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Highlands Open Space Partnership Funding Program

Program Description and Application Materials

Please note: Applications are accepted on a rolling basis. Awards are contingent upon available funding.

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I. Overview

A. Highlands Open Space Partnership Funding Program

The Highlands Open Space Partnership Funding Program (Highlands Open Space Program) is a matching grant program designed to support conservation projects for the protection of resources within the Highlands Region, and to further the land preservation goals of the Highlands Water Protection and Planning Act and the Highlands Regional Master Plan (RMP).

The Highlands Open Space Program is operated by the New Jersey Highlands Water Protection and Planning Council (Highlands Council), under the provisions of the Highlands Open Space Partnership Funding Program and Highlands Development Credit Purchase Program (N.J.A.C 7:70). **Applications are accepted at any time.**

B. Funding Availability and Award Process

Following the receipt of an application, the Highlands Council will provide a letter of acknowledgement. As funding becomes available, the Highlands Council will contact applicants regarding any additional submission requirements related to the funding source(s). When funding for the Highlands Open Space Program is provided through an entity other than the Highlands Council, funded projects may be subject to additional administrative and approval requirements. Funding secured through the Federal Highlands Conservation Act Grant Program (HCA) is one example. Additional details regarding requirements of the HCA are included in Appendix I.

Once all required application materials have been submitted, Highlands Council staff will conduct a review for administrative completeness. Subsequent to grant approval, a report on all applications will be prepared for review by the Highlands Council's Landowner Equity and Land Preservation (LELP) Committee. The Landowner Equity and Land Preservation Committee prepares a final recommendation for the Highlands Council. At a public meeting, the Highlands Council may then adopt a resolution issuing an approval of funding for applications to the Highlands Open Space Program. At that time, the applicant will have 12 months (with up to two 6-month extensions) to close on the acquisition, pending review and approval of final documents by Highlands Council staff. Additional extensions may be granted under extenuating circumstances.

C. Application Deadline

Applications may be submitted at any time and are accepted on a rolling basis. No deadline is specified at this time. Any future deadlines related to the program will be announced via public notice and posted to the Highlands Council's website.

II. Eligibility

A. Applicants

Per N.J.A.C. 7:70-3.1(a), the following entities are eligible to apply for funding:

- The State of New Jersey, in accordance with the State funding source requirements.
- Any of the seven counties located in the Highlands Region.
- Any of the 88 municipalities located in the Highlands Region: and
- Charitable conservancies.

A “charitable conservancy” means 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)), which purpose includes the acquisition and preservation of lands in a natural, scenic, or other open condition.

B. Project Location

Projects located within the New Jersey Highlands Region, including both the Preservation and Planning Areas, are eligible for the Highlands Open Space Program. Please note that applications funded through the Federal Highlands Conservation Act must fall within the Federal Highlands Conservation Act Area., which excludes certain municipalities located in the New Jersey Highlands Region. The 2022 Highlands Conservation Reauthorization Act established a process for requesting inclusion of additional municipalities within the larger Highlands Landscape to the defined Highlands Region for eligibility in the HCA grant program, Municipalities must concur with their inclusion in the Highlands Region. For additional details please see Appendix I.

C. Eligible Projects

Per N.J.A.C. 7:70-3.1(b), projects proposing (1) the fee simple acquisition of land for conservation and/or passive recreation or (2) the acquisition of conservation easements for conservation purposes are eligible for the Highlands Open Space Program. This includes restrictions on future development and protection of uses including, but not limited to parkland, natural areas, greenways, farmland, and other natural resources identified in the RMP.

D. Cost-Share Requirement

The Highlands Council may provide awards up to, but not exceeding, 50% of the final total purchase price of the property. Applicants are required to provide a list of all proposed funding sources for the project at the time of application.

Additional expenses may be eligible for reimbursement through the program, provided that certain conditions are met. Potentially eligible “transaction costs” include but are not limited to surveys, appraisals, title work, legal fees, and closing costs. At its discretion, the Highlands Council may reimburse project partners for all, some, or none of these transaction costs.

Administrative and operational expenses of partner organizations are not eligible for reimbursement under the Highlands Open Space Program. These expenses shall include but are not limited to partner salaries, rent, and utilities.

E. Total Request Limitations

There is no minimum nor maximum amount a single applicant may request, provided at least 50% of total purchase price will be provided by the applicant and/or its partners. Please note, however, if a total request exceeds available funding, the project may not qualify for an award even if it meets the program priorities, due to funding availability.

F. Ineligible Projects

Per N.J.A.C. 7:70-3.1(c), the following projects, properties, and expenses are not eligible for the Highlands Open Space Program:

- Properties to be held in fee simple title by the Highlands Council;
- Properties which require condemnation;
- Properties containing significant environmental contamination, including, but not limited to, former landfill sites, sites having a history of operating as a facility with substantial likelihood for on-site

contamination, and sites listed on the New Jersey Department of Environmental Protection's Known Contaminated Sites List;

- Properties already preserved or acquired during the application process;
- Administrative or operational costs of the applicant or current or former owners;
- Construction or development projects, including capital improvements, recreation improvements, infrastructure projects, and the restoration, rehabilitation, or reconstruction of any structure (however, this shall not preclude the purchase of the eligible underlying lands);
- Maintenance, care, custodial, or policing expenditures, including, but not limited to, grounds maintenance, restoration, or reconstruction;
- Ceremonial or publicity expenses;
- Interest, bonding expenses, or other financing costs;
- Fundraising or lobbying expenses; and
- Interpretive activities, such as displays or signs.

III. Program Priorities

When funding is available, the Landowner Equity and Land Preservation committee will review all applications against priorities established in the Highlands Open Space Program. As defined in N.J.A.C. 7:70-3.3(b), the Highlands Open Space Program will prioritize funding awards based on the following, in no particular order:

- Properties designated as a Special Environmental Zone in the RMP
- Properties designated as High or Moderate Conservation Preservation Priority in the RMP
- Properties designated as High or Moderate Agricultural Preservation Priority in the RMP
- Projects that will provide connectivity to adjacent open space or preserved lands
- Applications that provide for a higher proportion of outside matching funds (requests less than 50%)

Applicants are encouraged to review their projects against the above referenced RMP mapping layers using the Highlands Council's online interactive map: www.nj.gov/njhighlands/gis/

Additional priorities may be based on the source of funding such as those established in the Highlands Conservation Act. For additional details please see Appendix I.

IV. Requirements Related to Awarded Projects

Applicants will be required to provide to the Highlands Council at the time of application all materials and information outlined at N.J.A.C. 7:70-3.2(b). Additional requirements detailed in the Application Checklist and Application Form will be required at a later date. Furthermore, entities which provide project funding or retain an interest in or jurisdiction over a project may impose other requirements. Applicants are encouraged to familiarize themselves with all mandatory and potential responsibilities prior to submission. **Please note that, unless detailed in the Application Checklist or Application Form, the items in this section are not required at the time of application to the Highlands Council's Highlands Open Space Program.**

A. Deed Restriction or Easement Language

The Highlands Council reviews and approves all proposed deed restriction or easement language. The State of New Jersey may need to be included as Grantee in any final deed restriction or easement, depending on the Highlands Council's funding source. If the NJDA State Agriculture Development Committee or NJDEP Green Acres Program is a beneficiary to the project as a funding source, additional language specifying *The State of New Jersey as a Grantee* may not be required.

B. Appraisals

Applicants must provide appraisals in accordance with N.J.S.A. 13:8C-26.j(1) or 38.j(1). Where federal funding is involved, additional appraisal requirements apply. Highlands Council staff will provide applicants with additional guidance once funding sources have been confirmed. Please see Appendix I for additional federal requirements. **Please note:** These additional appraisal requirements are used only to determine allowable federal contribution; “dual appraisals” are required in New Jersey for property owner negotiations in the Highlands.

C. Proof of Final Purchase Price

Final proof of purchase price (i.e. contract of sale or agreement) shall be provided prior to closing.

D. Summary of a Plan for Long-Term Stewardship

The applicant must provide a summary of long-term stewardship for the property, which includes enforcement, monitoring, ownership, access, and any maintenance or proposed restoration. If the NJDA State Agriculture Development Committee is a beneficiary to this project and its monitoring requirements will be in place, please specify, in which case additional language regarding long-term stewardship is not required.

E. Title Search Update and Title Policy

A title search update is required prior to the filing of any deed or deed of easement on a property. Additionally, the Highlands Council requires a title insurance policy with the Highlands Council named as the insured. A title commitment does not need to be submitted with the application, but will be required pre-closing.

Highlands Open Space Partnership Funding Program Application

Administrative Completeness Submission Requirements Checklist:

- ☐ Completed application form, including this checklist;
- ☐ Where the applicant is a charitable conservancy:
 - ☐ Documentation indicating that the entity is exempt from Federal income taxation under paragraph (3) of the subsection (c) of section 501 of the Federal Internal Revenue Code of 1986 (26 U.S.C. § 501 (c)(3)); and
 - ☐ Documentation indicating that the entity's purpose includes the acquisition and preservation of lands in a natural, scenic, or other open condition;
- ☐ Where the applicant is a county or municipal government:
 - ☐ Copy of an adopted resolution authorizing the submission of the application for the property in question;
- ☐ Draft copy of the proposed deed restriction or easement.
- ☐ Where applicable, 8.5" x 11" map(s) and accompanying digital shapefiles of the following:
 - ☐ Location of all known existing easements, road rights-of-way, encroachments, and similar features, with the source of such information provided
 - ☐ Location of any proposed area(s) to be excepted from the easement or deed restriction.
- ☐ Valuation information:
 - ☐ Where appraisals have already been prepared, copies of such must be submitted;
 - ☐ Where no appraisals have been prepared, an estimated total cost must be submitted;
 - ☐ Where a specific valuation has already been negotiated, that valuation must be submitted; or
 - ☐ Where a contract of sale has been agreed upon, copies of the contract must be submitted.
- ☐ Project narrative (4 pages maximum), including the following:
 - ☐ Project need (1-2 pages max), including reference to important site-specific environmental, natural, or other Highlands Resources and context of the property in connection to already existing or planned preservation efforts.
 - ☐ Summary of a plan for the long-term stewardship of the property (1-2 pages max), including enforcement, monitoring, ownership, access, and any maintenance or proposed restoration.
- ☐ If available, title search of the property confirming the current owner's title.
- ☐ Commitment letters, adopted resolutions, or other documentation demonstrating proof of all matching funding sources.
- ☐ Where applicable, documentation of any time limits or other administrative restrictions related to the specified matching funding sources.
- ☐ Landowner approval (as indicated by signature on the Application); and site inspection with Highlands Council staff scheduled.

If you have any questions regarding this application or the Highlands Open Space Partnership Funding Program, please contact Liz Ward, Land Preservation Coordinator at elizabeth.ward@highlands.nj.gov or 908-879-6737. The completed application checklist, form, and all supporting materials may be mailed to the email address above; or mailed/hand delivered to:

New Jersey Highlands Water Protection and Planning Council
100 North Road
Chester, NJ 07930

Applicant Information

Applicant/Organization Name:			
Applicant Mailing Address:			
Name of Primary Contact:			
Phone #:		Email:	
Name of Secondary Contact (if applicable):			
Organization (if different from applicant):			
Phone #:		Email:	

Owner Information

Property Owner(s) Name:			
Owner Mailing Address:			
Phone #:		Email:	
Co-Owner Name(s) (if any):			

Property / Project Information

Municipality(ies):		County(ies):	
Block(s) and Lot(s):			
Property Address:			
Acquisition Type:		<input type="checkbox"/> Fee Simple Acquisition with Deed Restriction <input type="checkbox"/> Conservation Easement	
Total Property Acreage:		Acreage for Acquisition:	
Are there home(s) located on the property? If yes, describe below.		<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, are the home(s) located in the acquisition area? <input type="checkbox"/> Yes <input type="checkbox"/> No
Number of home(s) and year(s) built:			
Other buildings located on the property? If yes, describe below.		<input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, are the buildings located in the acquisition area? <input type="checkbox"/> Yes <input type="checkbox"/> No
Building(s) description (use and year built):			
Are there any known environmental, access, structure related, property encroachment, or other issues? If yes, please explain below.		<input type="checkbox"/> Yes <input type="checkbox"/> No	

Mortgage Information

Is there a mortgage on the property? If yes, complete the sections below.		<input type="checkbox"/> Yes <input type="checkbox"/> No
Mortgage Holder Name:		
Mortgage Holder Address:		

Related Proposed Preservation Projects

Are there any immediately adjacent properties that are not currently preserved, proposed for preservation? If yes, please specify those properties below.		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Municipality(ies):		County(ies):	
Block(s) and Lot(s):			

Funding Sources

Current Total Valuation of Acquisition:			
Total Request to the Highlands Council:			
Matching Source 1:		Match Amount 1:	
Matching Source 2:		Match Amount 2:	
Matching Source 3:		Match Amount 3:	
Matching Source 4:		Match Amount 4:	
Matching Source 5:		Match Amount 5:	
Matching Source 6:		Match Amount 6:	

Certification

I hereby certify that the information included within this application is complete and true and that I am the legal owner of the property described above, that I have marketable title to the property. I also hereby authorize the staff of the Highlands Council, upon notice, to conduct such site inspections on the property as are necessary to review this application.

_____ Signature of Applicant	_____ Date		
_____ Signature of Owner	_____ Date	_____ Signature of co-owner (if applicable)	_____ Date

Appendix I: Federal Funding Requirements and Information

A. Federal Highlands Conservation Act Grant Program

The Highlands Conservation Act (H.R. 1964, 2004; 16 U.S.C. 3901) is designed to assist Connecticut, New Jersey, New York and Pennsylvania in conserving land and natural resources in the Highlands Region through Federal assistance for land conservation projects in which a State entity acquires land or an interest in land from a willing seller to permanently protect resources of high conservation value. The USDA Forest Service has identified lands that have high conservation value through the “Highlands Regional Study: Connecticut and Pennsylvania 2010 Update” similar to that completed for the Highlands of New Jersey and New York in 2002. Subject to availability of funds through Federal appropriation, each year, Governors of the four Highlands States may submit land conservation projects in the Highlands Region for funding not to exceed fifty-percent of the total cost; projects must show that a resource of “high conservation value” as identified in the HCA program authorizing legislation will be conserved, protected, or enhanced.

The Highlands Conservation Act grant program is administered by the U.S. Fish and Wildlife Service. The Highlands Council is the designated “Lead State Agency” for New Jersey in this program (only eligible applicant). All or part of the funds received by the Lead State Agency may be subawarded to a County or Municipality within the Highlands Region, or to another State Conservation Agency.

B. Program Priorities

Additional priorities established in the Highlands Conservation Act also will be considered as part of the review process when Highlands Conservation Act funds are used. Specifically, projects should be in a high conservation value area as identified in the HCA program authorizing legislation and will be conserved, protected, or enhanced because of the land acquisition project. The priorities for the Highlands Conservation Act are water, forest, agricultural, biodiversity, recreation, and cultural resources.

There are three HCA grants in 2024: (1) Base Funding Round, (2) Competitive Funding Round, and (3) Under-Resourced Communities Funding Round. A project may not be proposed for funding in multiple funding opportunities. See the Notice of Funding for each opportunity for specific criteria and requirements.

In 2023-2024, the U.S. Fish and Wildlife Service worked with the Highlands Steering Committee and Science Advisory Team to update priority maps for the Highlands Region. Resource maps for forest, water, biodiversity, agriculture, and recreation resource categories as well as areas eligible for the Under-Resourced Communities grant can be viewed and spatial data downloaded from the Highlands Landscape and Resource Map: <https://northeast-sa-fws.hub.arcgis.com/pages/c6fc33bde7d049728d47f67925c2ea5a>

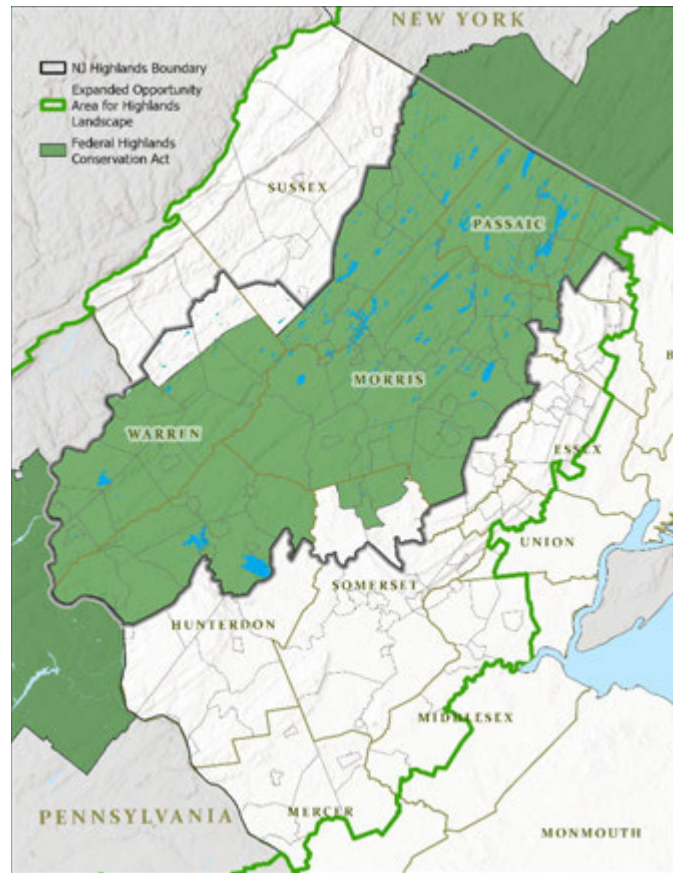
Applicants may contact the Highlands Council Land Preservation Coordinator prior to submission to discuss project eligibility.

C. Project Location

Please note that applications funded through the Highlands Conservation Act must either:

1. Fall within the Federal Highlands Conservation Act Area as defined in the NY-NJ Highlands Regional Study: 2002 Update, which excludes certain municipalities located in the New Jersey Highlands Region, or
2. Be in a municipality within the Highlands Expansion Opportunity Area for the Highlands Landscape that has been submitted by the NJ Highlands Council – with municipal concurrence – and approved by the U.S. Fish and Wildlife.

Municipalities within the Expanded Opportunity Area may contact the Highlands Council Land Preservation Coordinator to discuss the process for being added to the federal Highlands Region which allows the municipality to be eligible for the HCA grant program.



D. Federal Review and Approval Process

Projects receiving Highlands Conservation Act funding require federal review and approval of a complete closing package prior to final acquisition. This administrative process will be led by Highlands Council staff, in close cooperation with both the Highlands Open Space Program applicant and the U.S. Fish and Wildlife Service. Federal requirements consist of (subject to change with each funding round):

- Project statement including need, purpose, objective, benefits, approach, budget, map(s), stakeholder coordination/involvement, and description of entities undertaking the project.
- Documentation of pre-agreement costs (itemized list of costs incurred prior to Highlands Conservation Act grant date)
- Preliminary summary of land costs
- Legal Description of the Property, including State and vicinity maps and survey if available
- Appraisal(s) and Appraisal Review
- Purchase option(s) or agreement(s)
- Statement(s) of just compensation (if P&S Agreement doesn't identify appraised value)
- Notice(s) of Federal Participation and paragraph inserted in deed or easements for acquired parcel(s)
- Section 7 review for each property

- National Environmental Policy Act (NEPA) review
- State Historic Preservation review for each property, as appropriate
- Conservation Easement
- Management Plan (for Easements), if applicable
- Baseline Documentation Report of Condition of Property
- Documentation of Mortgage Subordination (for Easements, if mortgage on property)
- Shapefile of project site

Please note several of the items on the above list may be drafted and/or completed by Highlands Council staff, provided the application is approved for funding.

E. Appraisals

Where federal funding is involved, additional appraisal requirements apply. **Please note:** These additional appraisal requirements are used **only** to determine allowable federal contribution; “dual appraisals” are still required in New Jersey for property owner negotiations within the New Jersey Highlands Region.

Any applications using federal funding will be required to provide an appraisal that conforms to the most recent edition of both the Uniform Appraisal Standards for Federal Land Acquisition (UASFLA or “Yellow Book”) and the Uniform Standards of Professional Appraisal Practice (USPAP). In addition, an appraisal review report that conforms to the same standards must also be provided.

The 2022 Highlands Conservation Reauthorization Act allows for States to petition the Secretary of the Interior to consider alternative appraisal methodology where there is a conflict between (A) an appraisal methodology approved by the Secretary of the Interior and (B) applicable State law.

Guidance for preparing these documents can be found in the USFW Service Manual, Chapter 7, exhibits 1a and 1b: <https://www.fws.gov/policy-library/e1520fw7>

F. Rule Standards Shall Apply

In the event of any discrepancy between this Request for Applications and the Highlands Open Space Partnership Funding Program and Highlands Development Credit Purchase Program (N.J.A.C 7:70) and (if applicable) the Federal Highlands Conservation Act Grant Program, the requirements of N.J.A.C 7:70 and the Highlands Conservation Act shall apply.