

NEW JERSEY HISTORIC TRUST

NJHT Board of Trustees Meeting Wednesday, March 11, 2015 The Morristown and Morris Township Library Morristown, Morris County

Call to Order

Ms. Omogbai called the meeting to order at 10:05 a.m.

Open Public Meetings Act

Ms. Guzzo notified the Board that notice of the meeting was made in accordance with the New Jersey Open Public Meeting Act.

Roll call

Ms. Guzzo called the roll and confirmed the meeting had a quorum.

Trustees present: Carolann Clynes, Janet Foster, Deborah Kelly, Peter Lindsay, Katherine Ng, Meme Omogbai, Patricia Salvatore, Dan Saunders, Kenneth Miller and Joyce Paul.

NJHT Staff present: Dorothy Guzzo, Judith Adams, Glenn Ceponis, Lauren Giannullo, Catherine Goulet, and Michele Racioppi

Also present: Leslie Bensley

Ms. Omogbai started the meeting by congratulating Ms. Kelly on her upcoming receipt of the Beulah Oliphant Award and encouraged fellow Board members to attend the ceremony at the Old Barracks on March 19th. Ms. Omogbai commented on Ms. Kelly's dynamite personality and commitment to preservation and how the award was an appropriate acknowledgement of Ms. Kelly's career of work.

Ms. Omogbai then spoke to the issue of the amount of the proposed allocation of funds in the Administration's budget and within the proposed enabling legislation put forth by the State Senate and Assembly. She referenced the NJHT fact sheet within the Board packet so that when Board members speak to colleagues and legislators everyone will have the same facts and a consistent message. The most important topic now is funding for grants and to operate the Trust because what has been proposed leaves the Trust in a very precarious place.

Ms. Kelly spoke positively about Ms. Foster's recent testimony at a Senate hearing on behalf of the Historic Trust. The hearing was on the Senate's proposed enabling legislation to allocate the CBT funds. Ms. Omogbai wanted to make it clear to Board members that Trust staff is not allowed to advocate so it is up to Board members to meet with legislators and others. The proposed amount is too low to be effective so Board members met with Senator Smith and Assemblyman McKeon's offices to educate and inform them and other legislators on the actual needs of the Trust programs.

Approval of Minutes

Ms. Omogbai asked for a motion to approve the minutes from the December 2014 board meeting. Ms. Foster moved to approve the minutes. Ms. Clynes seconded the motion to approve the minutes. The motion passed. Ms. Omogbai asked for a motion to approve the minutes from the February 15, 2015 special board meeting. Ms. Kelly made the motion to approve the minutes. Mr. Lindsay seconded the motion to approve the minutes. Ms. Joyce abstained from the vote. The motion passed.

Public Comment

During the public comment period Ms. Bensley told the Board she tried to sign up to testify on behalf of the Trust, but the hearing was completely filled and then she asked if there were other rolls she could play to help. It was suggested that she reach out to her legislator, Sen. Bucco, to support the Trust funding.

Discussions continued regarding the Trust's funding situation. Ms. Salvatore reported that she had a lengthy discussion with Senator Van Drew and that he will be a strong advocate for preservation and the Trust. Ms. Omogbai stated that everyone seems to appreciate the Trust, but what was needed is to find someone who is ready to take this on as their most important issue, a legislative advocate where this will be a high priority. Ms. Kelly confirmed that Senator Smith acknowledged that the Legislature is supportive, but one legislator is needed to say it is their number one priority, and we do not have that person yet.

Ms. Kelly reported that at the Senate hearing to introduce implementing legislation there were approximately 20 to 25 supporters of historic preservation. The Senators said they support historic preservation, but asked where the additional money should come from. Ms. Kelly said that most of the people testifying were reluctant to suggest a source for the money. Ms. Kelly stated that the Senators raised the fact that FEMA has made \$300 million available to buy flood prone properties, which might allow the \$4 million budgeted in the enabling legislation for Blue Acres to possibly be shifted to the Trust since there is another source (FEMA) of funding for the same purpose.

Ms. Bensley agreed that based on past experience there is always a problem on where the additional money comes from so you need to provide an alternative of funding, such as Blue Acres in this case that could be added to the Trust's budget. If you are able to give them a solution it makes their job easier and they would struggle without the panacea. She also suggested a strong letter writing campaign would be more impactful than a single personal meeting. While the FEMA buy-out solution is only temporary until the FEMA money runs out, it does give the legislators a solution until they can come up with something more long term.

Mr. Miller added that the Trust should not be shy about suggesting reallocation of CBT funds. While other organizations' amounts have gone down they can still function, whereas, the Trust's cut in funding is not enough to exist on. We will disappear on this amount; Green Acres will not

disappear after its cut. The main problem is the allocation among the agencies. While more money in the fund would be good, right now it's about allocation of what is available.

Ms. Salvatore asked if there was list of how much Trust money has been granted to each legislative district. Ms. Guzzo responded that there is a list. Ms. Salvatore emphasized the importance of this information because with this information she can approach her legislator with facts on Trust funding and be able to make the argument of increased jobs and putting money back into the local economy. Ms. Salvatore reiterated that Senator Van Drew has been supportive of their cause and she may be able to talk him into being the Trust's champion. Ms. Kelly added that Senator Beck may also be a champion for the Trust. Ms. Salvatore relayed that she had spoken to Senator Beck's administrative aid, who thought Senator Beck would be very positive toward our cause.

Ms. Omogbai said that once we reach out to legislators and after the hearings are over we need to follow up. We need a strong presence at future hearings. What we have heard is that the Trust has had a strong presence and that needs to continue.

Ms. Bensley presented her last thought and as a marketing and media person she stated that it is important to put together something demonstrative and simple to present the argument. It is a PR campaign and advocacy document. Ms. Omogbai repeated that the Trust cannot do this, it must come from PNJ or some other advocate. Regarding showing a presence at hearings Ms. Salvatore speaking from her experience with the Historical Commission suggested something other than banners because banners were not allowed in legislative hearing rooms. Something more like large buttons. Ms. Kelly concurred that we must make a clear statement, something that is identifiable and it has to happen right away. Ms. Omogbai pointed out that this is our wake up call.

At this point in the meeting Ms. Omogbai held off further discussion of this topic until later in the meeting and came back to the agenda.

Reports of Officers

Chair:

No report.

Vice chair

Ms. Foster referenced back to her earlier report pertaining to budget testimony and Senate Bill S2769

Treasurer:

Mr. Miller referenced the Treasurer's report in the board packet and briefly went through the report. Mr. Miller pointed out that the Trust is on budget. He stated that approximately \$2.2 million is available from the 2009 Bond Round. He also pointed out that a number of 2008 grants have very little drawn down and that the Grants & Loans Committee might want to look at that at its next meeting. Mr. Ceponis mentioned that there had been a number of drawdowns since the

completion of the Treasurer's report. Mr. Miller also mentioned that the Revolving Loan Fund was still on hold by Treasury.

Secretary:

No report.

Executive Director's Report

Ms. Guzzo referenced the Executive Director's and the staff reports in the board packet. Ms. Guzzo reported that the Trust's annual report went out including copies to all the legislators. Ms. Omogbai commented on how nice the report was and suggested perhaps giving out copies at the conference.. Ms. Guzzo informed the board that the RFP is underway for the update to the HSR and Preservation Plan guidelines. We also received six responses and will interview the top three for the Interpretive Theme Study of *Jersey in Conflict*.

Ms. Guzzo reported on conference planning activities, including the need for fundraising. Ms. Omogbai spoke to expanding the pool of potential sponsors and asked board members to pass on any connections to corporate sources. Ms. Guzzo reported that a block of rooms has been set aside for conference participants at a special rate if you call, you cannot register on line and get the special rate. Ms. Guzzo reported that she has been in conversations with Sen. Allen regarding holding the opening reception at her house. Ms. Omogbai asked Ms. Paul if the Trust could accept credit card as a way to facilitate conference administration. Ms. Paul said she would look into it.

Report of the Department of Community Affairs

Ms. Paul reported that representatives from DCA requested a much greater budget for the Historic Trust than what ended up in the Governor's budget. They advocated very aggressively and thought that headway was being made, but clearly once the Treasurer considered all the State's needs, the Trust was budgeted a much smaller amount. When asked if the legislature might add more to the Trust's budget, Ms. Paul reminded the Board that the Governor has line item veto authority, so getting the legislature to increase the Trust budget is not a guarantee for a larger budget. The following discussion related to Trust funding then ensued.

Ms. Clynes asked if reaching out to people outside of Trenton, such as Leonard Lance since he has been supportive of preservation in the past. Mr. Miller suggested that we need to find someone with a strong relationship with someone serving in the administration to possibly affect change. Ms. Omogbai encouraged all board members to review their relationships and follow up with those they have relationships with.

Ms. Omogbai reiterated that we have not had to make a case for our funding in the past. Even if these current efforts show no results in changing the current budget it could be very helpful in the future. These discussions could result in developing future relationships that can affect our funding. Ms. Omogbai asked both the DCA and DEP board representatives to return to their respective departments and advocate for the Trust and that ultimately we are all trying to best serve the citizens of New Jersey.

Ms. Guzzo stated that the Administration's budget did not include a specific allocation for Blue Acres programming, so it is less clear how much of CBT funding would go towards Blue Acres within the Administration's budget. During Legislative hearings it was made clear that a significant amount of Sandy funding is available to purchase flood-prone properties, so that perhaps the CBT Blue Acres allocation can be redistributed to the Historic Trust without compromising the Blue Acres program. Mr. Saunders relayed that DEP currently appears more interested in the Blue Acres funding than Green Acres funding.

It was noted that approximately \$20 million of CBT funding will be used for DEP salaries leaving less funding for other programs. In the past the salaries were paid from the State's general fund not directly from the open space, farmland and historic preservation fund. The \$20 million is based on the Administration's budget, the Senate's proposed enabling legislation is different, but the enabling legislation is expected to be vetoed if it passes. Ms. Foster noted that in the Administration's budget it lists DCA as the recipient of these funds not specifically the Historic Trust. Ms. Foster asked Ms. Paul if DCA could do the same as DEP and use the CBT allocation for DCA salaries. Ms. Paul responded that the money allocated from the CBT will be used solely for Trust programming. Ms. Foster then asked what happens to the Trust's existing commitments and programs such as the 120 easements it is responsible for if the Trust doesn't receive sufficient funding. Ms. Paul responded that there are enough administrative funds available for the next year, but other solutions will have to be found moving beyond that.

Ms. Omogbai suggested moving back to our strategic plan. We are reacting to the budget from the Administration and the proposed budget from the Legislature, both of which have their roots in the ballot initiative. Beyond that we need to look at the portions of the strategic plan that addressed funding issues. Ms. Omogbai then stated that there will be a Trust in the future and that we will have to shape what form it will take.

Ms. Kelly thanked Ms. Paul for fighting on behalf of the Historic Trust. Ms. Paul repeated that she does not know why the budget changed so dramatically from what DCA had requested and supported. Ms. Foster asked what the ask should be moving forward. Trust supporters have been asking for between \$10 and \$15 million. Mr. Guzzo questioned what would happen midyear to the Trust's budget and proposed grants if the Administration's current estimate of \$80 million turned out to be considerably lower.

Ms. Kelly told the Board that a chart presented at the Senate Environment Committee hearing was misleading. It made it seem like the Trust was receiving \$2 million per year. That figure appears to have been derived by taking what we received from the last bond referendum and dividing it by the number of years we have operated from it. This figure has nothing to do with how the Trust actually runs a grant round and does not reflect that we have not had a capital grant round since 2010 and a planning round since 2012. Ms. Omogbai stressed that we have an obligation to correct this misinformation if we get a chance.

Report of the Department of Environmental Protection

Mr. Saunders summarized the impact of the proposed budget on DEP's programs.

Ms. Foster asked if there are any CBT funds for State historic sites. The short answer is yes, the proposed budget includes a capital allocation for Parks. The Trust has also spent a huge amount of money on State sites in the past mainly through Friends organizations. If the Trust money is gone, or limited, who will fund these sites? What is the long term strategy to take care of this?

Mr. Saunders replied that Mark Texel had acknowledged that Parks may suffer without Trust funds. DEP is moving more from acquisition to stewardship. The Commissioner and Treasurer have adopted a much broader scenario of what constitutes stewardship.

Report of the Department of Treasury

No report.

Report of the Grants & Loans Standing Committee

Ms. Kelly referenced the Grants & Loans Committee Report in the Board packet.

The Grants & Loans Committee met on Wednesday, February 25. The Committee reviewed and recommended approval for the following requests for extension:

Grantee: University Heights Science Center

Project: Essex County Jail

Grant Award No.: 2010.0068

Grant Award: \$50,000

Drawdown: 0%

Municipality: Newark

County: Essex

The Committee recommends an extension of the grant deadline to December 31, 2015 in case revisions are necessary following the stakeholder's meeting.

Grantee: Newark Preservation & Landmark Committee

Project: Newark Public Schools NR Nomination

Grant Award No.: 2010.0011

Grant Award: \$18,000

Drawdown: 80%

Municipality: Newark

County: Essex

The Committee recommends an extension to December 31, 2015 to allow for the completion of the nomination and for it to be reviewed by the State Review Board.

Ms. Kelly made the motion to approve these extensions. Ms. Salvatore seconded this motion. The motion passed.

2015 Grant Round

Ms. Kelly stated that the Committee planned the upcoming round with the assumption that the Trust will have to deal with a reduced amount. The Committee is recommending proceeding with the equivalent of our Level I grant. This has a maximum grant award of \$150,000 and requires a 40% match. All the criteria will be the same we used in the past. Ms. Kelly emphasized the real need for a capital grant round. The schedule for the round will have to be greatly accelerated. Ms. Omogbai stated that we do not have many options and she suggested that we move forward with the plan as presented by the Committee. Ms. Guzzo recommended that we ask potential grantees to submit a letter of intent to apply so that we can better gauge the interest and to demonstrate the need that exists. Ms. Omogbai stated that the information we received with the letters of intent could also help inform the budget process. Ms. Kelly made a motion to move forward with a capital grant round based on the Grants & Loans Committee recommendation. The motion was seconded by Ms. Paul and passed unanimously. It was then stated that we need to get the word out to our constituents.

Discover New Jersey History License Plate Fund

The Fund received three applications in the last quarter, and the Grants & Loans Committee recommended two of them for funding:

Applicant: Morris County Tourism Bureau

Project: To develop a pedestrian kiosk in the town of Chester, Morris County

Request: \$5,000

Applicant: Canal Day Association

Project: Marketing for Canal Day Music & Craft Fair, Warton Borough

Request: \$5,000

Ms. Kelly reviewed the requests. Ms. Salvatore made a motion to accept the Committee's recommendation to fund the two projects, seconded by Ms. Clynes. The motion passed. Ms. Kelly explained that the application from the Township of Milburn Historic Preservation Commission was not recommended to receive a grant at this time. Ms. Kelly said that the project and application should be tightened up and that the organization should reapply in the future. The Trust will reach out to the applicant with constructive feedback. Ms. Kelly reported that with the approval of the two grants the License Plate fund will have \$5,647 left and available in June.

Ms. Kelly reminded the Board that a project (tourism kiosk) funded through the License Plate Fund is located in Morristown and suggested that Board members stop and take a look at it during their time in Morristown.

Ms. Paul had to leave the meeting at 11:30, a quorum of board members remained.

Report of the Easements and Acquisitions Standing Committee

Mr. Miller referenced the committee report in the board packet. Mr. Ceponis briefly summarized a few easement projects. Mr. Ceponis reported that the perpetual easement for the archaeological site in Eatontown is moving forward. Mr. Ceponis reported that the potential perpetual easement for 'Nutwood' the Shirley M. St. James residence in Morristown Township has been withdrawn following the passing of Ms. St. James by her estate. Lastly, Mr. Ceponis reported that a representative from DEP Fish & Wildlife indicated that the purchase of Eagle Manor was moving forward; however, that has not been confirmed with Treasury.

Report of the Legislation and Policy Standing Committee

Ms. Ng referenced the extensive budget and legislative discussion that had occurred within the Senate Environmental Committee hearing and then asked if there were any additional questions. Ms. Salvatore asked if the Legislative Committee asked questions as part of the hearing or just took testimony. Ms. Foster responded that the question that was repeated numerous times was how much money do you need and where is it going to come from, which were impossible questions to answer. By the time Ms. Foster was to provide testimony she was told that the committee was limited on time so Ms. Foster's testimony was limited. Ms. Foster also mentioned that others had testified on behalf of historic preservation funding. KIG testified that the Trust was underfunded in the budget and that the Trust's administrative expenses not be limited to 5%. Ms. Peterson, owner of a property that the Trust holds a perpetual easement on also testified. With little else to say most of those providing testimony suggested taking funds from Green Acres since they had the largest piece of the pie. Board members reiterated that it shouldn't be made into an 'us versus them' choice, but, rather, how can we all survive on this smaller amount.

Ms. Ng then asked what the message should be moving forward based on what occurred at previous hearings. It was suggested that the message should focus on how the current amount is not sufficient to operate and run a grant round. We cannot make many grant awards under the current budget and the Trust has not offered a capital grant round since 2010. Also reference the Capital Needs Study which shows the amount of financial need out there. The upcoming hearings on the budget are different than the legislative hearings that have taken place. The budget hearing does not ask questions and will not ask where the money should come from, so the focus should be on the need and that the current amounts will not address the need and threatens the Trust existence. Ms. Salvatore relayed past experience of the Historical Commission. Ms. Foster reiterated how the Trust grants positively affect people and communities and her testimony focused on the good that trust grants do for a community. Ms. Omogbai encouraged the Trust to think beyond each administration so that we are better prepared. The Trust was looking into future funding during its strategic planning efforts, but the timing has been greatly accelerated because of the current budget..

Report of Special Ad Hoc Committee – Strategic Planning

Ms. Omogbai continued, stating that we need to get back on track regarding the Trust's strategic plan and the new playing field we have to deal with. She stated that we need to present our strategy for the long view. Right now we have to hurry and catch up and deal with what has been handed to us. Mr. Miller referenced back to the Trust October strategic planning meeting. What

do we do as an organization? We discussed mission, purpose and protecting resources. That is what we do as an organization. Another discussion was what are we as an “in but not of” organization. This may enable us to do some things that other government agencies cannot. We need to examine what this is, to examine the art of the possible. This has become more important. We know we may be legally able to do certain things, but not necessarily allowed to do certain things. We need to understand roadblocks that keep us from our mission and how to eliminate those roadblocks. With the allocation as it is we don’t have enough to run a relevant grant program or administer our other commitments let alone address other issues such as education and purchasing easements.

The current situation has caused us to change our perspective to one of survival, forcing us to communicate with legislators and develop these relationships that will help us in the future. We need to build up our advocacy with the boards and grantees. It is important to offer a grant round to reestablish the Trust as a source of funding. Ms. Omogbai reiterated the comment from one of the legislative hearings that we should be glad that we have something to give. Ms. Omogbai also stressed that we need to help the Administration and legislature frame the issues and educate the Administration and Legislature.

Unfinished Business

None

New business

Mr. Miller generously invited Board Members and staff to tour his residence, the Thomas Nast House, following the conclusion of the meeting.

Public Comment:

No public comment.

Adjournment

There being no additional business, Ms. Salvatore moved to close the meeting, seconded by Ms. Foster. The motion passed and the meeting adjourned at 11:53.