

The approved Consent Agenda, along with Priority Criteria sheets and any meeting handouts, is made a part of these Minutes and available for review by all Trustees.

Unapproved

D&R Greenway Land Trust
Meeting of the Board of Trustees
January 15, 2020

Present: **Christopher DeGrazia**, Kathy Bagley, Michael Bramnick, Patricia Cullen, Peter Dawson, James Fiorentino, Johan Firmenich, Adrian Huns, Michael Kunst, Wendy Kvalheim, Diana Lidow, Jeanne Perantoni, Vanessa Sandom, Holly Welles
Absent: Kristen Appelget, Rich Goldman, Ken Guilmartin, Joan Ruderman
Staff: Linda Mead, Laurie Emde, Danielle Dobisch, Nancy Faherty, Tina Notas

Board Chair Christopher DeGrazia called the meeting to order at 4:10 PM.

I. ADMINISTRATION

Announcements

Christopher welcomed the trustees. Linda asked the trustees to complete the annual Conflict of Interest statement and return to Laurie. She passed around a sign-up sheet for events per a suggestion from Peter Dawson at the last meeting. She also said that John Rassweiler was retiring from the Board after many years and we were honoring his dedication with a framed giclee print, numbered 1/100, by James Fiorentino. She passed around a card for trustees to sign in appreciation.

Minutes

MOTION: (Michael Bramnick) To approve the minutes of the November 2019 meeting of the Board of Trustees.

Second (Kathy Bagley) Unanimously approved. Abstention(s) None.

Financial Report

Kathy reported on year-end 2019. She said we bit the bullet and ramped up expenditures to reflect the goals of the strategic plan. We exceeded expectations and reduced our investment draw to only \$30,000. She urged the trustees to read Linda's and Laurie's report this month for details. Both were well done and offered a lot of insight. Highlights including closing Muscente at year-end and getting an early payment on our William Penn Foundation grant installment. Laurie explained how we will allocate the net proceeds from the Muscente closing in 2020. Also, as per the detail in the January report, she and Linda are recommending that we use a portion of the year-end operating reserve to pay off our MSSB credit line early in 2020. The line is currently not generating enough revenue to cover the cost of the line. The total payment will be approximately \$290,000. Remaining surplus should be enough to provide cashflow during the year.

MOTION: (Pat Cullen) To approve using the operating reserves to pay off the MSSB credit line as presented.

Second (James Firmenich) Unanimously approved. Abstention(s) None.

II. TRUSTEE & POLICY CONSIDERATIONS

Donald B. Jones Conservation Award Nominee

Phyllis Marchand is this year's proposed nominee for the Donald B. Jones Conservation Award. Phyllis has an outstanding record of support for conservation. Kathy suggested that we add John Rassweiler as well. The trustees agreed that both are worthy nominees and meet the criteria for dedication to conservation. Both are also retired trustees and eligible. The trustees discussed. It was determined that Phyllis and John would be co-recipients for their extraordinary service, each with a different category (criterion) recognition for the Donald B. Jones, but equal. An additional award will be given to the Synder Family for their support and dedication to the Iron Mike Trail.

MOTION: (Adrian Huns) To approve naming Phyllis Marchand and John Rassweiler as co-recipients of the 2020 Donald B. Jones Conservation Award.

Second (Kathy Bagley) Unanimously approved. Abstention(s) None

Nominations for Incoming Trustees

Linda presented on behalf of the Committee on Trustees. Incoming trustees are Laura Napoli (present), Ian Snyder (absent), and Peter Tucci (absent). Laura is a past trustee who had to resign to avoid a conflict of interest when we were purchasing property from her employer Exxon/Mobil. Laura is currently active on several D&R Greenway committees including the Land Preservation Committee. Just today she received approval from her employer to rejoin our board. Ian Snyder is the son of Mike Snyder (Iron Mike Trail). Ian was raised in Princeton and is currently an investment banker living and working in New York City. Ian is interested in helping us with fundraising, joining our Investment Committee, and connecting with younger constituency. Peter Tucci came to visit the Board with his presentation of the Bonaparte exhibit last year. Peter is an attorney for Fox Rothschild, Chairman of the Pennington School Board, and has been working with us on preservation of the Divine Word property in Bordentown. Linda said we have two other interested candidates, Mutts cartoonist Patrick McDonnell and investment banker William Martin (Raging Capital Management) and will be setting up meetings with them in January or February. Both individuals have expressed an interest in joining the board in May. She added that Bill was interested in carbon sequestration and will be meeting with Holly Welles on that topic.

MOTION: (Kathy Bagley) To approve Laura Napoli, Ian Snyder, and Peter Tucci for a 3-year term to the D&R Greenway Board of Trustees.

Second (Holly Welles) Unanimously approved. Abstention(s) None

Re-election of returning Trustees were presented as follows: Michael Bramnick, John Firmenich, James Fiorentino, Ken Guilmartin, and Joan Ruderman.

MOTION: (Jeanne Perantoni) To approve the list of returning trustees for a 3-year term as presented.

Second (Kathy Bagley) Unanimously approved. Abstention(s) Michael Bramnick, John Firmenich, and James Fiorentino

Linda reported that Julia Benedict (family commitments) and John Rassweiler (health issues) are coming off the board. Julia is busy with her young family, but she is willing to work with us on a nature program for young families when her time frees up in the future. We have six open trustee slots. Orientation will be in May after we sign-on Patrick McDonnell and Bill Martin. Peter Dawson suggested that we cultivate potential trustees at

the committee level first. Linda agreed. Holly Welles suggested that there might be someone interested in being a trustee from Blackrock. It's an interesting group to look at. The mega fund manager has just announced that it will put sustainability at the heart of its investment decisions due to a climate emergency. James said he has a long-time friend who works at Blackrock and he could reach out to him to see if he has an interest or can refer someone else.

As permitted by the organizational bylaws, Wendy Kvalheim will remain on the board, extending her tenure for a second one-year term.

Election of Officers

The Slate of Officers for 2020 was presented as follows: Chair; Christopher DeGrezia, Co-Chair; Wendy Kvalheim; Vice Chair, Adrian Huns; 2nd Vice Chair, James Fiorentino; Treasurer, Michael Kunst; Secretary, John Firmenich; and Assistant Secretary, Peter Dawson.

MOTION: (Holly Welles) To approve the 2020 Slate of Officers for a one-year term as presented.

Second (Vanessa Sandom) Unanimously approved. Abstention(s) None.

Linda acknowledged Kathy for her service as Treasurer to the Board. Kathy thanked the trustees. She also noted that former trustee Tom Poole had passed away stating he was a great trustee and wonderful person. Linda said that Tom had left D&R Greenway a bequest. Holly said that Tom helped her initially navigate local nonprofits when she moved into this area.

III. STRATEGIC DIRECTION

2019 Annual Report: Land Acquisition

Goldman, Hopewell

We have negotiated the fee sale of the Goldman property to the neighboring Taylor family and will place a Mercer County conservation easement on the property prior to transfer. The property is currently in the State and local tax exemption program. We have recently learned that the property needs to be in active agriculture for 2 years before it can qualify for farmland assessed. In the interim, the full assessed property tax liability will be \$38,000 annually. This is unexpected and prohibitive for the prospective buyers. We are looking at ways we can help mitigate this burden and continue to work with them toward preservation. Linda thanked Vanessa Sandom for her help and attendance at a recent meeting with the Hopewell Township tax assessor, Daniel Keough. Dan, who is relatively new to the position, plans to meet with Rick Carabelli, President of the Mercer County Board of Taxation, to look at alternative tax options. Linda said that the tax issue will not prohibit us from closing on the conservation easement with Mercer County. With the easement in place, it may be possible to lower the taxes to reflect the land use restriction of conserved land.

Trap Rock, Hopewell Township (580 acres)

Trap Rock has accepted our counteroffer of \$8.4M to close on all five parcels, including the quarry parcel, by year-end 2020. Trap Rock will hold a non-recourse mortgage, with a deed in lieu of foreclosure, on each parcel which will terminate as funds become available and we make payments associated with each parcel.

Payments will be phased, occurring from December 2020 through December 2024 as funding and partners come together. We will lease back the quarry parcel to the seller for 25 years. Trap Rock will take responsibility for insurance and taxes, indemnify D&R Greenway from liability, and be responsible for execution of a reclamation plan on the quarry parcel before they are released. Hopewell Township is very excited and supportive of the project and we are hopeful that they will be a big funding partner. The trustees discussed the risk and liability in holding an active quarry for 25 years pre-reclamation. Linda said that Mercer County has previously preserved the Baldpate Mountain Quarry and may be willing to hold the quarry parcel. Since Drinker Biddle & Reath is representing the seller, we will be working with attorney Chris Tarr of Stevens & Lee to draft the necessary sales documents. Chris has suggested that we might consider setting up a 501(c)(2) to shield D&R Greenway from liability in owning the quarry piece. Linda reviewed the parcel map of the five properties and reviewed the preservation scenario. The consensus of the trustees was that it was too early to approve entering into a contract for purchase and deferred approval to the Executive Committee and the Land Acquisition Committee.

Divine Wood, Bordentown

We have been working with Father Pool of Divine Wood on applying to Green Acres for state acquisition of the entire Bordentown property. The success of the State offer will be whether it can offer a purchase price that meets the seller's goals and can close in 2020. Recently Linda and Danielle had a good meeting with the Mayor of Bordentown. The city is very interested in acquiring a portion of the interior buildings and the gymnasium for municipal use. D&R Greenway is facilitating preservation of the property but would like to work with the state to acquire ownership of the Gardener's House, possibly in partnership with the city and/or the Bordentown Historical Society.

Linda presented a Power Point of 2019 preservation accomplishments – seven properties for a total of 433 acres. We facilitated the acquisition of the Whidden property in Montgomery Township in partnership with The Sourland Conservancy and the Stoutsburg Sourland African American Museum. Our short video, *Preserved Land Tells Stories of African Americans in Central New Jersey*, premiered at our 2019 Masquerade Ball, will be presented at the ACME Screening Room in Lambertville as part of their offerings for Black History Month.

Our land preservation key priorities for 2020 are to close Divine Work and to get a signed contract with Trap Rock and identify funding and partners for the first parcel to close by year-end 2020.

2019 Annual Report: Stewardship

Tina Notas presented a review of 2019 key accomplishments including creation of a new entrance at the St. Michaels Farm Road off Princeton Avenue, creation of the Iron Mike Trail along with restoration of the J. Seward Johnson Preserve and improvements, design and creation of the Labyrinth in the Cone Grove on the JEC Campus, and restoration and improvements to our preserve and trailhead kiosks. We amassed nearly 2,000 hours of volunteer time in 2019 including volunteer efforts to plant 20 Chestnut trees at our

St. Michaels Farm Preserve. Stewardship staff maintains 75 fee properties and monitors 64 easements annually. In 2020, we plan to prioritize improvements to the Cedar Ridge (Lombardo tract) including a 250 tree planting project, installation of a signature sign and kiosk at the Woosamonsa Preserve, reforestation of our newly acquired Koch property, final touches to the Iron Mike Trail, maintenance of the new meadow at the St. Michaels Farm Road entrance, and construction of boardwalks at Kate's Trail on Elm Ridge Road. Tina will email Trustees a list of trail options and invited the Trustees to contact her if they would like to join her for a guided walk on one of our preserves.

2019 Annual Report: Community Conservation

In 2019, we focused on our Trails to Table events in celebration of our 30th anniversary year. Each was very successful and furthered our strategic goals for community conservation and capacity building. Staff and consultants are working on cleaning up our donor database, Facebook and Instagram messaging, Constant Contact outreach, and website upgrades. Our outreach efforts are in line with the goals of our Strategic Plan to grow capacity. Our new art exhibit, *Portraits of Preservation*, features artwork by James Fiorentino based on D&R Greenway preserved properties. We have been successful in attracting new donors through collaboration with James, his network of contacts and his art.

IV. 2020 BUDGET

Kathy Bagley reported that the 2020 Budget overall continues to reflect the goals of D&R Greenway's strategic plan. She read through the Key Points highlighted in the 2020 Budget Package. The draft budget includes a 4.5% draw from our long-term investments which is in line with D&R Greenway's Investment Policy. Linda reviewed the 2020 staff allocations. In 2019, we budgeted for 12.34 FTE and came in considerably lower at 9.68. In 2020, we are budgeted for 12.17 FTE and looking to add a Grants Manager to our staff. This added new hire will allow Nancy to focus on relationship building and community conservation outreach. A new consultant, Sharon Fink, has been a good addition after James Malchow departed and has been working to maintain and improve our donor database. The draft budget also includes acquiring a new and much needed property database. Linda said that our staff and consultants make a solid team. Laurie reported on our anticipated draw from long-term investments and explained that, in line with our Investment Policy, that number is derived from a 3-year trailing average of our overall investments. We were fortunate to only need a minimal draw in 2019. The average draw 2017-2018-2019 (anticipated) is much lower at 2.1% than the annual amount limited by our Investment Policy. The trustees were afforded the opportunity to comment or ask questions.

MOTION: (Pat Cullen) To approve the 2020 Budget as presented.

Second (James Fiorentino) Unanimously approved. Abstention(s) None.

The meeting was adjourned at 6:10 pm