

[http://www.nj.com/news/index.ssf/2010/03/nj\\_counties\\_cut\\_land\\_preservat.html](http://www.nj.com/news/index.ssf/2010/03/nj_counties_cut_land_preservat.html)

## **N.J. counties cut land preservation funds due to financial strains**

**By Lawrence Ragonese/The Star-Ledger**

March 14, 2010, 8:00AM



David Gard/For The Star-LedgerA July 2009 photo of land in Readington Township that the town hoped to preserve for open space. Tough economic times are prompting some county governments across the state to scale back popular open space and farmland preservation programs, to balance budgets and prevent tax hikes.

Officials in Morris, Middlesex, Bergen, Warren and Mercer counties have either cut county open space taxes or are considering such action this year, garnering heat from environmentalists who term the decisions fiscally shortsighted.

With land values at record lows and sellers seeking deals for parcels with great environmental value, preservationists say county governments should be ready to take advantage of the situation.

They stress voters across the state have long provided overwhelming support for open space issues, repeatedly saying yes to taxation dedicated to preservation — even voting during the midst of the fiscal crisis last year for a \$400 million state open spaces bond issue.

But some county officials say they are under immense pressure to keep taxes down now at a time many people are unemployed or underemployed, and struggling to fiscally survive. To do otherwise would be unconscionable, they said.

"These are unusual times," said Morris County Freeholder Director Gene Feyl. "Any place you can give people some tax relief this year you have to do it," he said last week after his board trimmed the county open space tax by one cent, or \$10 million — the key factor in an anticipated slight county tax decrease this year.

"People are clamoring for tax relief. They want action, not sound bites from their elected officials," said Brian Hague, spokesman for Bergen County Executive Dennis McNerney, who has proposed cutting his county's open space tax in half to save \$9 million.

But preservation needs are not disappearing, say opponents of open space tax cuts. Water resources are still jeopardized, especially in the North Jersey Highlands region, said Dave Peifer, Highlands project director for the Association of New Jersey Environmental Commissions.

"If something is not done to keep development away from water supplies and lands that drain into supplies, we will not have an adequate water in this state in short order," warned Peifer.

Permanent preservation via land purchases is preferable to saving key watershed tracts through laws and regulations, such as the Highlands Act, which are subject to political change, he added.

**Elliott Ruga, program coordinator for the Highlands Coalition, said savings from cutting open space taxes are minimal, depriving counties of a "full chance" to take advantage of real estate bargains. In Morris County, for example, it will result in an \$8 savings on a \$400,000 property.**

But Bergen County's Hague countered county government can use its regular borrowing power, outside the open space fund, to finance land deals that are too good to pass up.

Jeff Tittel, director of the New Jersey Sierra Club, recalled a lost open space "bargain opportunity" in a previous economic downturn 20 years ago. The 2,000-acre Sterling Forest tract in North Jersey could have been bought for \$400,000 but ended up costing the state \$9 million.

"My concern is this desire to cut open space funds will become addictive, like eating potato chips. Government won't be able to stop cutting the funds once they start," Tittel said.

That concern is shared by some government officials, including some who cut open space taxes.

Warren County Freeholder Director Rick Gardner said his board reluctantly agreed to a one-cent reduction in the county preservation tax, saving \$1.4 million, after being strongly lobbied by many towns and county residents to provide tax relief.

"Some people even wanted it eliminated entirely," said Gardner. "But preservation is a very significant issue in this county. We made it clear this will just be a one-year reduction."

Somerset County Freeholder Director Jack Ciattarelli said his county avoided reducing the open space tax that raises \$18 million a year, giving the county a chance to seek some land bargains.

"I've never seen real estate prices this low," said Ciattarelli. "And right now we don't have to compete with Toll Brothers or (K) Hovnanian for undeveloped lands. It's a unique opportunity."

Preservation dollars come from a variety of sources, with deals cobbled together with a combination of state, county, local, non-profit and independent agency dollars. A loss of funding from any of those sources could jeopardize preservation, they said.

In addition to county funding, preservationists are watching to see if Gov. Chris Christie authorizes sale of \$400 million in state open space bonds approved by voters last fall.