

PRESERVATION TOOLS AND FUNDING SOURCES



Preserving open space and recreational lands results from engaging a network of residents, landowners, park managers, surrounding towns, and local non-profit groups. The *Tools* and *Funding Sources* sections of this chapter provide information about how to advance the land preservation process and leverage municipal expenditures on open space and historic preservation.

PRESERVATION TOOLS

There are many mechanisms that Ringwood Borough may use to preserve open space. This section provides a description of a number of these tools. Although it is not meant to be an exhaustive or a complete listing, this supplies information about some of the most commonly used and successful techniques.

Fee Simple Acquisition

Usually, the most expensive way to preserve property is direct acquisition through fee simple purchase. The title to the property changes hands from one owner to another. A disadvantage to this approach is the need to have the full purchase price available at the closing. Government agencies may not be able to raise the funds in time before an owner decides to sell the property to another buyer.

Municipal Preservation Tools

One preservation tool at the disposal of the municipality is tax foreclosure. If a parcel falls under Ringwood Borough ownership through tax foreclosure, the municipality may want to consider holding the property as part of its lands for recreation and conservation purposes if it falls within an identified preservation or recreation area. Periodic examination of properties with tax liens upon them may also yield opportunities for the Borough to purchase the lien and preserve the land for environmental or recreational uses.

The Borough may want to develop educational materials that target property owners to describe various financial approaches to preserving land. For example, some owners may want to work out an arrangement where they sell blocks of their land over time to the Borough or some other preservation partner. Other landowners may sell their land to the Borough at a bargain sale to receive deductions for a charitable contribution on federal income tax. Donations of property may also be considered charitable contributions.

Ringwood Borough can establish a relationship with a nonprofit land trust, such as The Land Conservancy, to help reach out to inform property owners of preservation options.

Less Direct Acquisition: Easements

Another effective tool for preserving land is an easement. An easement grants an entity the right to use another's property for a specific purpose. There are many kinds of easements designed for many purposes. Easements most appropriate for land conservation in Ringwood Borough include:

- trail easements: the right to traverse a specific path through a property
- scenic easements: the right to maintain a view and ensure that view is maintained
- conservation easements: purchases the right to a property to preserve the natural landscape of the site
- historic easements: purchases the right to restrict changes to the exterior or interior of a building and its surrounding landscape

The advantages of easements include the lower costs to the buyer to acquire a particular use on a piece of property. Conservation easements generally cost from 70% to 80% of the fair market value of the land. Trail easements may be used appropriately to create corridors along and around water bodies. Another advantage of easements is that the land remains in private ownership. Ringwood Borough will still collect property taxes from the owner. The amount and type of easement right that is sold will typically lessen the owner's tax liability. Written into the deed, an easement will be associated with a tract of land despite an ownership change. Public access is not necessarily a condition for an easement. Easements can provide a conservation solution for the municipality and the private landowner. They represent a flexible tool that can be written to satisfy public uses as well as private landowners' needs.

Bonding

The municipality can issue bonds to borrow money to pay for acquisitions. The funds from an Open Space Trust can be used for the 5% down payment to issue the bonds as well as the debt service over time. The consistent, dedicated revenue from the Open Space Trust make revenue bonds an attractive alternative, but these bonds typically have a higher interest rate than the general obligation bonds.

Installment Purchases

The municipality may work out an arrangement with a landowner that allows an incremental purchase over time. The property owner receives the purchase price over time as well as interest on the unpaid, negotiated balance. Funds from the Open Space Trust can be committed for this payment. This arrangement may result in tax benefits for the seller, and the Borough is not obligated to pay the full price of the land in one payment.

Lease-Back Agreement

If the land is not needed for immediate use, the Borough can purchase a piece of property and lease it back to the owner or another entity for use. Owners who want to remain on their property can sell a life estate. Partial reimbursement of the purchase price can be repaid through rental fees, and maintenance costs are reduced. This technique is most useful when

the Borough identifies an important tract and wants to ensure its availability in the future. The landowner may realize estate tax advantages through these methods.

Donation/Bargain Sale

Donating or selling land to a nonprofit organization or to a municipality may provide tax advantages to the owner. Landowners who own property that has escalated in value may reduce their capital gains liabilities through donating the property or selling it at a bargain sale or less than the appraised value. Estate taxes may also be reduced with proper planning. Conservation easements are effective tools for estate planning. The Borough may want to discuss land priorities with a nonprofit land trust. The land trust will contact owners to discuss general tax advantages of donations and bargain sales. This is a cost effective method of obtaining open space.

Long-term Lease

Ringwood Borough may be able to negotiate a long-term lease with a landowner unwilling to transfer complete ownership. This method may be a useful option for trail easements or athletic fields. The Borough will have to weigh the cost advantages of long-term rental payments to outright acquisition costs.

FUNDING SOURCES

Ringwood Borough's efforts to accomplish its open space goals will require funding support from a variety of sources. Fortunately, there are opportunities at the county, state, and national levels for funding sources and partners. Passaic County's Open Space Trust Fund has been dedicated to the preservation of open space and improving County Parks. The State of New Jersey Department of Environmental Protection also offers funding programs such as Green Acres, which accepts funding applications for projects throughout New Jersey. Open space and historic preservation projects, however, are not limited to county and state government funding sources, more exist at the local, state and national level with non-profit and government organizations. Additional funding sources are found below.

Wanaque/Monksville Watershed Preservation Partnership (WPP)

The WPP is a joint project between the North District Water Supply Commission (NJDWSC), United Water New Jersey, the Palisades Interstate Park Commission (PIPC) and The Land Conservancy of New Jersey (TLC-NJ), established to expedite protection of targeted watershed lands in order to preserve the quality of drinking water at the Wanaque and Monksville Reservoirs and develop an effective management plan to ensure the permanent preservation and safe public use of these lands. The first property to be preserved through the WPP's efforts was a 52-acre property in Ringwood that is now annexed to Tranquility Ridge County Park. Passaic County and the Borough of Ringwood participated in this purchase. To date, the WPP has played a part in the acquisition of four parcels totaling 116 acres. The WPP continues to work to acquire significant lands for preservation and is an important partner and funding source for the Borough of Ringwood.

Ringwood Borough Open Space Trust Fund

On November 6, 2001, Ringwood voters approved a referendum for the establishment of a “Municipal Open Space, Recreation, Conservation, Farmland and Historical Preservation Trust Fund” (OSTF) funded through a local property tax at the rate of \$.01 per \$100.00 of assessed value. On September 25, 2002, the Municipal Council of the Borough of Ringwood adopted Ordinance 2002-#17, establishing a 17-member Open Space, Conservation, Recreational, Farmland, and Historical Advisory Committee (OSC) to advise the Council regarding acquisition, maintenance, development and preservation of lands and other matters relating to the OSTF. The total tax collected through 2009 is \$777,500, and the balance as of May 19, 2010 is \$126,390. Expenditures have included costs associated with land acquisition and with maintenance and improvements at existing active recreation facilities.

Passaic County Open Space Trust Fund

Acknowledging the need to preserve open space and farmland and improve the park system in Passaic County two referenda were added to the November 1996 Election Ballot as non-binding Ballots. The citizens approved an Open Space and Park Improvement Fund referendum and an Open Space Acquisition referendum that were ultimately consolidated as a result of legislative initiative. Collection of funds for the Trust Fund commenced on February 3, 1999 and currently the tax is collected at a rate equal to one cent per \$100 of total county equalized real property valuation. The County Freeholders review the tax rate annually, and may set the tax anywhere from \$0.00 to \$0.04.

The Trust Fund is divided into the following four areas:

- 40% to the Passaic County Freeholder Board with advice from the Passaic County Parks Department and Open Space Advisory Committee
- 40% to municipalities and/or qualified nonprofit land trusts known as charitable conservancies
- 15% to the Passaic County Agricultural Development Board for Farmland Preservation
- 5% to discretionary projects within any of the above categories

Projects eligible for consideration for funding from the Passaic County Open Space & Farmland Preservation Trust Fund include the following:

- Recreation areas or urban parks that provide:
 - rehabilitation of parkland, green space or greenways
 - restoration of areas of scenic, historic, and cultural value
 - development or redevelopment of playgrounds and other public outdoor recreational and educational areas
 - creation of access to rivers, streams, wetlands, and lakes
 - development or redevelopment of active recreation areas – ballfields, basketball and tennis courts, running tracks, etc
- Urban trails or bike paths that connect schools, parks, libraries, community centers, recreation fields, waterfronts, cultural sites, and other key points

New Jersey Green Acres

The Green Acres program provides funding assistance for the acquisition of local park and recreation areas. Through its Planning Incentive Program, Green Acres provides grants that cover up to 50% of the land acquisition costs of a particular tract. The money is granted to municipalities through the Planning Incentive program (for towns with open space plans and open space taxes) and through the Standard Acquisition program (for towns without both a plan and a tax). Both applications can be submitted at any time throughout the year.

In order to receive funds from the Planning Incentive program a municipality needs to complete the following:

- Approved Recreation and Open Space Inventory (ROSI) documenting all municipally held land for recreation and conservation purposes. The ROSI is a contract between the Borough and the State of New Jersey itemizing permanently protected municipal parkland in the Borough.
- Adoption of the Open Space and Recreation Plan as an element of the Master Plan.

The Borough of Ringwood is enrolled in the Planning Incentive program with NJDEP Green Acres. New Jersey residents approved a statewide ballot question in November 2009 to authorize \$400 million in funding for Green Acres, water supply and floodplain protection, and for farmland and historic preservation projects. Applications are due on July 30, 2010 for this funding.

Historic Preservation

Funding is available from the New Jersey Green Acres program for the historic preservation of land. Applicants who match historic preservation and open space goals improve their access to this funding. The New Jersey Historic Trust is a state non-profit historic preservation organization created to provide financial support, protection, and assistance in historic preservation projects. They have five programs that can provide various financial resources for Ringwood and its preservation partners to preserve historic resources throughout the Borough. These programs include: the Garden State Historic Preservation Trust Fund, a Revolving Loan Fund, the New Jersey Legacies Program, the Historic Preservation Bond Program, an Emergency Grant and Loan Program, and a Preservation Easement Program. Eligible applicants are entities of county or municipal government and non-profit organizations that are certified tax exempt and comply with New Jersey charity registration laws.

Nonprofit Land Conservation Organizations

The Land Conservancy and other nonprofit land conservation organizations are eligible for nonprofit grants from the State Green Acres program. Nonprofit grant contributions to a project are typically no greater \$500,000 and require a dollar for dollar match. The land trust associations are good partners for acquiring lands with sensitive natural resources in Ringwood Borough. These organizations also have experienced staff knowledgeable about benefits to a landowner interested in preserving property as well as strategies for open space preservation. Nonprofit land trusts can also “sign on” to Ringwood Borough’s Open Space and Recreation Plan registered with Green Acres. This process makes nonprofits eligible for

Green Acres funding to acquire land identified in the Borough's Open Space and Recreation Plan.

Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA)

The U.S. Department of Transportation has established that funding for trail development and enhancement is an eligible expenditure from the Federal Transportation Trust. The amount of funding for these purposes is substantial, and funds for land acquisition are available. A special category of funding is dedicated to enhancement of National Recreation Trails. An eligible project must show that the trail is part of the community's overall transportation system. Funds can be used for facilities such as signage, bike racks, surfacing, as well as acquisition of land through easement or fee simple. Building on the successes of previous transportation acts (ISTEA, TEA-21), SAFETEA funding can jumpstart a community's bikeway and walking trail system.

Recreational Trails Program

The Department of Environmental Protection's Division of Parks and Forestry administers the National Recreation Trails Program. This program provides funding for development and maintenance of trails and trail facilities. Trails can be for non-motorized, multi-use, and motorized purposes. Projects are funded on an 80% Federal share, 20% matching share basis. Available funding varies from year to year, but the maximum grant is \$25,000.

Environmental Infrastructure Trust

The New Jersey Environmental Infrastructure Financing Program administered by the New Jersey Department of Environmental Protection provides low cost loans to acquire open space that will preserve water quality. This program is a partnership between the New Jersey Environmental Infrastructure Trust and Green Acres. The mission of the Trust is to assist in achieving a cleaner and healthier environment by providing low-cost financing for projects that enhance and protect ground and surface water resources, and ensure the safety of drinking water supplies.

NJDEP Local Government Greenhouse Gas Reduction Grant Program

This grant program is intended to support New Jersey's local government efforts to plan, develop and implement measures that reduce greenhouse gas emissions through programs that result in energy efficiency, renewable energy, distributed energy and sustainable land use planning. Ringwood Borough has submitted a pre-application for a grant to implement sidewalks along a section of Skyline Drive to encourage pedestrian traffic and lessen the need for auto traffic.

Maps

Land Use/Land Cover

Natural Features

Aquifer/Groundwater Recharge Potential

Endangered Species Habitat

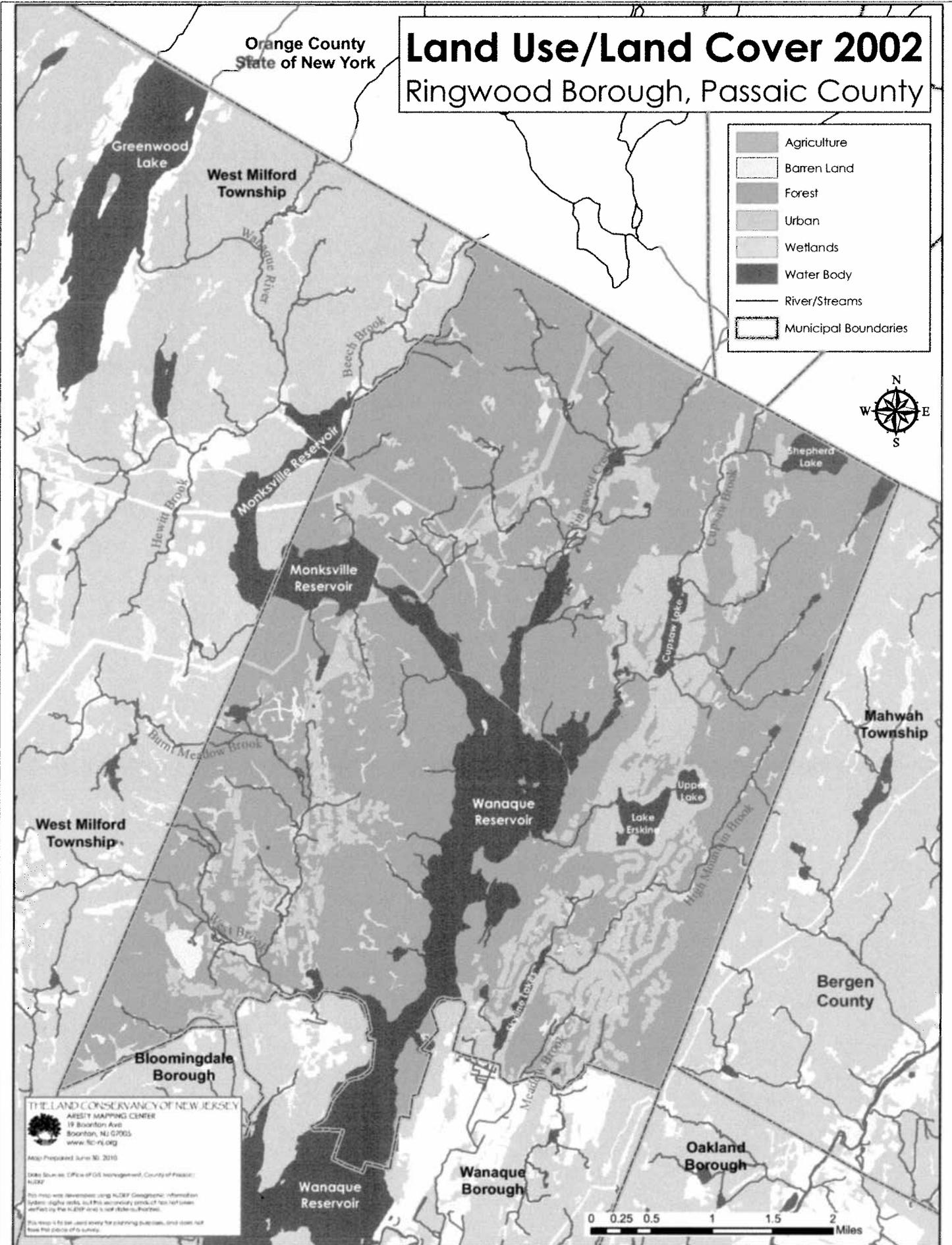
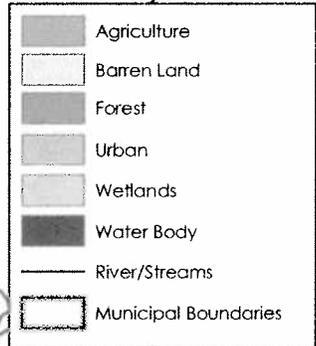
Open Space Map

Greenway Map

Orange County
State of New York

Land Use/Land Cover 2002

Ringwood Borough, Passaic County



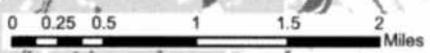
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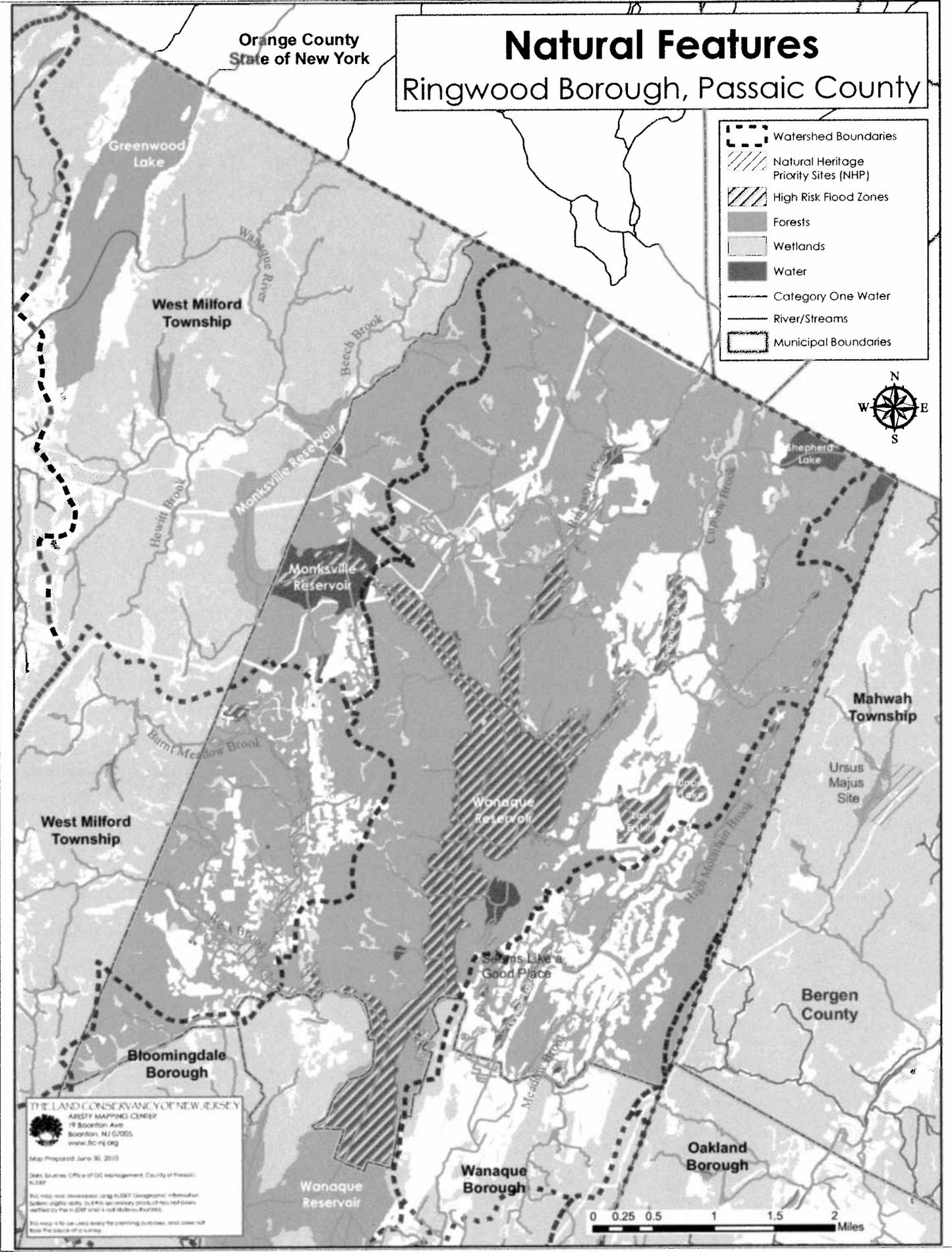
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Natural Features

Ringwood Borough, Passaic County

-  Watershed Boundaries
-  Natural Heritage Priority Sites (NHP)
-  High Risk Flood Zones
-  Forests
-  Wetlands
-  Water
-  Category One Water
-  River/Streams
-  Municipal Boundaries



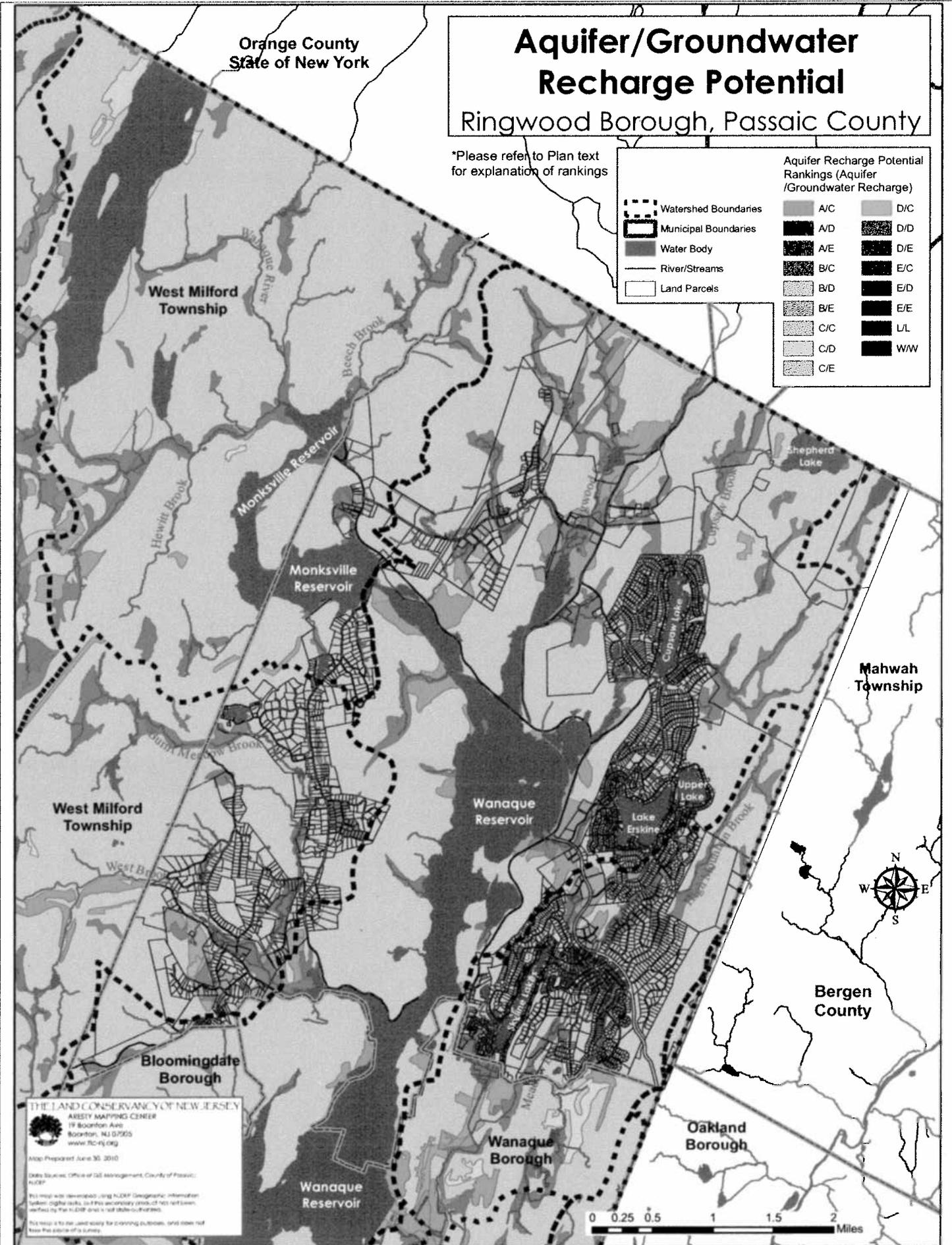
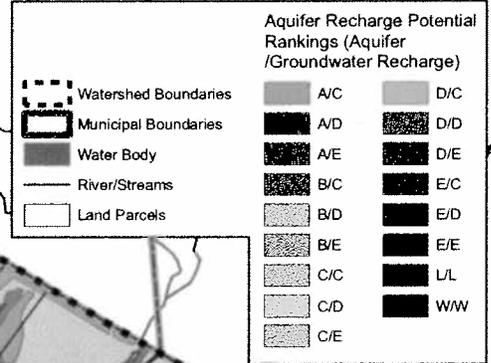
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Orange County
State of New York

Aquifer/Groundwater Recharge Potential

Ringwood Borough, Passaic County

*Please refer to Plan text for explanation of rankings



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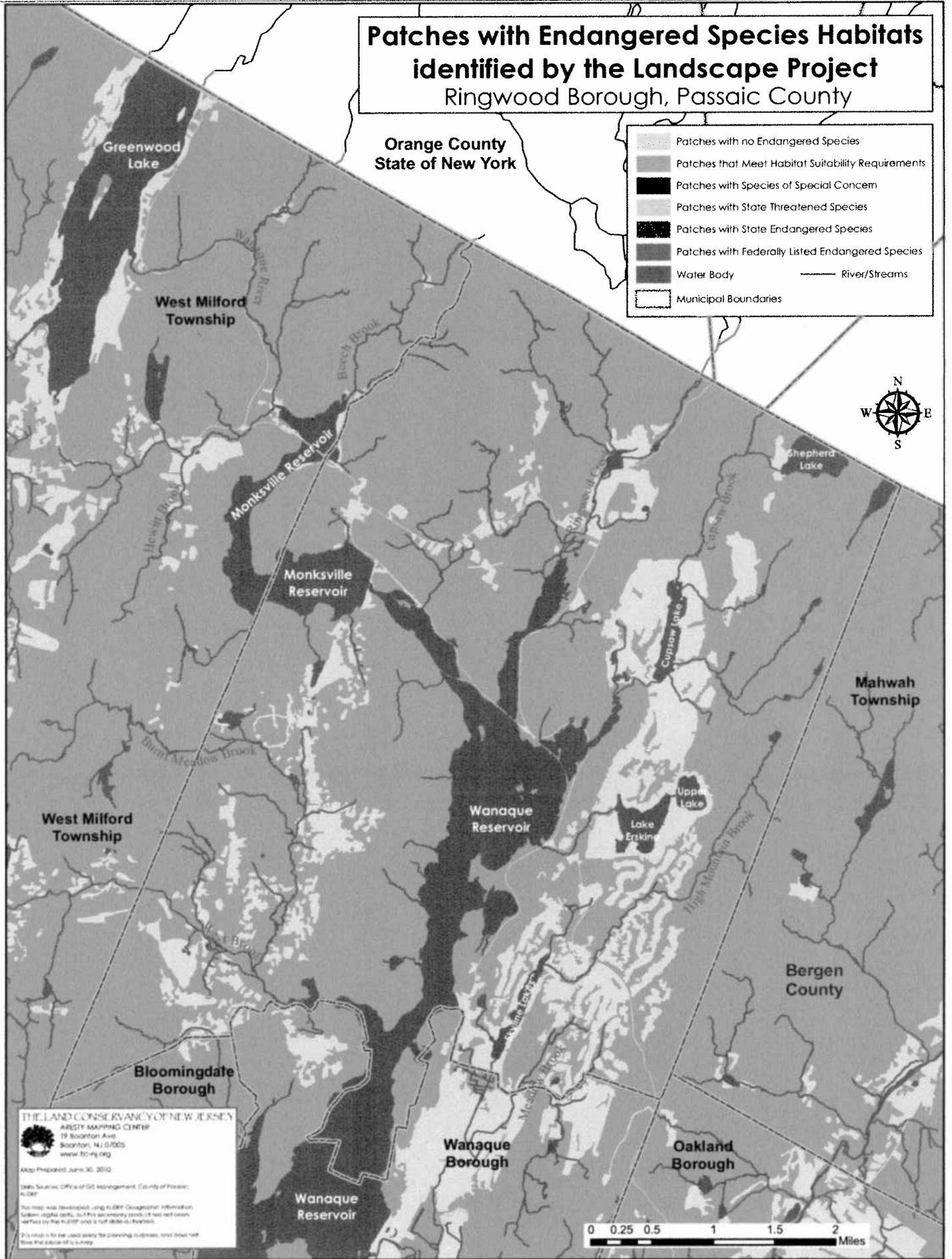
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Patches with Endangered Species Habitats identified by the Landscape Project

Ringwood Borough, Passaic County

Orange County
State of New York

	Patches with no Endangered Species
	Patches that Meet Habitat Suitability Requirements
	Patches with Species of Special Concern
	Patches with State Threatened Species
	Patches with State Endangered Species
	Patches with Federally Listed Endangered Species
	Water Body
	River/Streams
	Municipal Boundaries



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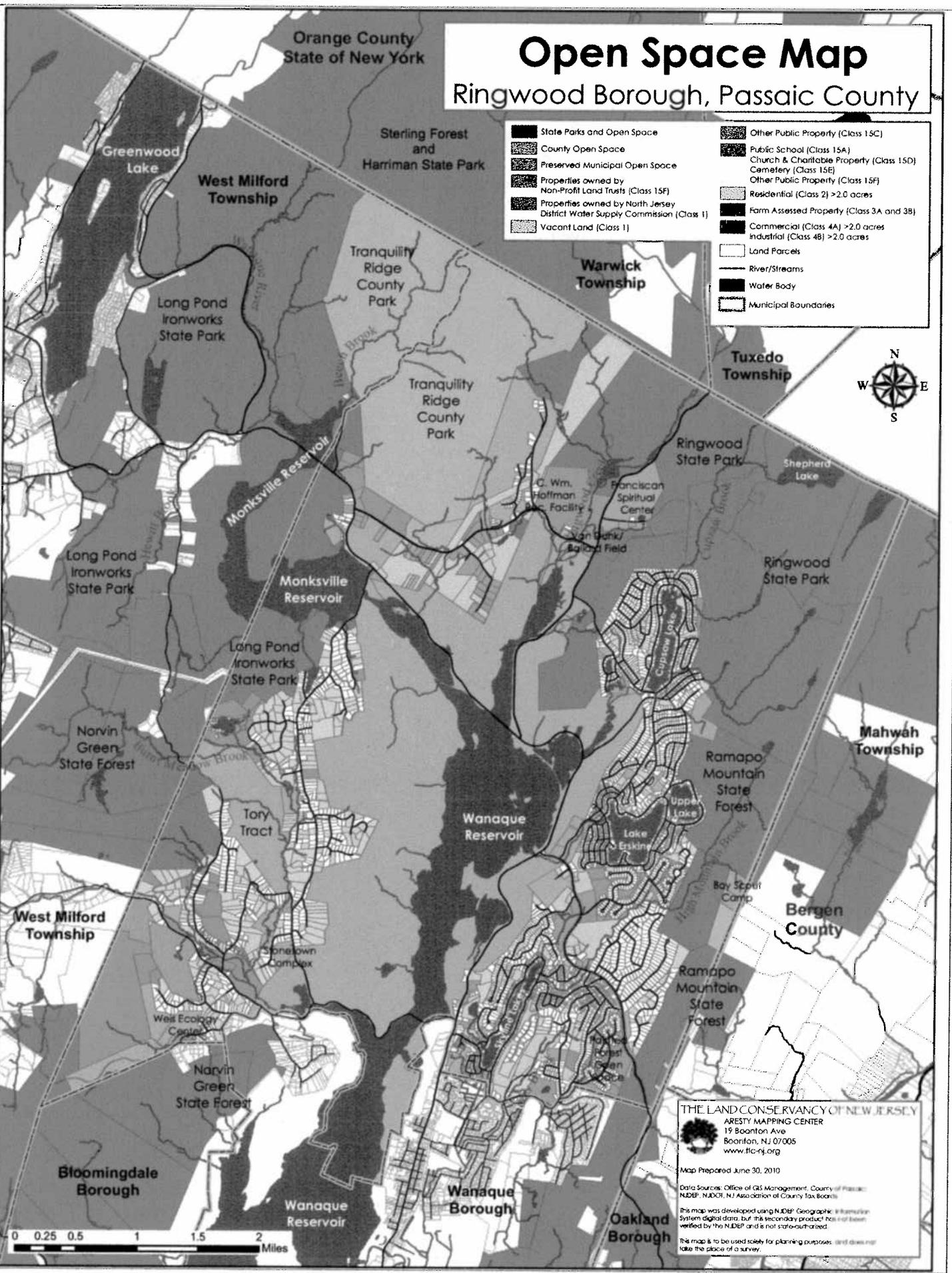
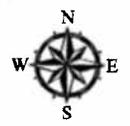
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Open Space Map

Ringwood Borough, Passaic County

- | | |
|---|--|
|  State Parks and Open Space |  Other Public Property (Class 15C) |
|  County Open Space |  Public School (Class 15A) |
|  Preserved Municipal Open Space |  Church & Charitable Property (Class 15D) |
|  Properties owned by Non-Profit Land Trusts (Class 15F) |  Cemetery (Class 15E) |
|  Properties owned by North Jersey District Water Supply Commission (Class 1) |  Other Public Property (Class 15F) |
|  Vacant Land (Class 1) |  Residential (Class 2) >2.0 acres |
| |  Farm Assessed Property (Class 3A and 3B) |
| |  Commercial (Class 4A) >2.0 acres |
| |  Industrial (Class 4B) >2.0 acres |
| |  Land Parcels |
| |  River/Streams |
| |  Water Body |
| |  Municipal Boundaries |



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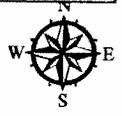
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Greenway Map

Ringwood Borough, Passaic County

- | | |
|------------------------------|---|
| ★ Schools & Library | ▭ Community Gateway |
| ★ Viewpoints | ▭ Long Pond/Ringwood Greenway |
| ★ Proposed Community Gardens | ▭ Meadow Park Greenway |
| ◆ Dog Parks | ▭ Natural Heritage Area |
| — Highlands Trails | ▭ Ringwood Park Connection |
| — Proposed Trails | ▭ Wanaque Preservation Area |
| — Foot Trails | ▭ West Brook/Burnt Meadow Brook Greenway |
| | ▭ Preserved Lands and Open Space |
| | ▭ Properties owned by North Jersey District Water Supply Commission |
| | — Rivers/Streams |
| | ■ Water Body |
| | ▭ Municipal Boundaries |



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