the Chairperson for the balance of the term.
- N. The Vice-Chairperson shall perform such duties as may be assigned by the Chairperson.

**6.12 Application Review**

- A. The Morris County Office of Planning & Preservation (Department) will review submitted applications for eligibility and completeness.
- B. Applicants are encouraged to consult with the Department staff about any aspect of the application that requires clarification.
- C. All eligible and complete applications will be forwarded to the Flood Mitigation Committee who will evaluate them and make recommendations to the Board of Chosen Freeholders.
- D. Applications will be accepted on a rolling basis throughout the year.

### 6.13 Appraisal Requirements

- A. Prior to conducting an appraisal, the municipality must obtain a “**Statement of Voluntary Participation**” executed by all parties with an equitable interest in the subject property, which documents the property owner’s understanding and acceptance of the voluntary nature of said acquisition.
- B. An executed copy of the “**Statement of Voluntary Participation**” shall be an exhibit in the appraisal report. The property owner is defined herein as any party with an equitable interest in the Subject Property. This form may be found at: <http://www.morrisplanning.org/flood/> under “Forms”.
- C. All applicants seeking funding shall submit two (2) copies of the appraisal report in two formats: one (1) copy shall be an original hardcopy and one (1) copy shall be a digital version, prepared in accordance with the requirements of the NJDEP Blue Acres Program Appraisal Scope of Work, Section E, which can be found at: [www.nj.gov/dep/greenacres/blue\\_flood\\_ac.html](http://www.nj.gov/dep/greenacres/blue_flood_ac.html) under “Appraisals”, with the exception of the following:
  1. The effective date shall be determined by the FMP,
  2. The Homeowner Outreach Form is not required by the FMP, but should be obtained for projects utilizing NJDEP funding.
- D. Morris County will provide cost share funding for up to one year after the municipality’s initial offer is made to the property owner. Said offer shall be automatically withdrawn after that time period expires.
- E. In the **MATCH program**, in which Morris County provides up to 25% of the acquisition costs as a subordinate funder, Morris County will utilize the Certified Market Value (CMV) accepted and/or certified by the majority funding agency; e.g., FEMA or NJDEP.
- F. In the **CORE program**, in which Morris County is the majority funder, providing up to 75% of the acquisition cost, all appraisals will be subject to a review by an appraiser hired by Morris County.
- G. **County Appraisal Review:**
  1. CORE application appraisals submitted for funding through the Morris County FMP shall be reviewed by an appraiser hired by Morris County (“Review Appraiser”) who is currently a New Jersey State Certified General Real Estate Appraiser (SCGRE) and is on the current List of Approved Appraisers of the New Jersey Green Acres Program.
  2. The Review Appraiser shall review the appraisals in accordance with all appropriate current USPAP requirements as well as the requirements of the FMP Appraisal Policy. If applicable, the Review Appraiser shall develop questions regarding the development of the opinion of value, and transmit these to the applicant’s appraiser with copy to the applicant.
  3. The Review Appraiser shall contact the applicant’s appraiser (via e-mail, phone, or letter) to address any questions regarding the development of the opinion of value that are not addressed in the appraisal report or resolved via written correspondence from the applicant’s appraiser.

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4. It is the applicant's sole responsibility to directly contact their appraiser and instruct them to respond to the Reviewer's questions regarding the development of the value conclusion and the final value conclusion which may occur as the result of the appraisal review.
5. The Review Appraiser shall develop an opinion as to the completeness, accuracy, relevance and adherence to USPAP and FMP appraisal guidelines, and reasonableness of the analysis, given the law, regulations and intended user requirements applicable to the work under review.

H. **Accepted Market Value:**

1. If the Review Appraiser concludes the applicant's appraiser provides reasonable documentation, assumptions and analysis to support the credible assignment results and adequately addresses all the questions raised, the value conclusion shall be deemed Morris County's "Accepted Market Value" (AMV) upon which Morris County may cost share for the project.
2. If the Review Appraiser concludes that the applicant's appraiser does *not* provide reasonable documentation, assumptions, analysis to support credible assignment results and the value conclusions in the appraisal report and fails to adequately address all questions raised, leaving significant issues unresolved, then the Review Appraiser shall, at the direction of the Flood Mitigation Committee, develop an independent opinion of value utilizing the most current USPAP Standards and the FMP Appraisal Policy, which shall be deemed the AMV for Morris County's cost share participation percentage.
3. The AMV is the basis upon which Morris County may cost share for the project. The review appraiser's opinion will be final and binding on all parties that executed the "Statement of Voluntary Participation".
4. The AMV is for Morris County valuation purposes only and is not to be substituted, characterized or confused with the Certified Market Value (CMV) issued by NJDEP.

I. **Appraisal Value Disagreement:**

1. Should the property owner disagree with the municipality's appraised value and want to commission a second appraisal report; the municipality shall at its sole discretion determine if it will accept the owner's appraisal.
2. If a second appraisal is to be considered, the property owner shall commission this valuation at his/her sole cost and expense. The property owner's appraisal must be prepared in compliance with the FMP Appraisal Policy.
3. If the estimated property value in the second appraisal is greater than 10% higher than the municipality's appraisal, then a third appraisal must be commissioned by the municipality for Morris County's review and determination of AMV.
4. Morris County will accept for review all three appraisals, but will only reimburse the appraisal fees for assignments directly hired by the municipality. The reimbursement shall be based on the cost-share participation percentage.

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J. **At Risk Authorization:**

1. For the acquisition to remain eligible for Morris County FMP funding, the municipality shall *not* enter into a purchase contract for any parcel submitted for inclusion in this program unless it has first received either an AMV, or an “At Risk” authorization from Morris County.
2. Within 14 days of a municipality’s request for an At Risk Authorization, Morris County FMP shall authorize, in writing, the municipality to proceed with the acquisition of a proposed flood mitigation project site at its own risk, indicating that the AMV has yet to be established.
3. If the contract price is higher than the AMV as subsequently established by Morris County’s Review Appraiser, then the municipality is responsible for making up this difference in project cost. Morris County will only fund the cost-share participation percentage to the amount of the AMV.
4. The Morris County Flood Mitigation Program is not obligated to award funding for the acquisition of any project site for which Morris County FMP issues an At-Risk Authorization
5. A municipality is not obligated to acquire any project site for which it has received At-Risk Authorization

K. The cost of all appraisals contracted by the municipality is eligible for reimbursement at the cost-share participation percentage unless the appraisal fees and expenses are reimbursed by another governmental agency.

L. The cost of an appraisal contracted by the property owner is *not* eligible, even if cost share participation is ultimately based on that appraisal.

M. Morris County’s maximum cost share participation on a project shall not exceed 75% of the AMV

N. Morris County may cost share on a project up to the lower of either the contract value or the AMV

O. Foreclosure - If a property is under bank foreclosure, the offer to the bank will be post-flood, current fair market value or the remaining principal balance on the mortgage, whichever is *less*.

P. Subsequent Owner – post-flood, current market value shall be used; however in no case shall the value exceed the consideration paid for the property.

**6.14 Evaluation Criteria**

The following criteria will be considered when evaluating applications:

- A. Encourage preservation of multiple parcels/homes in a flood prone area to achieve the most effective flood storage and protection capabilities
- B. Discourage ‘checkerboard’ preservation within neighborhoods
- C. Concentrate on properties that have experienced severe, repetitive loss due to flooding or extreme damage from a specific storm event, i.e. Hurricane Irene
- D. Prioritize municipalities with local hazard mitigation plans, which have also signed on to the Morris County Hazard Mitigation Plan
- E. Give consideration to specific projects as they relate to the municipality’s overall, long term flood

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mitigation acquisition plan

- F. Projects should be consistent with the objectives of Morris County and Municipal Open Space Plans
- G. Priority shall be given based on the level of damage to a residence; unsafe, uninhabitable structures shall receive the highest priority
- H. The FMC discourages construction of new homes or the expansion of existing homes in flood prone areas. Recent development of this type will be a factor considered by the Committee in its review of applications.

### **6.15 Funding Requirements**

- A. Funding levels/cost share percentages will be determined based on what other funding has been obtained, e.g. FEMA, Blue Acres, etc.
- B. All funds go directly to the municipality for distribution, not the individual homeowner
- C. The County's flood mitigation grant to a municipality shall not exceed 75% of the acquisition cost; the specific cost share amount will be determined on a case-by-case basis and will be detailed in the Grant Agreement.
- D. Soft Cost Reimbursement is available, at the same percentage as the acquisition cost, on closed projects only.
- E. Once a Project Area receives Preliminary Approval, funds for the specific parcels in that Project Area will be encumbered for municipal use for a period of three years from the date of said approval.
- F. Once that time span has expired, the municipality may apply for up to two, 6-month-long, extensions by demonstrating challenging circumstances that have inhibited project progression and the Municipality's efforts to address these difficulties.
- G. Funds not expended within this 3- to 4-year time period will be forfeited and returned to the FMP as unencumbered funds.
- H. Once this forfeiture has occurred, there shall be a one-year wait period until an application for the same parcels in this Project Area can be made to the FMP; the only exemption to this rule is forfeiture of grant funds due to a bank-related or third-party issue.

### **6.16 FAST TRACK Applications**

In the event of a nationally declared disaster, individual property applications already approved by FEMA will be expedited for Flood Mitigation Committee and Board of Chosen Freeholders approval. FEMA and/or NJDEP Blue Acres will provide all required application mapping, appraisals and property analysis to Morris County staff and the Flood Mitigation Committee for its review. Morris County will endeavor to provide up to 25% match funding to coincide with the federal and state agencies closing date on said properties.

### **6.17 Survey Requirements**

- A. All applicants seeking funding shall submit a survey prepared by a New Jersey licensed land surveyor in conformance with this policy not later than 30 days prior to closing for its review and approval. Previous surveys accompanied by an 'Affidavit of No Change' may suffice. The Office of Planning and Preservation shall have the right to disqualify any survey that doesn't meet the deadlines and/or requirements outlined in this policy.

- B. The survey shall show all easements and right-of-way dedications for County roads, bridges and drainage structures, (e.g. sight triangle easements, bridge maintenance easement and roadway dedications) in accordance with the County Official Map, the County Engineer, and requirements of County Planning Board approval, where applicable.
- C. **Scope of Work/Specifications/Deliverables**
  - 1. One electronic and one paper copy of the survey plat, along with a metes and bounds description, shall be prepared according to the Digital Mapping Submissions Standards (Appendix G) of the Morris County Land Development Standards.
  - 2. For projects with no funding from the New Jersey Green Acres, or Blue Acres Programs, an open space survey must be prepared to the minimum standards for land surveys as defined in N.J.A.C. 13:5.1 et seq. by the State Board of Professional Engineers and Land Surveyors.
  - 3. For projects with potential/committed funding from the New Jersey Green Acres, or Blue Acres Programs, the survey must be prepared in accordance with the requirements of the NJDEP Green Acres Standard Scope of Survey Work, which can be found at: <http://www.nj.gov/dep/greenacres/survey/blueacres.html#acquisition>

#### **6.18 Morris County Community Rating System (CRS) - Assistance Program**

- 1. Management of local CRS programs is the responsibility of the participating municipality.**
  - a. Municipal participation in the National Flood Insurance Program (NFIP) CRS program is voluntary;
  - b. Once a community receives its initial CRS classification, municipalities are responsible for continuing to implement their credited Activities in order to keep, maintain and improve upon their CRS classification as specified in Section 114.b of the NFIP CRS Coordinator's Manual (FIA 12/2013);
  - c. Morris County is not obligated to provide services to municipalities in order to retain, maintain, or improve upon their status in the CRS program.
- 2. Assistance from Morris County must satisfy a specific CRS Activity as identified in the NFIP "CRS Coordinator's Manual" (FIA-12/2013).**
  - a. Municipal requests for assistance must reference a specific Activity by NFIP Activity Number and Element;
  - b. All requests to the County must be submitted in writing or e-mail to the Office of Planning and Preservation, Flood Mitigation Program/CRS Coordinator;
    - i. Municipalities shall provide the County with a clear description of the type of assistance being requested;
    - ii. The County will provide municipalities with a response as to the level of assistance available for each request made;
    - iii. Municipalities may be asked to provide additional information or data in order to process a specific request.

- 3. The Morris County CRS Assistance Program is intended to promote awareness of the NFIP CRS program among municipal officials responsible for implementing local mitigation activities.**
  - a. Requests for assistance must come directly from the municipality's Administrator, Construction Official, OEM Coordinator, Engineer, Floodplain Manager or the designated community CRS Coordinator; any of whom shall act in the capacity of the community's authorized CRS requestor;
  - b. Communities who rely on professional consultative services to manage and/or coordinate their CRS program must make all requests through their municipal Administrator;
  - c. A municipal Administrator relying upon professional consultative services to manage and/or coordinate the community's CRS program must:
    - i. Provide requests for assistance in accordance with item #2
    - ii. Provide requests for assistance on municipal letterhead or from the Administrator's municipal e-mail account;
    - iii. Act solely in the capacity as the community's authorized CRS requestor;
  - d. The County will only provide requested data and/or information to the community's authorized CRS requestor in accordance with these rules.
  
- 4. The Morris County CRS Assistance Program is intended to help municipalities that may not have the subject matter expertise or technical capability to successfully participate and/or advance in the NFIP CRS program.**
  - a. The Morris County Users Group is open to municipalities seeking to advance their knowledge and understanding of the NFIP CRS program;
  - b. Due to limited County resources, assistance will be prioritized based on a community's technical capacity and professional, subject-matter capabilities;
  - c. The County will not provide duplicative consulting services, data or analysis for those communities relying upon professional consultative services to manage and/or coordinate their CRS program.

*Originally Adopted:* March 14, 2014

# **The Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund**

## **7. Trail Construction Grant Program**

### **7.1 Background**

In 2013, the Morris County Board of Chosen Freeholders commissioned a study designed to take a thorough and objective look at the projects completed since the establishment of the Morris County Open Space, Farmland, Floodplain Protection and Historic Preservation Trust Fund (“Trust Fund”) in 1992. The resultant Preservation Trust Fund Analysis and Strategy Report (“Report”) assessed municipal goals and needs related to open space and environmentally sensitive areas, parks (including maintenance and improvements) and linkages, historic and farmland preservation, flood mitigation and the possible role of the Trust Fund in meeting these local goals and needs.

The Report included personal interviews with each of the 39 municipalities in Morris County plus 9 land trust non-profits through a detailed questionnaire to these entities as well as 27 historic preservation non-profits. A recurring theme throughout the evaluation was the acquisition of land or easements for trails, and the construction of trails, as a high priority for nearly all municipalities and land trust non-profits. Trail installation and improvements were identified by 62% of municipalities<sup>1</sup> as post-preservation plans for their open space properties. Funding for trail construction was “strongly supported” by 78% of municipalities.

The results of the Report were used to delineate the parameters of a new voter referendum that would ultimately alter the allowable uses of the Trust Fund. On August 13, 2014, the Board of Chosen Freeholders authorized the ballot question that would permit trail construction as an allowable use under the Trust Fund, as allowed by State law. On November 4, 2014, the voting electorate of Morris County approved the ballot question by a margin of nearly 3 to 1. The Board of Chosen Freeholders adopted the Trail Construction Grant Program on April 27, 2016.

### **7.2 Intent and Purpose**

Morris County established a Trail Construction Grant Program to support and enhance the county’s quality of life and cultural and heritage tourism efforts. The purpose of the grant program is to provide recreational trail use opportunities (as defined by the program) which benefit the communities and enhance the quality of life for the residents of Morris County. The program will rely upon local communities and their government representatives to provide inspiration, planning and commitment, as well as meeting the matching funds requirement, to make these trail projects a reality.

### **7.3 Program Overview**

The Morris County Trail Construction Grant Program will distribute grants for the construction of trails for municipalities. All trail construction must occur on permanent preserved public parklands held by the municipality, or easements (dedicated to a municipality for public recreational trail use). Only trail construction grants will be considered through this program. The program will operate on a reimbursement basis only. Applicants are limited to one application per funding cycle.

The Morris County Trail Construction Grant Program will operate as a collective and collaborative effort of the Morris County Park Commission and Morris County Office of Planning and Preservation. Grant requests shall be completed using the application package developed by program staff. All applications shall be submitted to program staff and will be reviewed to determine eligibility and application completeness. Applications will then be reviewed by the Morris County Trail Program Advisory Committee and evaluated according to established criteria. The Advisory Committee’s recommendations will be forwarded to the Board of Chosen Freeholders who will determine and take action on the grant awards.

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<sup>1</sup> Out of 26 responding

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Applicants who are awarded grants will receive a grant agreement specifying the Program's requirements. The municipality and the Board of Chosen Freeholders must execute the grant agreement within 60 days of award notification by the County.

### 7.4 Goals of Program

- A. Provide grant funding to municipalities to accelerate the construction of recreational trails throughout Morris County.
- B. Promote the construction of trails, which may also be complementary to the Morris County Park Commission's trail system.
- C. Enhance Morris County's quality of life.
- D. Provide alternate means of transportation that support a healthy lifestyle.
- E. Heighten the public's awareness of Morris County's irreplaceable historic character.
- F. Increase opportunities for cultural and heritage tourism in the County.
- G. Improve Morris County as a destination market for leisure travel.

### 7.5 Definitions

- A. Trail – a thoroughfare or track across land or snow, used for recreational purposes excluding roads generally accessible by low clearance passenger vehicles but includes high clearance primitive roads, such as:
  1. Non-motorized activities; and/or
  2. Motorized vehicular activities
    - a. Gas powered such as all-terrain vehicles, motorcycling, and snowmobiling
    - b. Non-gas powered such as electric Segway's and bikes

Trails do not include sidewalks or running tracks as defined by an oval shaped track that is used for races involving athletes at track meets.

- B. Office of Planning & Preservation and Division of Engineering and Transportation Boards or Committees
  1. Agriculture Development Board
  2. Flood Mitigation Committee
  3. Freight Rail Advisory Committee
  4. Historic Preservation Trust Fund Review Board
  5. Open Space Trust Fund Committee
  6. Planning Board
  7. Board of Transportation
- C. Trail Enhancement – improvements of trail design and/or surface type of existing trails to accommodate increased volume and/or make the trail ADA compliant. Trail enhancement is more than an in-kind replacement of current conditions. Deferred maintenance activities are not eligible.
- D. In-Kind Contribution – gifts or donation of goods and services other than cash.

### 7.6 Eligible Applicants

Any of the thirty-nine municipalities in the County of Morris, New Jersey.

### 7.7 Eligible Properties

- A. The land must be located in Morris County.

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- B. The land on which the trail is to be funded must be permanent preserved public parkland owned by the municipality.
- C. The land on which the trail is to be funded may be on land with a permanent easement dedicated for public trail/recreational use, which has been provided to the municipality.

### **7.8 Source of Project Funding and Applicant Match**

- A. Funding is provided through the Morris County Preservation Trust Fund and annual allocations are based on funding availability.
- B. Municipalities must provide match funding and demonstrate, as part of the application, evidence of matching funds in hand or clearly demonstrate the ability to match the grant requested.
- C. Trail construction grants will be awarded as an 80%-20% match, with the applicant providing the 20% match. For example, for a total project cost of \$31,250 and a requested grant award of \$25,000, the 20% match would equal \$6,250.
  - 1. An applicant's matching funds can be in the form of either cash or in-kind services.
    - i. In-Kind Services are contributions of goods or services. In-kind services shall be represented with the fair market value of the respective goods or services of direct and/or in-direct costs.
      - a) Direct Costs – labor, materials, equipment, etc.
      - b) In-Direct Costs – planning, design engineering, permitting, etc.
  - 2. The value of the land or easement within an existing park (land trust, preserve, etc.) may not be used as credit for the match.
  - 3. A public agency may not use the value of land transferred from the administration of one agency to another agency to meet the minimum match.
- D. Trail construction grants will be made as a reimbursement only. Payments will be issued upon completion of trail construction and submission of proper documentation, including inspection reports.
- E. A maximum contingency of 10% may be factored into the total project cost estimate.

### **7.9 Permissible/Eligible Uses and Projects**

- A. Construction of new trails of various tread surfaces, including
  - 1. Non-motorized trails
    - a. Multi-use Trails (e.g., pedestrian, bicycle, mountain biking, equestrian, hiking, cross-country skiing, skating and skateboarding)
    - b. Single use trails
  - 2. Motorized trails (gas and non-gas operated)
    - a. ATV
    - b. Off-road Motorcycle
    - c. Snowmobile
    - d. Segway
    - e. Electric bikes and scooters
  - 3. Gas powered vehicles may only be used on trails dedicated specifically and solely for motorized trail activities.
- B. Enhancement of existing trails.
- C. Construction and installation of trailside amenities and trailhead facilities
  - 1. The cost of the new trail construction or trail enhancements shall be greater than the cost of all proposed trailside amenities. These shall be itemized separately in the cost estimate.

2. Program funding shall not be used as sole funding source for trailside amenities or trailhead facility (parking areas).
3. Example trailside amenities may include:
  - a. Wayfinding Signs & Blazing
  - b. Interpretive signs
  - c. Benches
  - d. Landscaping
  - e. Fencing/Gates/Bollards
  - f. Fishing Piers
  - g. Overlooks
  - h. Observation decks, platforms

#### 7.9.1. Tread Surfaces

Tread surfaces for trail projects can include, but are not limited to:

1. Natural Tread
  - a. Native rock or soil
  - b. Gravel
  - c. Wood chips/Mulch
2. Non-Paved Porous Materials
  - a. Stone Dust
  - b. Porous Pavement
  - c. Turf
3. Paved Trails
  - a. Asphalt
  - b. Concrete
4. Boardwalks

#### 7.9.2. Standards for Construction

Applicants shall identify all construction standards utilized in the trail design. These standards include, but are not limited to, the American Association of State Highway and Transportation Officials' (AASHTO) Guide for the Development of Bicycle Facilities and U. S. Department of Agriculture Forest Service Trail Construction Standards (see list at <https://planning.morriscountynj.gov/wp-content/uploads/2018/03/Trail-Specification-and-Design-Resources-final.pdf>). Additional standards may apply when designing for single types of use and shall be applied accordingly. Maximum path width in wetlands or wetland buffers must comply with rules of the New Jersey Department of Environmental Protection (NJDEP) Land Use Regulation program, which may require narrower maximum width.

#### **7.10 Uses and Projects Not Eligible for Funding**

Items not eligible for funding as part of this grant program include but are not limited to:

- A. Land condemnation
- B. Trail feasibility studies
- C. Law enforcement personnel
- D. Law enforcement activities
- E. Sidewalks
- F. Running tracks as defined by an oval shaped track that is used for races involving athletes at track meets
- G. Lighting
- H. Promotional materials (e.g., shirts, caps, pins)
- I. Improvements or construction to roads
- J. Improvement or construction of road shoulders
- K. Purchase of equipment

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- L. Deferred maintenance items
- M. Administrative fees
- N. Grant preparation fees

**7.11 Grant Amounts**

- A. Minimum grant amount is \$5,000.00
- B. Maximum grant amount - No one award shall receive more than 60% of the funds available during each year’s funding cycle. This exception can be waived if the pool of applicants is limited and/or the awarded application is deemed a regionally significant project.
  - 1. Projects with cost estimates that exceed the maximum grant award shall make funding requests outlining phases of implementation.

**7.12 Trail Program Advisory Committee**

- A. The Trail Program Advisory Committee (“Advisory Committee”) shall review, prioritize and make recommendations to the Morris County Board of Chosen Freeholders on the funding of trail construction grant projects under the Morris County Preservation Trust Fund.
- B. All nominees to the nine member Advisory Committee shall be reviewed according to standard County procedures in order to avoid any potential conflict of interest.
- C. The Morris County Board of Chosen Freeholders shall appoint the Advisory Committee as follows:

Number of Appointees	Appointee Representation
4	Morris County Park Commission Recreational Trail Committee
2	Morris County Office of Planning & Preservation and Division of Engineering and Transportation Boards and/or Committees
3	At-Large from the Trail Community

- D. All members shall abide by the County’s Policy and Procedures for Attendance of Volunteer Members of Advisory Bodies at Scheduled Meetings and Conflict of Interest.
- E. All Advisory Committee members shall be residents of Morris County.
- F. Advisory Committee members from the Morris County Park Commission Recreational Trail Committee shall serve terms running concurrent with their present appointment on said Committee.
- G. Advisory Committee members from Boards and/or Committees of the Morris County Department of Planning & Public Works shall serve terms running concurrent with their present appointment on said Board and/or Committee.
- H. At-Large Advisory Committee members shall initially serve staggered terms of 1 to 3 years. Upon expiration of their initial terms, all subsequent At-Large members shall serve 3-year terms.

**7.13 Application Procedures**

The application package and schedule shall be developed by program staff. Each applicant shall complete the grant application form (found at <http://planning.morriscountynj.gov/divisions/prestrust/trail/application/>) and comply with all application requirements and deadlines found in the form.

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The grant program is competitive and requires an evaluation and selection process to determine award recommendations. Program staff shall review submitted applications for eligibility and completeness. All eligible and complete applications will be forwarded to the Trail Program Advisory Committee who will annually review, prioritize, and recommend awards. Recommendations shall be made to the Morris County Board of Chosen Freeholders.

Before submitting an application, applicants must determine what other governmental approvals are required, including if the project is on, in or next to a site on the National or State Registers of Historic Places. Information on listed sites is available from county cultural and heritage commissions, county historical societies and the New Jersey Historic Preservation Office (HPO). Any project recommended for funding that is on, in or next to a registered site shall be subject to review by the New Jersey Historic Preservation Office. Applicant must provide authorization from the HPO and a copy of the authorization letter to program staff.

### 7.13.1 Schedule

Spring	Applications Available
Summer	Applications Due
Fall	The Trail Program Advisory Committee will make its grant recommendations to the Board of Chosen Freeholders
Winter	Approval of Trail Program Advisory Committee recommendations by the Board of Chosen Freeholders

### 7.13.2 Pre-Application Meeting

All first time applicants shall be required to attend a Pre-Application Meeting with Program staff to review proposed project and documents to be submitted. All others are encouraged, but not required to attend a Pre-Application Meeting.

### 7.13.3. Program Orientation / Training

All applicants to an annual funding round shall be required to attend a program orientation session organized by program staff in the Spring. The session will address industry accepted Best Management Practices for trail design and provide guidance on planning a trail construction project.

**Municipalities will be ineligible to submit a trail construction grant application in a given funding round if a representative has not attended this mandatory training session.** Representatives shall include proposed municipal project contacts, including but not limited to the project engineer, administrator and recreation director.

### 7.13.4 Evaluation Criteria

The Trail Program Advisory Committee using the following criteria shall evaluate applications. The results of the evaluation are not the sole source of award recommendations. Considerations may also include demand and type of use, and quality of natural, cultural and recreational resources.

1. Access and Design
  - a. Project complies with Department of Justice Title II, ADA standards, and PROWAG accessibility standards.
  - b. Project provides access to major destinations such as schools, recreation facilities, and/or civic/community centers.
  - c. Project provides access to significant natural, cultural or historic features.

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2. Diversity
  - a. Project is designed to accommodate multiple trail user types.
  - b. Project serves a diverse demographic.
3. Connectivity
  - a. Project connects to an existing trail network (e.g., Federal, State, County, Regional, and Municipal).
  - b. Project provides connections to adjacent land uses via logical terminus.
4. Demand
  - a. Project is likely to have a high level of usage.
  - b. Project would alleviate crowding and/or over usage of existing trails.
  - c. Project fulfills a documented need.
5. Concurrency
  - a. Project is consistent with short and long term planning goals and initiatives of the local municipality, County or State.
  - b. Project is of regional significance.
6. Funding
  - a. Applicant has a successful history of implementing grants for similar types of projects.
  - b. Applicant is providing additional funding above the required 20% match.
7. Constructability
  - a. Applicant has completed or is nearing completion of final design plans.
  - b. Information provided conveys a clear understanding of project details, methods, required regulatory approvals and project costs.
  - c. Applicant is able to complete project within designated schedule of completion (within 3 years).
  - d. Project is in preliminary design with permits pending.
8. Trail Specifications and Design Resources
  - a. Project design adheres to one or more of the following resources, or other industry-accepted standard (see list at <https://planning.morriscountynj.gov/wp-content/uploads/2018/03/Trail-Specification-and-Design-Resources-final.pdf>)
    - (1) USDA Forest Service
    - (2) International Mountain Biking Association (IMBA)
    - (3) American Association of State Highway and Transportation Officials' (AASHTO)
    - (4) National Off-Highway Vehicle Conservation Council (NOHVCC)
    - (5) DOJ-ADA Chapter 10-Section 1017, Trails
    - (6) Federal Highway Administration (FHWA)
9. Maintenance
  - a. Applicant has a proven history of maintaining and operating trail facilities.
10. Partnership
  - a. Applicant has a proven history with project partner(s) in completing similar types of projects.
11. Programs and Promotion
  - a. Applicant has a proven history of providing programs that educate and promote similar facilities.

- b. Project will create new and/or enhanced programs to educate and promote the facility and its features.

The Morris County Trail Program Advisory Committee may enhance, amend, or modify the grant criteria guidelines as necessary. Program modifications are at the discretion of the Advisory Committee and/or the Board of Chosen Freeholders.

#### 7.13.5 Applicant Question and Answer Session

All applicants are required to attend a question and answer (Q & A) session in front of the Advisory Committee. Key questions raised by the Advisory Committee will be provided to the applicant in advance of the Q & A session. Applicants will be responsible to provide appropriate officials or staff to respond appropriately to the Advisory Committee's questions.

The purpose of Q & A is to clarify and/or provide information that is more detailed to the Advisory Committee about materials within the application already submitted. The Q & A shall not be used to present new materials or revised cost estimates or designs, or revisions/amendments to the existing application.

The Q & A sessions shall be limited to verbal discussions only; electronic presentations are not permitted (i.e., PowerPoint slide show).

At the Review Committee's direction, the Q & A session will be limited to a maximum of fifteen (15) minutes.

### **7.14 Program Requirements**

#### 7.14.1. Grant Agreement

1. All applicants approved for funding shall execute a grant agreement in order to effectuate the grant award. The grant agreement shall be provided by Morris County; no modifications to the agreement are permitted. Applicants approved for funding shall return the executed grant agreement by March 31 of the year immediately following Freeholder action on the Trail Advisory Committee's recommendations. Failure to return the executed grant agreement to the County within this timeframe may result in the forfeiture of the grant award.
2. The project timeline for grant purposes shall commence on March 31 of the year immediately following Freeholder action on the grant award.

#### 7.14.2. Timeline for Completion

1. Projects must be completed within three years of the project timeline effective date as identified in the grant agreement.
2. Grantees are required to submit project schedules as part of the application and provide revised schedules as necessary throughout the construction phase.
3. If a project is not completed within the timeframe outlined within the grant agreement, notification and request for extension shall be provided to the Trail Program Advisory Committee at least 90 days in advance of expiration.
4. Grantees shall be eligible for up to two six-month grant extensions if it is shown that there are challenging circumstances, which inhibit a project's completion within the initial three-year work period identified in the grant agreement.

7.14.3. Land Use Restrictions

1. All trails funded through the Program must be constructed on permanent preserved public parkland.
  - a. Municipality must show evidence of permanent preservation via deed restriction
  - b. If a deed cannot be provided, municipality shall submit an approved/certified current Green Acres Recreation and Open Space Inventory (ROSI).
  - c. Public lands shall be dedicated as permanent preserved parkland via deed restrictions and recorded corrective deed.
  
2. Grantees may construct trails funded through the Program on private land with a permanent easement dedicated for public trail/recreational use, which has been provided to the municipality.
  - a. Applicant shall demonstrate in the application that owner is willing to dedicate said easement to the applicant.
  
  - b. Requirements for Easements
    - (1) The easement to be permanently dedicated shall be surveyed by a licensed land surveyor in the State of New Jersey according to the minimum standards for land surveys as defined in N.J.A.C. 13:5.1 et. seq. by the State Board of Professional Engineers and Land Surveyors.
    - (2) All easements shall be recorded and include the metes and bounds description of the permanently dedicated lands. The County of Morris shall approve all easement documents prior to recording by the applicant.
    - (3) Applicants shall submit a map, metes and bounds description and \*.dxf file of the easement, in addition to the recorded easement document, prior to the reimbursement of any grant funds.
  
3. Lands and easements containing trail construction funded by the Program shall not be conveyed, transferred, disposed of or diverted to use for other than recreation, conservation and farmland preservation purposes without the prior approval of the County.

7.14.4. Project Reporting and Monitoring Requirements

1. Grantees shall submit written quarterly progress reports detailing specific works events completed and forthcoming.
  
2. A progress form will be provided by program staff.
  
3. No grant reimbursement payments shall be made until all final inspections, authorizations and progress-reporting requirements have been satisfied.
  
4. At a minimum, program staff shall conduct at least one monitoring site visit per calendar year on all awarded projects for the defined project timeline in the grant agreement.

7.14.5. Project Amendments

1. Significant amendments to an approved project shall be considered, but are not limited to, items, which require considerable revisions to the original alignment, routing, permitting, budget and overall impact of the facility. Significant amendments must be documented by the grantee justifying the requested change and reported to the Trail Program Advisory Committee for approval prior to proceeding.
  
2. The Trail Program Advisory Committee shall review and recommend approval of significant amendments to an approved project. These amendments are subject to Board of Chosen

Freeholder review and approval.

3. Grantees are permitted to make minor amendments to the approved project, upon consultation with program staff, to meet unanticipated permit requirements and/or onsite field conditions.

#### 7.14.6. Project Termination

If for any reason the grantee must terminate the project, the recipient shall notify program staff immediately in writing, explaining the reason for termination.

#### 7.14.7. Fees

Grantees are prohibited from charging trail or any additional fees for the use of any projects funded through this program.

#### 7.14.8. Maintenance

Grantees shall be responsible for the maintenance of all trails, trailside amenities and trailhead facilities funded through this program.

### **7.15 Public Access**

Public access to all trails funded through this program is required.

### **7.16 Financial Information**

- A. Grant funding shall be provided as a reimbursement at the time of project completion.
- B. All grantees must maintain records that adequately identify the source and application of funds provided for projects. Accounting records must be supported by such source documentation including cancelled checks, paid bills, payrolls, time and attendance records, contract and sub-grant award documents, etc.
- C. County grant funding cannot be used to reimburse expenses for projects started before Freeholder approval of the grant agreement.
- D. Any misuse of funds, misrepresentation, or non-compliance will result in termination of the grant agreement and penalties as specified in the agreement.

#### 7.16.1. Reimbursement

1. Direct Costs related only to trail construction are eligible for reimbursement. Direct costs not outlined and approved in the grant application will not be reimbursed.
  - a. Eligible direct reimbursement costs are clearly identifiable costs related to a specific trail project. General categories of direct costs may include, but are not limited to, salaries and wages, fringe benefits, construction equipment rental, construction contractor costs, materials, signs, etc. All direct costs must be included and itemized in the grant application cost estimate.
2. Indirect costs related to the trail project are NOT eligible for reimbursement.
  - a. Indirect costs include, but are not limited to, professional services, site design, engineering, supervision, legal fees, advertising, permit fees, preliminary planning or engineering, historic research, professional advice, administrative support and management of the grant, estimates, reports, services or studies and other incidental costs related to the project construction.

#### 7.16.2. Matching Funds

The applicant is required to provide matching funds of a minimum of 20% of the total project costs and

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can be satisfied using cash or in-kind contributions.

1. In-kind Contribution – Goods and Services
  - a. For in-kind contributions of goods and services, the grantee shall be required to provide documentation on the value of those services.
  - b. Labor, equipment, and material costs are eligible direct costs toward matching funds
  - c. Professional services such as planning, engineering, and permitting costs are eligible indirect costs toward matching funds.  
The value of in-kind contributions shall be based on:
    - (1) Market value of the supplies at the time of donation
    - (2) Current Blue Book estimate
  - d. Professional services for preparing the grant application and administrative support are not eligible costs.
2. In-kind Contribution – Volunteers
  - a. Volunteer services are eligible as matching costs and shall be valued at wage rates consistent with those ordinarily paid for similar work in the grantees' organizations, or as determined by the BLS-GAO current estimated volunteer labor rate value for the State of New Jersey.

All documentation for reimbursement and matching funds shall include copies of bills, receipts or invoices documenting the value. The name of each resource used to derive the value of goods or services shall also be identified. All costs for reimbursement and matching funds shall be documented using the Expenditure Report provided by Morris County and certified by the Municipal Finance Officer or equivalent.

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### 8. Amendments

The Morris County Board of Chosen Freeholders may amend the Rules and Regulations of Morris County Preservation Trust Fund by resolution at any time.

*Adopted:* May 26, 2010

*Original Approval and Amendment History:*

Date	Freeholder Resolution	Description
December 14, 1994	35	Original adoption of Open Space and Farmland Preservation Trust Fund Rules and Regulations
September 25, 1996	35	Interest allocation; allocation of funds
September 10, 1997	31	Time frame for execution of grant agreement
February 10, 1999	9	Application review; discretionary dollars
January 26, 2000	27	Alternate projects
October 10, 2001	27	Allocation of unexpended funds
December 11, 2002	46	Adopt Historic Preservation Trust Fund Program and Rules
January 22, 2003	45	Authorization for Historic Preservation funding
February 11, 2003	54	Defined Historic Preservation and established funding allocation
October 8, 2003	10	Established time frame for acquisition
March 10, 2004	30	Allocation of Funds for 2004
January 26, 2005	38	Clarifies Historic Preservation Easement
April 27, 2005	44	Allocation of Funds for all future years
June 22, 2005	64	Amend Definitions, Allocation of Funds and Acquisition Procedures
July 13, 2005	55	Amend Ineligible Activities and Membership for Historic Preservation Program
December 14, 2005	54	Amend grant agreement extension and Eligible Activities for Historic Preservation Program
April 26, 2006	2	Amend Open Space Acquisition Procedures
August 22, 2007	15	Amend Term of Office for Open Space Trust Fund Committee members
November 12, 2008	49	Amend Eligible Properties and Grant Fund Conditions for Historic Preservation Program
May 26, 2010	12	Adopt Combined Rules
March 9, 2011	25	Amend Membership for Open Space Trust Fund Committee
October 26, 2011	10	Amend Conditions for Receiving Grant Funds for Historic Preservation Program
November 9, 2011	38	Amend Membership for Open Space Trust Fund Committee
March 14, 2012	44	Adopt Flood Mitigation Program, Rules and allocate funding

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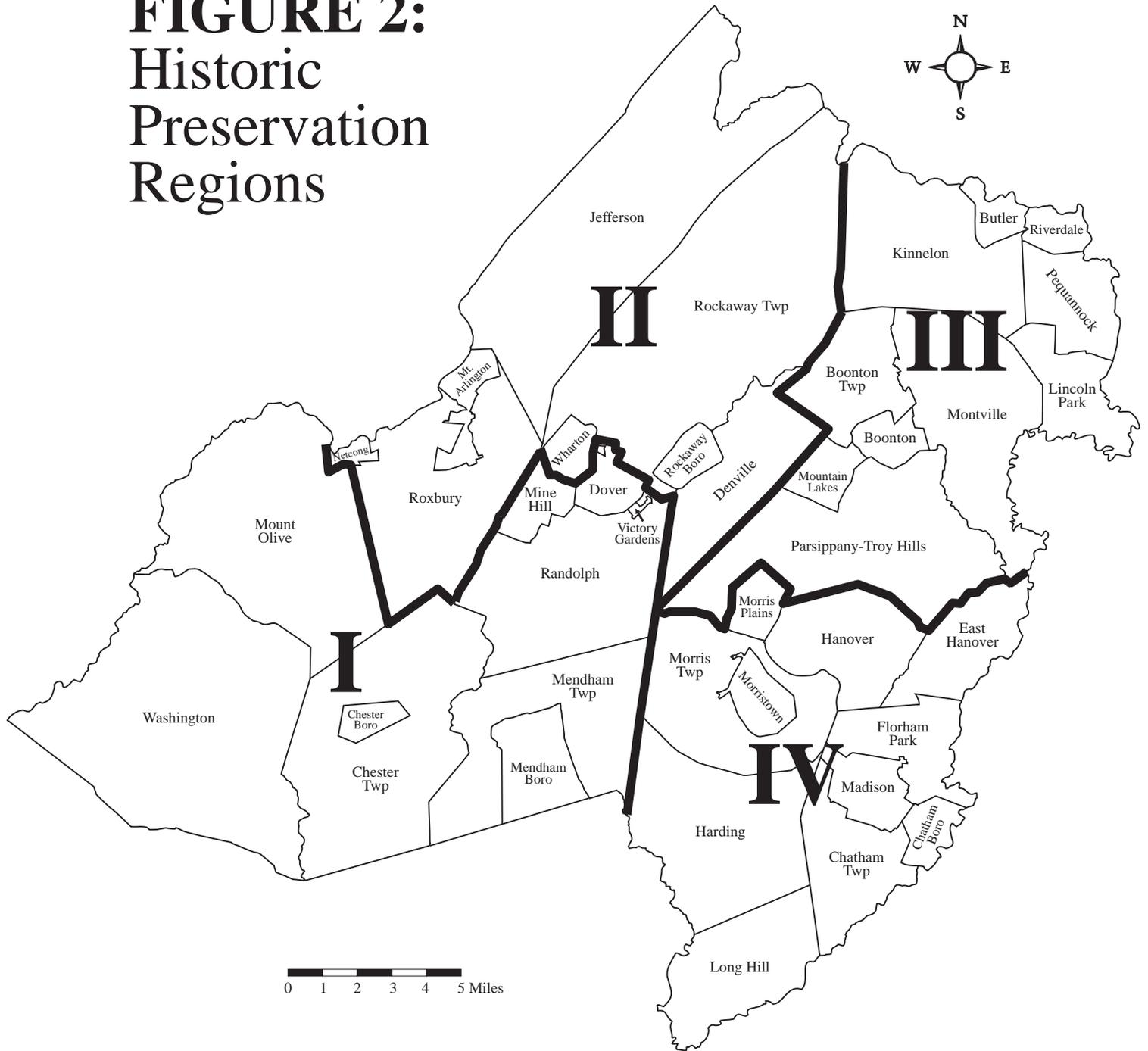
Date	Freeholder Resolution	Description
April 11, 2012	5	Amend Open Space Acquisition Procedures and second extensions
June 27, 2012	31	Amend Flood Mitigation Program Rules and Regulations
July 25, 2012	39	Amend Flood Mitigation Program (FMP) Rules and Regulations
September 24, 2012	10	Amend Section 3.3.3. Ineligible Acquisitions
November 28, 2012	36	Amend Sections 5.3, 5.7, 5.8, 5.9, 5.16.2 on 3 types of HP applications
February 13, 2013	37	Amend Section 5.15 on HP easement
May 6, 2013	31	Amend Section 6.13 – Appraisal Policy for FMP
October 9, 2013	35	Amend Section 6.11– Flood Mitigation Committee, and Section 6.13–Appraisal Requirements for FMP
December 23, 2013	18	Amend Section 1.2 – Allocation of Funds-Interest on Investments
January 4, 2014	15	Amend Section 6.11 – expand Flood Mitigation Committee to 7 members
February 10, 2014	23	Amend Section 6.6 – adds BCR and foreclosure eligibility requirements
July 9, 2014	11	Amend Section 6.13 – updates Appraisal Policy to most current USPAP standards
October 22, 2014	45	Amend Section 6.13 & 6.14 – updates Appraisal Policy and creates an expiration date for encumbered funds.
December 22, 2014	45	Amend Section 3.3.6 – clarifies adjustments to open space awards
January 14, 2015	27	Amend Section 5.8 (acquisition); Add Section 5.15 (Appraisal requirements); Amend Section 5.16(1) - Easements
October 14, 2015	3	Amend Open Space Rules
December 9, 2015	25	Incorporate 2 Historic Preservation Checklists (Section 5.14)
December 21, 2015	27	Amend Flood Mitigation Program Rules
April 27, 2016	11	Adopt Trail Construction Grant Program; Amendments to Chapters 1, 2 & 8
October 13, 2016	2	Create Community Rating System (CRS) Assistance Program – amendments to Chapters 1, 2, 6 & 8
October 26, 2016	1	Amend Section 6.17 – survey requirements updated to NJAC 13:5.1
December 14, 2016	49	Amend HP Section 5.8 (Eligible Activities), Section 5.9 (Requirements for Matching Funds), Section 5.16 (Conditions for Receiving Grant Funds)
March 22, 2017	22	Amend Chapter 2-Definitions; Chapter 7-Sections 3, 5, 8, 9, 13, 14 and 16
May 24, 2017	17	Amend Section 6.11 – eliminate term limits for FMC members

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Date	Freeholder Resolution	Description
October 11, 2017	24	Convert to <i>Office</i> of P & P. Amend Chapter 2 – Definitions: acquisition, land restoration and subsequent owner; Chapter 6, Sections 6, 8, 10, and 13 – demolition and subsequent owner amendments
February 14, 2018	8	Section 5.5 Add Educational Institutions as eligible applicants Section 5.16 Add County Payments
April 11, 2018	17	Amend Chapter 7 – Sections 7.9, 7.13, 7.14, 7.16
December 26, 2018	6	Amend Chapter 3 – Sections 3.4, 3.7, and 3.8



# FIGURE 2: Historic Preservation Regions



**Region I**

Chester Boro.  
Chester Twp.  
Dover  
Mendham Boro.  
Mendham Twp.  
Mine Hill  
Mt. Olive  
Randolph  
Victory Gardens  
Washington

**Region II**

Denville  
Jefferson  
Mt. Arlington  
Netcong  
Rockaway Boro.  
Rockaway Twp.  
Roxbury  
Wharton

**Region III**

Boonton Town  
Boonton Twp.  
Butler  
Kinnelon  
Lincoln Park  
Montville  
Mt. Lakes  
Parsippany  
Pequannock  
Riverdale

**Region IV**

Chatham Boro.  
Chatham Twp.  
East Hanover  
Florham Park  
Hanover  
Harding  
Long Hill  
Madison  
Morris Plains  
Morristown  
Morris Twp.