

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF OCEAN WIND, LLC
PURSUANT TO N.J.S.A. 48:3-87.1(f) FOR A DETERMINATION
THAT EASEMENTS ACROSS GREEN ACRES-RESTRICTED
PROPERTIES AND CONSENTS NEEDED FOR CERTAIN
ENVIRONMENTAL PERMITS IN, AND WITH RESPECT TO, THE
CITY OF OCEAN CITY ARE REASONABLY NECESSARY FOR
THE CONSTRUCTION OR OPERATION OF THE OCEAN
WIND 1 QUALIFIED OFFSHORE WIND PROJECT**

Direct Testimony

of

Madeline Urbish

**Re: Community Outreach, Including Ocean Wind, LLC's Attempts to
Obtain the Necessary Easements Across Green Acres-Restricted
Properties through the Diversion Process and Consents Needed for
NJDEP Permit Applications from the City of Ocean City, New Jersey**

Dated: February 2, 2022

1 **I. INTRODUCTION AND BACKGROUND**

2 **Q. Please state your name and business address.**

3 A. My name is Madeline Urbish. My business address is 399 Boylston St., 12th
4 Floor, Boston, MA 02116.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Ørsted North America, Inc. (“Ørsted”) as Head of Government
7 Affairs and Policy for New Jersey and am affiliated with the Ocean Wind
8 Qualified Offshore Wind Project (“QOWP”). My responsibilities include setting
9 and shaping Ørsted’s legislative and regulatory agenda to positively impact the
10 emerging offshore wind market in North America; developing and maintaining
11 working relationships with the Governor’s Office, state agencies, members of the
12 Legislature, New Jersey’s congressional delegation and local elected officials;
13 managing and coordinating the team of external governmental affairs consultants
14 and government affairs counterparts at PSEG Renewable Generation, LLC
15 (“PSEG”) and serving as a primary point of contact for Ørsted with New Jersey
16 stakeholders and regional trade associations, among other responsibilities and
17 duties.

18 **Q. Please describe your professional experience and educational background.**

19 A. I served as a senior associate at River Crossing Strategy Group, where I
20 represented and advised clients on New Jersey state politics and policies,
21 including energy and environmental initiatives, among other issues. I developed
22 and executed advocacy efforts and engagement strategies directed at key
23 stakeholders, including state and local government entities. Prior to that, I was a

1 policy advisor in the Office of Governor Phil Murphy, focusing on energy,
2 environmental, agricultural policy. I oversaw the implementation of key clean
3 energy policies across multiple departments and authorities and managed related
4 interdepartmental initiatives. I previously worked at the New Jersey Audubon,
5 one of the state's largest environmental organizations, where I served as director
6 of the Coalition for the Delaware River Watershed, managing a four-state
7 coalition comprised of more than 120 non-governmental organizations. I led
8 federal advocacy efforts and managed ongoing relationships with governmental
9 and non-governmental partners, including local, state and national elected
10 officials and their staffs. I have a Masters of Public Administration degree from
11 the University of Pennsylvania and a Bachelor of Arts degree in History and
12 Political Science from the College of New Jersey. My education, experience and
13 qualifications are fully set forth in Appendix A to my testimony.

14 **Q. Have you previously testified in Board of Public Utilities (“Board” or**
15 **“BPU”) proceedings?**

16 A. No.

17 **Q. Have you testified in proceedings before other utility regulatory commissions**
18 **or administrative bodies?**

19 A. No.

20 **Q. Would you describe the purpose of your testimony?**

21 A. I am testifying on behalf of petitioner Ocean Wind, LLC (“Ocean Wind”) in
22 support of its petition seeking a determination that certain easements across Green
23 Acres-restricted properties and municipal consents for New Jersey Department of

1 Environmental Protection (“NJDEP”) permits in the City of Ocean City (“City” or
2 “Ocean City”) are reasonably necessary for the construction and operation of the
3 Ocean Wind 1 QOWP (“OW 1” or “Project”). More specifically, my testimony
4 will address the following topics: (1) formal and informal outreach to Ocean City
5 since Project inception regarding necessary easements and permitting; (2)
6 communications with Ocean City concerning enacting an ordinance regarding the
7 Project and necessary City consents; and (3) attempts to persuade Ocean City to
8 initiate the Green Acres diversion process by scheduling a scoping hearing. The
9 purpose of my testimony is to demonstrate that prior to filing this petition, Ocean
10 Wind engaged in meaningful discussions with Ocean City regarding the necessary
11 easements, the Green Acres diversion process, and related permitting for the
12 construction and operation of the Project. I will outline these communications
13 with the City that Ocean Wind engaged in prior to filing the petition and both the
14 information and formal requests to secure the necessary approvals and consents.

15 **Q. Are there any prospective public hearing requirements under New Jersey**
16 **law for Ocean Wind relative to this Petition?**

17 A. Yes. Ocean Wind must comply with the statutory public hearing requirements
18 dictated by New Jersey law, specifically at N.J.S.A. 48:3-87.1(f)(2). A draft form
19 of public notice is set forth in Appendix B to my testimony.

20 **II. INITIAL OUTREACH TO THE CITY REGARDING EASEMENTS**
21 **AND PROJECT DESIGN**
22

23 **Q. Please describe the earliest communications Ocean Wind had with Ocean**
24 **City regarding necessary easements and permitting that required City**
25 **approval or consent.**

1 A. Several meetings with Ocean City were held before the March 10, 2021 start of
2 my employment with Ørsted and formal affiliation with the Project. First, on
3 August 27, 2019, Ocean Wind hosted an open house in Ocean City to discuss the
4 Project following the BPU's designation of the Project as a QOWP. The purpose
5 of this open house was to provide information on the Project in its early stages of
6 development. Doug Bergen, Ocean City's Public Information Officer (PIO)
7 attended along with approximately 90 members of the public.

8 On November 21, 2019, members of Ocean Wind's technical, real estate
9 and permitting teams held a meeting with Ocean City officials to discuss the
10 Project, proposed cable routes, and geotechnical details. At this meeting, Richard
11 Grist, Ocean Wind's Real Estate Manager, outlined that the Project would require
12 easements or right of ways from Ocean City for the use of the roads and any non-
13 road land parcels. This meeting was attended by Ocean City Engineering
14 Manager, Roger Rinck, Operations and Engineering Director, Vincent Bekier, and
15 Operations and Engineering Assistant, Rachel Ballezzi.

16 On February 8, 2020, Ocean Wind hosted another open house in Ocean
17 City to discuss the Project and answer questions from the public. Approximately
18 70 members of the public attended the meeting including Mayor Jay Gillian and
19 Councilman Mike DeVlieger. This event was held in close coordination with the
20 Mayor's office. Ocean City distributed the advisory/release on this event and it
21 was featured in the Mayor's February 7, 2020 message to the public, *see*
22 Appendix C. The purpose of this open house was to educate the public about the
23 Project as it was being developed.

1 **Q. What were the next steps Ocean Wind took to obtain the necessary**
2 **easements from Ocean City for the Project?**

3 A. On February 26, 2020, Ocean City operations and engineering staff introduced the
4 Ocean Wind Project team with the City Solicitor and explained that the City
5 Solicitor would begin working on negotiating and drafting the necessary
6 easements. Following this correspondence, Ocean Wind understood that the City
7 Solicitor would send a standard easement form to be filled out by the Project
8 team; however, this never occurred.

9 On July 6, 2020, Ocean Wind reached out to the Mayor and City officials
10 to provide an update on progress for the Project and to schedule a meeting to
11 discuss onshore easements and cable routes. On July 13, 2020, Ocean Wind
12 conducted a virtual meeting with Ocean City officials to discuss Project details
13 and the necessary easements across Ocean City-owned properties. George
14 Savastano, Vincent Bekier, Doug Bergen, Mike Allegretto, Dorothy McCrosson,
15 and Carol Beske were all invited to attend on behalf of the City. The outcome of
16 this meeting was a plan to develop and ultimately introduce an inclusive
17 ordinance at City Council for the Project's requirements.

18 **III. COMMUNICATIONS REGARDING PROPOSED ORDINANCE**

19 **Q. Please describe the communications regarding a draft City ordinance for the**
20 **Project.**

21 A. On August 7, 2020, counsel for Ocean Wind corresponded with the City Solicitor
22 and counsel for the City, Dorothy F. McCrosson, Esq., regarding a draft
23 ordinance. The draft ordinance purported to grant consent and permission by the

1 City to Ocean Wind to install electrical cable systems and conduit in the City. A
2 true and correct copy of this draft ordinance is attached hereto as Appendix D.
3 Counsel for Ocean Wind attempted to follow-up with the City Solicitor on
4 multiple occasions following this initial correspondence. Ms. McCrosson on
5 behalf of the City responded on August 25, 2020, that the City was not ready to
6 bring the matter forward for that week's Council meeting.

7 **Q. What happened next with the proposed City ordinance?**

8 A. On September 4, 2020, the City Solicitor corresponded with counsel for Ocean
9 Wind that City Council intended to introduce the proposed ordinance on
10 September 24, 2020. Ms. McCrosson stated that the City did not have any
11 questions and would advise if any arose.

12 On September 16, 2020 the City Solicitor notified Ocean Wind that the
13 ordinance would not be on the Council meeting agenda for September 24 and
14 instead would be introduced at the October 8, 2020 meeting. Ms. McCrosson
15 indicated to Ocean Wind that this was not a reflection of the merits of the Project
16 or draft ordinance and instead a function of the already busy agenda for City
17 Council at this specific meeting.

18 On October 6, 2020, counsel for Ocean Wind emailed the City Solicitor,
19 having noticed that the Project ordinance did not appear to be listed on the
20 October 8 Council agenda. The ordinance was not discussed at the October 8,
21 2020 City Council meeting, and counsel for Ocean Wind attempted to reach the
22 City Solicitor afterwards by phone and email. On October 13, 2020, the City
23 Solicitor responded that the ordinance was among the items which the

1 administration and Council leadership were considering for inclusion at the
2 October 22 Council meeting. On October 15, 2020, the City Solicitor reached out
3 to counsel for Ocean Wind to discuss some questions regarding the proposed
4 ordinance. The ordinance was not introduced at the October 22 City Council
5 meeting.

6 **Q. Was anything else happening during this time period with respect to**
7 **community outreach and engagement?**

8 A. Yes, Ocean Wind conducted virtual open houses regarding the Project on October
9 20, 21, and 24, 2020. The purpose of these virtual open houses was to educate the
10 public about the Project and answer questions. Ocean City Councilman Mike
11 DeVlieger registered to attend in addition to approximately 940 registered
12 attendees for this series.

13 **Q. When did you hear back from the City on the draft Ordinance?**

14 A. On November 17, 2020, Ocean Wind received notice that there were concerns
15 from City Council members regarding the Project and that the ordinance would
16 not be considered by City Council.

17 **Q. What if anything did Ocean Wind do following receipt of this notice**
18 **concerning the ordinance?**

19 A. Ocean Wind participated in a City Council virtual public meeting on December 3,
20 2020 to provide an update to the Mayor and Council members. During this
21 meeting Ocean Wind presented an update on the Project and need for an
22 ordinance to allow the Project to install its transmission lines within the public

1 road right of way through Ocean City. A true and correct copy of the December
2 3, 2020 presentation is attached hereto as Appendix E.

3 **IV. ADDITIONAL COMMUNITY OUTREACH REGARDING CITY**
4 **CONSENTS FOR ENVIRONMENTAL PERMITTING, THE**
5 **GREEN ACRES DIVERSION PROCESS AND NECESSARY**
6 **EASEMENTS**

7
8 **Q. Following notice from the City regarding the proposed ordinance, what if**
9 **anything did you do next regarding City cooperation with Project approvals?**

10 A. Ocean Wind held a meeting with Mayor Jay Gillian and key staff on January 26,
11 2021. During this meeting, Ocean Wind provided further information on the
12 Project and the aspects of the Project that require City involvement. Over the
13 next few weeks, Ocean Wind conducted conversations with Mr. Bobby Barr,
14 Council President, and Mr. Michael DeVlieger, Council Vice President, to
15 address their concerns regarding Ocean City’s consents and approval related to
16 the Ocean Wind Project.

17 In February of 2021, Ocean Wind held meetings with City Council
18 members, two members at a time across three separate meetings, to provide
19 information on the Project and answer questions from Council members. There
20 was a discussion during this time with Ms. Karen Bergman, Councilwoman, At-
21 Large, to address Ms. Bergman’s concerns with tourism and the perceived risk of
22 the Project affecting the tourism economy.

23 From February through September of 2021, Ocean Wind maintained open
24 communications with each of the members of City Council to address their
25 concerns, including Mr. Keith Hartzell, Councilman, At-Large; Mr. Jody
26 Levchuk, Councilman, 3rd Ward, Mr. Peter Madden, Councilman, At-Large, and

1 Mr. Tomaso Rotondi, Councilman, 2nd Ward, Mr. Michael DeVlieger,
2 Councilman 1st Ward and his replacement, Mr. Terrence Crowley, Councilman,
3 1st Ward. We provided Project details and discussed what the Project needed
4 from the City by way of approvals and consents needed for environmental
5 permitting, as well as the easements needed across City-owned properties.
6 Despite the delays and concerns expressed by Council members, we continued to
7 make Ocean Wind accessible to Council in a continued effort to work towards
8 City approval and cooperation with Project needs. The Project was highly
9 encouraged to host an additional, in-person public meeting in Ocean City with
10 ample time for questions from the public.

11 **Q. Were any public hearings about the Project held around this time period?**

12 A. Yes, there were three virtual scoping hearings hosted by the Bureau of Ocean
13 Energy Management on April 13, 15, and 20, 2021. The purpose of these scoping
14 hearings was for the public to learn about the Project's Construction and
15 Operations Plan (COP), ask questions, and provide oral testimony. The scoping
16 process is intended to identify what should be considered in BOEM's
17 Environmental Impact Statement for Ocean Wind.

18 **Q. What steps did you take next in your communications with the City**
19 **concerning the Project?**

20 A. Ocean Wind sent a letter to the City requesting a meeting to discuss the Project
21 and potential benefits for the City on May 13, 2021. A true and correct copy of
22 the May 13, 2021 letter is attached hereto as Appendix F. In response, Ocean
23 Wind conducted more meetings with the Mayor and City Council members in

1 June and July of 2021. We conducted meetings on June 7, June 18, July 13, 2021,
2 and had informal discussions as well. We introduced new Project team members
3 and continued to answer questions about the Ocean Wind Project. On July 13,
4 2021, in a meeting with Mayor Gillian and staff, Ocean Wind discussed
5 permitting details and a timeline for the Project, in addition to the potential for
6 hosting an open house in Ocean City.

7 **Q. Did you provide the City with a consolidated list or explanation of all**
8 **easements and permitting approvals required from the City as reasonably**
9 **necessary for the Project?**

10 A. On August 11, 2021, Ocean Wind submitted a formal letter and request pursuant
11 to N.J.S.A. 48:3-87.1 et seq., providing the requisite 90-day statutory notice and
12 requesting the specific land right approvals and consents from Ocean City that are
13 reasonably necessary for the construction and operation of the Project. This
14 included easements over specific City-owned properties identified by block and
15 lot, the request to file a Green Acres diversion application with NJDEP, and
16 consents needed for NJDEP permits. A true and correct copy of this August 11,
17 2021 letter is attached hereto as Appendix G.

18 **Q. Did you hear back from the City in response to this letter?**

19 A. The City did not provide a formal response to our August 11, 2021 letter or
20 otherwise agree to the requested consents and approvals. However, Ocean Wind
21 continued to hold meetings with various local stakeholders regarding Project
22 needs and timeline. We met with Mayor Gillian and staff on September 2, 23,
23 and 24, 2021 and we met with certain City Council members on September 24,

1 2021 to provide a Project update, answer questions and accept feedback on
2 conducting an additional open house event with the community.

3 **Q. What discussions did you have with the City regarding the Green Acres**
4 **diversion process?**

5 A. Ocean Wind discussed the Green Acres diversion process with Mayor Gillian, the
6 Business Administrator and the City Solicitor during a meeting on July 13, 2021.
7 Ocean Wind conducted a telephone meeting with the City Solicitor on August 11,
8 2021 regarding conducting a Green Acres scoping hearing and the scheduling for
9 such a hearing. We explained on this call that by holding the scoping hearing, the
10 City was not committed in any way to complete the diversion process, but that the
11 applicable Green Acres regulations require a scoping hearing be conducted by the
12 local government unit, in this case Ocean City. Ocean Wind emphasized the
13 importance of conducting this scoping hearing in the October/November 2021
14 timeframe. Ocean Wind then followed-up with the City Solicitor by phone and
15 email repeatedly in August, September and October of 2021 regarding the scoping
16 hearing for the Green Acres diversion, including attempts to schedule the hearing,
17 a proposed location for such a hearing, the proposed sign posting and rendering in
18 anticipation of the hearing to provide public notice, the locations for such signage
19 regarding the hearings and other logistics to ensure meaningful participation and
20 access to the Green Acres scoping hearing by the public.

21 **Q. What happened next with the Green Acres scoping hearing?**

22 A. On October 12, 2021, Ocean Wind conducted a virtual meeting with the City
23 Solicitor and Judeth Yeany and Kevin Appelget of the NJDEP Green Acres

1 Program to discuss the details of the Green Acres diversion process and confirm
2 that the City would host the required scoping hearing. On that same day, the City
3 Solicitor called and confirmed by email to Ocean Wind that Ocean City would not
4 be proceeding with the Green Acres scoping hearing until after the scheduled
5 November 6, 2021 open house, which I discuss later in my testimony.

6 **Q. What did you do next with respect to the easements needed from Ocean City**
7 **and the Green Acres diversion process?**

8 A. On November 1, 2021, Ocean Wind sent another formal letter to the City Solicitor
9 outlining the Project's outreach to-date and the necessary decision dates for
10 hosting a scoping hearing for the Green Acres diversion. A true and correct copy
11 of the November 1, 2021 letter is attached hereto as Appendix H. This letter
12 reiterated the specific property rights, including rights of way and easements, that
13 have been identified as reasonably necessary for the construction and operation of
14 the Project. After discussing the history of extensive communications between
15 the City and the Project with respect to the necessary easements and the Green
16 Acres diversion process, Ocean Wind requested in the letter that the City make a
17 decision to proceed with the Green Acres scoping hearing by no later than
18 December 17, 2021 so that the target date of commercial operation of the Project
19 could be met. Ocean Wind further explained in the November 1 letter that it is
20 committed to working cooperatively with the City and would be able to negotiate
21 compensation for the necessary permanent easements in accordance with the
22 Green Acres rules.

1 Ocean Wind then hosted a public open house in Ocean City on November
2 6, 2021. The purpose of this open house was to educate the public about the
3 Project and answer questions from the audience both in-person and online. The
4 format, date, location, and public notice of the open house were shaped based on
5 feedback from Mayor Gillian, Council President Barr, Councilman Rotondi, and
6 Ocean City staff. Mayor Gillian, Council President Barr, Vice Council President
7 Rotondi, Councilman Hartzell, and Councilman Crowley attended at least part of,
8 if not the entire event. After this open house, Ocean Wind followed-up with a
9 conference call with Council President Barr and Councilman Rotondi to discuss
10 feedback from the open house. Council President Barr and Councilman Rotondi
11 requested Ocean Wind conduct an additional public meeting for Ocean City
12 residents only. We expressed willingness and an interest in participating in a
13 follow up public meeting for Ocean City residents should the City choose to host
14 one.

15 **Q. Have you had any subsequent communications with the City concerning**
16 **Project needs?**

17 A. On December 2, 2021, Ocean Wind had a call with the City Solicitor to discuss
18 the Green Acres diversion process and scheduling a meeting with the City to
19 discuss compensation for the easements needed for the Project and the potential
20 benefits to the City and its residents. Ocean Wind followed up with the City
21 Solicitor, however a meeting was not immediately scheduled.

22 On December 15, 2021, Ocean Wind submitted another letter to the City
23 requesting it: (1) confirm its agreement to hold a Green Acres scoping hearing

1 and notify the Project by December 24, 2021 (giving the City an additional week
2 to make a decision as compared to what was originally contained in the
3 November 1, 2021 letter); and (2) provide consent for the submission of permits
4 to the NJDEP Division of Land Resource Protection for permit applications under
5 the Waterfront Development Act, Wetlands Act of 1970, Coastal Area Facilities
6 Review Act, Flood Hazard Area Control Act, and Freshwater Wetlands Protection
7 Act. Ocean Wind explained that it would need consent from the City for the
8 submission of these permits by January 21, 2022 to allow for the initiation of
9 environmental review through the state permitting process. A true and correct
10 copy of the December 15, 2021 letter is attached hereto as Appendix I.

11 **Q. Have you received any formal response by the City to this letter, or otherwise**
12 **any consent or approval from the City for City land use rights or permitting**
13 **associated with the Project?**

14 A. Yes. On December 23, 2021, the City Solicitor sent a letter stating that the City
15 was not ready to begin the Green Acres process and expressing concern over the
16 City's support for the Project. A true and correct copy of the December 23, 2021
17 letter is attached hereto as Appendix J.

18 **Q. Has Ocean Wind submitted a formal offer to acquire the necessary**
19 **easements from Ocean City?**

20 A. Yes. On December 22, 2021, Ocean Wind submitted a formal offer to purchase
21 the necessary easements and property rights, including copies of drawings
22 depicting the necessary easements across City-owned property and appraisals for
23 the property rights which Ocean Wind proposes to acquire from the City.

1 Specifically, Ocean Wind offered the City \$202,000 for the necessary easements.
2 This offer was equal to ten times the amount of the total appraised value of the
3 permanent easements and is in accordance with the requirements of the Green
4 Acres regulations at N.J.A.C. 7:36-26.10(g). A true and correct copy of this
5 December 22, 2021 letter is attached hereto as Appendix K. Since submitting this
6 formal offer to purchase, Ocean Wind has continued to engage with Ocean City in
7 good faith discussions and negotiations concerning the necessary easements and
8 property rights but has yet to reach a resolution for Ocean Wind to acquire the
9 necessary property rights.

10 **V. SUMMARY OF OCEAN WIND'S COMMUNITY OUTREACH**
11 **AND ENGAGEMENT WITH OCEAN CITY**

12
13 **Q. Did Ocean Wind engage in sufficient outreach with Ocean City prior to filing**
14 **this petition?**

15 A. Yes. From as early as August of 2019, shortly after Ocean Wind received its
16 award from the BPU, Ocean Wind engaged in discussions with City Council, the
17 Mayor and staff, and the community at large concerning the Project and the City's
18 cooperation with environmental permitting and the Green Acres diversion
19 process. This included discussions of a proposed ordinance; numerous open
20 houses, both virtual and in-person; meetings and discussions with the City
21 Solicitor, Mayor and staff, and City Council; and formal written requests
22 outlining the specific consents and approvals needed from the City for
23 environmental permitting and the necessary easements across City-owned
24 properties. We routinely made ourselves available to answer questions, address
25 concerns, and negotiate terms in order to reach a resolution with the City that

1 provided us with the requisite property rights and approvals while satisfying the
2 City's needs. This culminated in a formal letter under New Jersey law to provide
3 the City with 90 days to provide approval for the permitting and property rights
4 needs of the Project, sent by Ocean Wind on August 11, 2021. This was
5 supplemented with formal requests related to the NJDEP permitting and Green
6 Acres scoping hearing sent by Ocean Wind to the City on November 1 and
7 December 15, 2021. As discussed above, a formal offer to purchase the necessary
8 easements was then submitted to the City on December 22, 2021. We followed-
9 up with the City Solicitor and Business Administrator on January 10, 2022 to
10 discuss the Green Acres compensation offer and process. Ocean Wind sent
11 another email to the City Solicitor on January 12, 2022 regarding the Green Acres
12 process and to notify the City that the Project would prepare this petition in the
13 absence of the City's cooperation.

14 **Q. Did the City cooperate in this process or give any indication that it would**
15 **prospectively accept the requests made by Ocean Wind associated with the**
16 **Project?**

17 A. Unfortunately, no. After all the discussions, meetings, and letters exchanged by
18 Ocean Wind and Ocean City from August of 2019 through the present, it has
19 become apparent that the City will not voluntarily provide Ocean Wind with any
20 of the necessary approvals or consents for environmental permitting or grant the
21 necessary easements over the Green Acres-restricted properties. Due to the lack
22 of cooperation from the City, Ocean Wind has determined that it must seek
23 recourse with the Board as authorized by New Jersey law, in order to ensure that

1 the Project deadlines are met. At all times, the Project team has been ready and
2 willing to meet with the appropriate leadership and staff of the City to discuss
3 Ocean Wind's requests and the benefits the Project can provide to the City and its
4 residents. Ocean Wind believes there is a lot that can be gained by the City
5 through its involvement in the Project. However, Ocean Wind must ensure that
6 the delay from the City in securing necessary approvals and consents does not
7 delay Ocean Wind from becoming operational and providing the State with clean
8 energy.

9 **Q. Does this conclude your direct testimony at this time?**

10 A. Yes, it does.

MADLINE URBISH

PROFESSIONAL EXPERIENCE

Ørsted Offshore North America

Head of Government Affairs & Policy, NJ

Mar. 2021 – Present

- Set and shape Ørsted's legislative and regulatory agenda to positively impact the emerging offshore wind market in North America and establish Ørsted as a thought leader on state-level issues affecting offshore wind, actively tracking and advancing relevant legislation and regulation
- Formulate political strategies to advance Ørsted's market interests and assist Ocean Wind's Project Development team in navigating the state and local regulatory processes
- Develop and maintain positive working relationships with the Governor's Office, state agencies, members of the Legislature, the New Jersey congressional delegation, and local elected officials
- Manage and coordinate Ørsted's team of external government affairs consultants, closely coordinate and maintain regular channels of communication with government affairs counterparts at PSEG, and serve as the primary point of contact for Ørsted with New Jersey stakeholders and regional trade associations
- Participate in global initiatives with Ørsted's international team of government affairs and public relations professional

River Crossing Strategy Group

Senior Associate

Jan. 2019 – Mar. 2021

- Represent and advise clients on New Jersey state politics and policies, including energy, transportation, environmental protection, agriculture, healthcare and vaccination, and anti-hunger initiatives, among other issues
- Develop and execute advocacy and engagement strategies to achieve clients' discreet and broad goals, including identifying key decision makers in state and local government and outside stakeholders, building and managing governmental and stakeholder relationships, and coordinating communications with decision makers, stakeholders, and clients
- Forge and maintain strong working relationships with principles and staff in the Governor's Office, Board of Public Utilities, Department of Environmental Protection, Legislature, and other state and local government entities
- Consult with and assist offshore wind client on developing its bid for competitive OREC solicitation, engaging with external stakeholders, and connecting with local, state, and federal government officials
- Track and analyze state legislation, work with clients to develop policy recommendations for bills, and coordinate with clients on delivering public testimony
- Assist in drafting state legislative and budget language in consultation with clients, legislators, legislative staff, executive branch staff, and other stakeholders
- Participate in the development of the firm's political giving strategy and its implementation

Office of Governor Phil Murphy

Policy Advisor

Jan. 2018 – Jan. 2019

- Advised the Governor and senior staff on all issues related to energy, environment, and agriculture policy
- Oversaw the implementation of key clean energy policies across multiple departments and authorities and the front office's response to emerging issues relating to energy, environment, and agriculture
- Shaped and provided feedback on regulations and legislation concerning offshore wind and solar energy, environmental protection, energy efficiency, agriculture, appropriations, viticulture, land preservation, environmental justice, water resources, and other policy portfolio issues

- Managed interdepartmental initiatives with the Board of Public Utilities, Department of Environmental Protection, Economic Development Authority, Department of Agriculture, Department of Health, Motor Vehicle Commission, Department of Labor and Workforce Development, the Port Authority of New York and New Jersey, and more
- Coordinated with New Jersey congressional delegation and staff on key issues including Federal Energy Regulatory Commission and RTO policy, the Clean and Drinking Water Revolving Fund, lead service line replacement resources, site remediation, and environmental justice.
- Supervised front office communications on energy, environment, and agriculture issues
- Met with stakeholders, including local government representatives, companies, advocates, and other interested parties to hear concerns, recommendations, and requests on a variety of energy, environmental, and agricultural issues on behalf of the Governor and front office

New Jersey Audubon

Director, Coalition for the Delaware River Watershed

Dec. 2015 – Jan. 2018

- Managed a four-state coalition made up of over 120 NGOs, including environmental conservation nonprofits, local watershed organizations, fishing and hunting associations, and clean water advocacy groups
- Led federal advocacy efforts, including passage of the Delaware River Basin Conservation Act and subsequent appropriations for the Delaware River Basin Restoration Program
- Managed strong, ongoing relationships with governmental and NGO partners, including local, state, and national elected officials and their staff, Coalition members, funders, and other governmental entities, including state agencies and the Delaware River Basin Commission
- Worked closely with congressional and federal agency staff on developing legislative language and strategies, producing program implementation plans, and communicating across agencies and the legislature
- Oversaw daily operations of the Coalition, such as supervising staff, overseeing multiple projects, managing budgets, and directing both internal and external communications
- Assisted the New Jersey Audubon government relations team on efforts to advance legislation at the state level

Warwick Group Consultants, LLC

Senior Public Policy Advisor

Apr. 2015 – Dec. 2015

- Conducted technical regulatory and legislative research on a variety of issues, including appropriations bills, flood insurance programs, and water and surface transportation infrastructure
- Tracked and analyzed federal legislation and developed policy recommendations to increase the efficacy and efficiency of the U.S. Army Corps of Engineers' flood risk management and shoreline protection programs
- Guided 13 county and municipal clients through the U.S. Army Corps of Engineers' civil works program to expedite shoreline protection studies and implementation resulting in clients receiving over \$5 million in federal funding
- Developed language for water resources legislation in coordination with congressional staff

U.S. House of Representatives – Rep. Tony Cárdenas, CA-29

Legislative Intern

Jan. 2015 – Apr. 2015

- Conducted legislative research and produced memos and briefs on a variety of issues including health care, education, and alternative sources of energy
- Provided independent policy analysis on several issues including Medicare and the "Doc Fix"
- Drafted speeches for the Congressman, including one-minute floor speeches

The College of New Jersey – Center for Community Engaged Learning & Research

Policy and Public Relations Coordinator

Sep. 2011 – Dec. 2014

- Managed external relations for the Center for Community Engaged Learning & Research, the Bonner Institute for Civic & Community Engagement, and the Trenton Prevention Policy Board
- Coordinated all policy and collective impact initiatives within the Center including the Trenton Prevention Policy Board, the Mercer County Reentry Task Force, and other community-based efforts
- Provided independent policy analysis on a variety of complex issues including juvenile delinquency, urban education, homelessness, and student democratic engagement, among others
- Managed a community-based coalition focused on addressing juvenile delinquency and promoting positive youth development in Trenton through policy and practice recommendations, including one which resulted in receiving a \$1.1 million grant from the New Jersey Attorney General's Office to implement a violence reduction strategy
- Produced reports, policy briefs, white papers, press releases, and other documents under various deadlines
- Established and maintained strong, on-going relationships with local, county, and state officials as well as over 20 community partner organizations

New Jersey State Legislature – Assemblywoman Bonnie Watson Coleman

Legislative Research Aide

Sep. 2009 – Aug. 2011

- Conducted research on a variety of issues for the Assemblywoman's legislative agenda, including secondary and higher education, expungement, and prisoner reentry
- Communicated on behalf of the Assemblywoman with constituents, state departments, and other organizations
- Staffed the Assemblywoman and Assemblyman Gusciora at various meetings, speaking engagements, and events.

ORGANIZATIONS & VOLUNTEER EXPERIENCE

Chamber of Commerce of Southern New Jersey, Member, Board of Directors – Dec. 2021-Present

New Jersey Future, Member, Board of Trustees – Sep. 2021-Present

Lambertville City Council, Councilwoman – Dec. 2019-Dec. 2020

Lambertville Planning Board of Adjustments, Member – 2019

Lambertville Zoning Board of Adjustments, Member – 2017-2019

New Leaders Council–New Jersey, 2017 Fellow

Delaware River Greenway Partnership, Member, Board of Trustees – 2016-2018

EDUCATION

University of Pennsylvania

Master of Public Administration

The College of New Jersey

Bachelor of Arts in History, Political Science

SKILLS

- Exceptional interpersonal communication, public speaking, and writing skills developed through producing reports, memos, and comments, managing interdepartmental and coalition relations, and presenting at conferences
- Excellent ability to analyze and evaluate complex policies and develop multifaceted responses and solutions
- Strong leadership skills developed through managing staff, interdepartmental initiatives, and numerous projects
- Thorough knowledge of federal, state, and local legislative and budget processes
- Strong time management and organizational skills developed from project and personnel management
- Proven problem solving and management skills in a consistently changing and demanding workplace

NOTICE OF A FILING AND NOTICE OF PUBLIC HEARING

IN THE MATTER OF THE PETITION OF OCEAN WIND, LLC PURSUANT TO N.J.S.A. 48:3-87.1(f) FOR A DETERMINATION THAT EASEMENTS ACROSS GREEN ACRES-RESTRICTED PROPERTIES AND CONSENTS NEEDED FOR CERTAIN ENVIRONMENTAL PERMITS IN, AND WITH RESPECT TO, THE CITY OF OCEAN CITY ARE REASONABLY NECESSARY FOR THE CONSTRUCTION OR OPERATION OF THE OCEAN WIND 1 QUALIFIED OFFSHORE WIND PROJECT

BPU Docket No. _____

PLEASE TAKE NOTICE that, on February 2, 2022, Ocean Wind, LLC (“Ocean Wind”), filed a Verified Petition with the New Jersey Board of Public Utilities (the “Board”), under BPU Docket No. _____, together with supporting testimony and exhibits. The Verified Petition seeks the Board's determination that certain easements across Green Acres restricted properties identified on the Official Tax Map of the City of Ocean City (“Ocean City”) as Block 611.11, Lots 137 and 145, Block 3500, Lot 1 (including riparian grant) and Block 3350.01, Lot 17 owned in fee by Ocean City and consents needed for certain environmental permits in, and with respect to, these Green Acres properties and Ocean City’s road right of way within Ocean City, New Jersey are reasonably necessary for the construction or operation of the Ocean Wind 1 Qualified Offshore Wind Project (“QOWP” or “Project”).

The Project is the first offshore wind project approved by the Board as a QOWP and the first to be approved to receive Offshore Wind Renewable Energy Certificates. As such, the Project will help to implement Governor Murphy’s Executive Order No. 8 (2018), which called upon the Board to fully implement the Offshore Wind Economic

Development Act of 2010 and to proceed with an initial solicitation of offshore wind (“OSW”) capacity as a first step in meeting the State’s goal of 3,500 MW of OSW capacity by 2030 (now 7,500 MW by 2035). The Board issued an order dated June 21, 2019 approving the Project as a QOWP.

The easements and related approvals sought in the Verified Petition concern a segment of the onshore portion of the Project that is proposed to be constructed in Ocean City.

A copy of this Notice of a Filing and Notice of Public Hearing on the Verified Petition is being served upon the Clerk and governing body of the City of Ocean City, the Clerk and Administrator of the Board of County Commissioners of the County of Cape May, the Cape May County Clerk, the Department of Law & Public Safety, Division of Law, the Director of the Division of Rate Counsel, and the Commissioner of the Department of Environmental Protection. A copy of the Verified Petition, supporting documents and supplement will be made available for inspection on Ocean Wind’s website at: [insert link to website]

Due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and time so that members of the public may present their input on the Verified Petition:

Date: _____, 2022 **Time:** _____ p.m. **Telephone Number: 1-800-258-2080**

Representatives from Ocean Wind, Board Staff, and the New Jersey Division of Rate Counsel will also participate in the telephonic public hearings. Members of the public are invited to call in and present their views on this matter by calling the above “Telephone

Number.” All comments will be made part of the final record of this proceeding and will be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters or listening assistance, 48 hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

The Board will also accept email/written comments. While all comments will be given equal consideration and will be made a part of the final record of this proceeding, the preferred method of transmittal is via the Board’s External Access Portal after obtaining a MyNewJersey Portal ID. Detailed instructions for e-Filing can be found on the Board’s home page at <https://www.nj.gov/bpu/agenda/efiling>. Emailed comments may be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov. Written Comments may also be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All comments should include the name of the Petition and the docket number provided at the top of this Notice.

All comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

OCEAN WIND, LLC

Mayor's Message: Feb. 7

By MediaWize - February 7, 2020



Mayor Jay Gillian

Dear Friends,

I'm sad to report on the passing of Mario Gallelli, who ran the Tahiti Inn in Ocean City with his family. Mario was a faithful member of St. Damien Parish, he was beloved by many in town, and he was an important part of our local hospitality industry.

A viewing for Mario will be held 6 p.m. to 8 p.m. tonight at the Godfrey Funeral Home, 4008 English Creek Avenue in Egg Harbor Township and again 9 a.m. to 10:30 a.m. Saturday at St. Augustine Roman Catholic Church in Ocean City. A funeral Mass will follow.

I hope you all will join Michele and me in extending our deepest condolences to his wife, Triestina, their children, grandchildren, and all of their friends and family.

Starting on Monday, Bay Avenue will be closed from Eighth Street to Ninth Street as part of the Cape May County Municipal Utilities Authority project to replace the main that carries our wastewater to the

treatment facility at 46th Street. Please plan to use West Avenue to travel southbound or to access the outbound lanes of Ninth Street.

This pattern will remain in effect until the county's work crews can excavate an access pit and make all the necessary tie-ins. Work continues on other parts of Bay Avenue and 31st Street. To follow updates on this project and to sign up for email notifications, visit www.ocnj.us/projectupdate. I want to thank you all for your patience and understanding as the county completes work on this important repair project.

A public town hall meeting will be held at 10 a.m. tomorrow (Saturday, Feb. 8) to provide updates on Ørsted's offshore wind project. The meeting will be held at the Ocean City Tabernacle (550 Wesley Avenue).

The public is encouraged to attend to learn more about Ørsted and the Ocean Wind Project, which is expected to power more than half a million New Jersey homes by 2024. Ørsted is exploring different locations where underground cables could connect to the grid – one includes the former B.L. England Generating Station in Beesley's Point, where clean energy would replace what was once produced at the coal-burning plant.

Ocean City Intermediate School students, under the guidance and direction of the Cape May County Municipal Utilities Authority, are launching a new program to collect plastic bags and film packaging for recycling. Everybody is invited to drop off recyclable plastic at any one of five locations in Ocean City:

- Ocean City Intermediate School, 18th Street and Bay Avenue
- City Hall, 9th Street and Asbury Avenue
- Henry Knight Building, 12th Street and Haven Avenue
- Ocean City Community Center, 1735 Simpson Avenue
- Shelter Road Recycling Center, Shelter Road off Tennessee Avenue

Most drop-off locations are indoors and subject to building hours of operation. All materials collected will be used to create composite decking and railing products. [Click here](#) for more information.

The Ocean City Board of Realtors has launched its "Food Is Love" winter food drive to collect non-perishable food items for the local Ecumenical Council Food Cupboard.

Donations can be dropped off through Feb. 29 at the board office at 405 22nd Street. Contributors also can call the office at 609-399-0128 for pickup service.

Warm regards,

Mayor Jay A. Gillian

Ordinance No. _____

AN ORDINANCE

GRANTING CONSENT AND PERMISSION TO OCEAN WIND LLC
TO INSTALL ELECTRICAL CABLE SYSTEMS AND CONDUIT IN THE CITY OF OCEAN
CITY

WHEREAS, the City of Ocean City hereby grants consent and permission to Ocean Wind LLC (“Ocean Wind”), a Delaware Limited Liability Company to install and maintain electrical cable systems and conduit in the City of Ocean City as more particularly set forth below:

WHEREAS, Ocean Wind is a Qualified Offshore Wind Project (“QOWP”) pursuant to N.J.S.A. 48:3-87.1 *et seq.* presently seeking the municipal consent of the City to permit said QOWP to install electrical cable systems and conduit in the City as more particularly set forth below.

WHEREAS, Ocean Wind has requested the consent of the City to install electrical cable systems and conduit as more particularly set forth below beneath and within and restore such public roads, streets and places as it may deem necessary for its corporate purposes, free from all charges to be made for said privilege (except that fees for road opening permits shall be paid), provided that said cable systems and conduit shall be laid at least three feet (3’) below the surface except for certain apparatus for the operation and maintenance of the cable systems and conduit which will be less than 3 feet (3’) below the surface [which apparatus shall include but not be limited to manholes, grounding devices, concrete support, certain ancillary cables and certain ancillary boxes] and shall not in any way unnecessarily obstruct or interfere with the public travel or cause or permit other than temporary damage to public or private property; and

WHEREAS, it is deemed to be in the best interest of the citizens of the City to provide this consent:

WHEREAS, the Mayor and Council of the City have concluded that granting of said consent shall enhance the health, safety and welfare of the citizens of the City.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY AS FOLLOWS:

Section 1. That perpetual consent and permission is given to Ocean Wind, its successors and assigns, without charge therefore, (except that fees for road opening permits shall be paid) as the same may be required in order to permit Ocean Wind to place, replace, construct, reconstruct, install, reinstall, add to, extend, use, operate, inspect and maintain said electrical cable systems and conduit in the public property described herein. This shall include permission to lay said cable systems and conduit beneath the public roads, streets and public property. The public property shall include all roads, streets and public places. The privilege granted herein shall include the construction, installation and maintenance of electrical cable systems and conduit, concrete encasements and all equipment and apparatus required to energize and operate the electrical cable systems and conduit and all appurtenances thereto on, in, below and along the roads of the City as well as streets, parks and public places at all locations within the City.

Section 2. That the consent granted herein shall be subject to the Ocean Wind complying with all applicable laws of the City and/or the State of New Jersey including, but not limited to, any and all statutes and administrative agency rules and/or regulations.

Section 3. The Business Administrator, Mayor and the Clerk of the City are authorized to execute the documents and agreements necessary to effectuate this municipal consent and to protect the rights of the public involved.

Section 4. Each section, subsection, sentence, clause and the phrase of this Ordinance is declared to be an independent section, subsection, sentence, clause and phrase, and the finding or holding of any such portion of this Ordinance to be unconstitutional, void, or ineffective for any cause, or reason, shall not affect any other portion of this Ordinance.

Section 5. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Ocean Wind Overview

Orsted

Kris Ohleth
December 3, 2020



Ørsted Offshore: Global overview

25+ years of experience and unparalleled track record

APPENDIX E

The global leader in offshore wind

- › **6.8 GW** installed capacity
- › **3.1 GW** under construction
- › **1,500+** turbines spinning
- › **26** offshore wind farms in operation

The world's first

Vindeby, 1991
5 MW



America's first

Block Island Wind Farm, 2016
30 MW



The world's largest

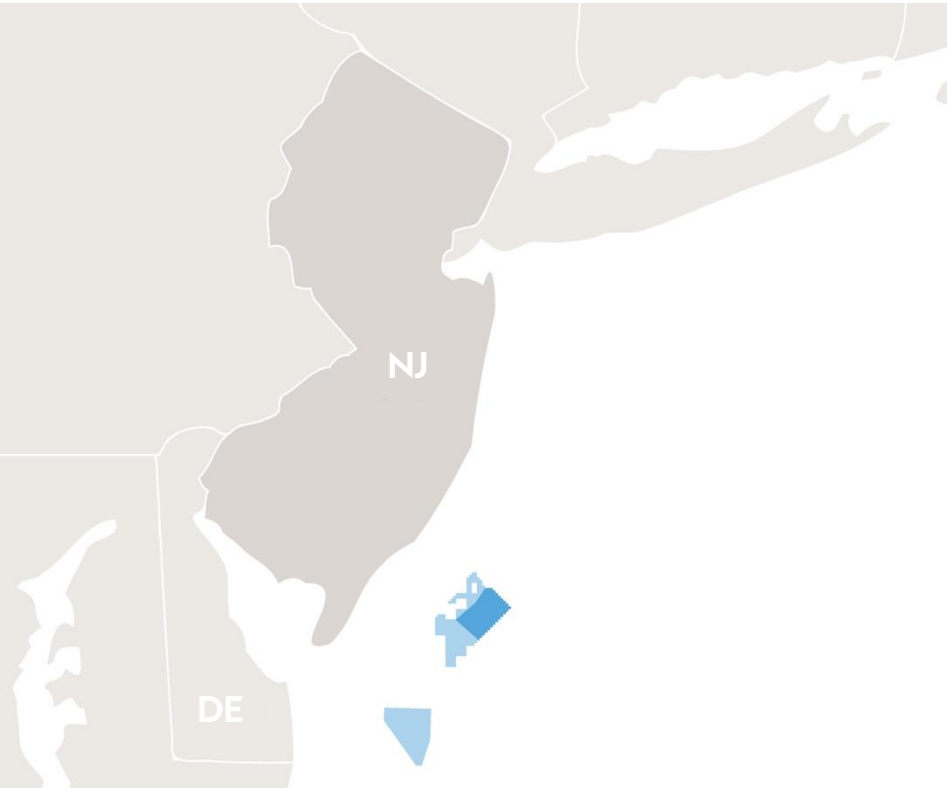
Horns Rev 1, 2020
1.2 GW



Ocean Wind

Awarded by the NJ BPU in June 2019

APPENDIX E

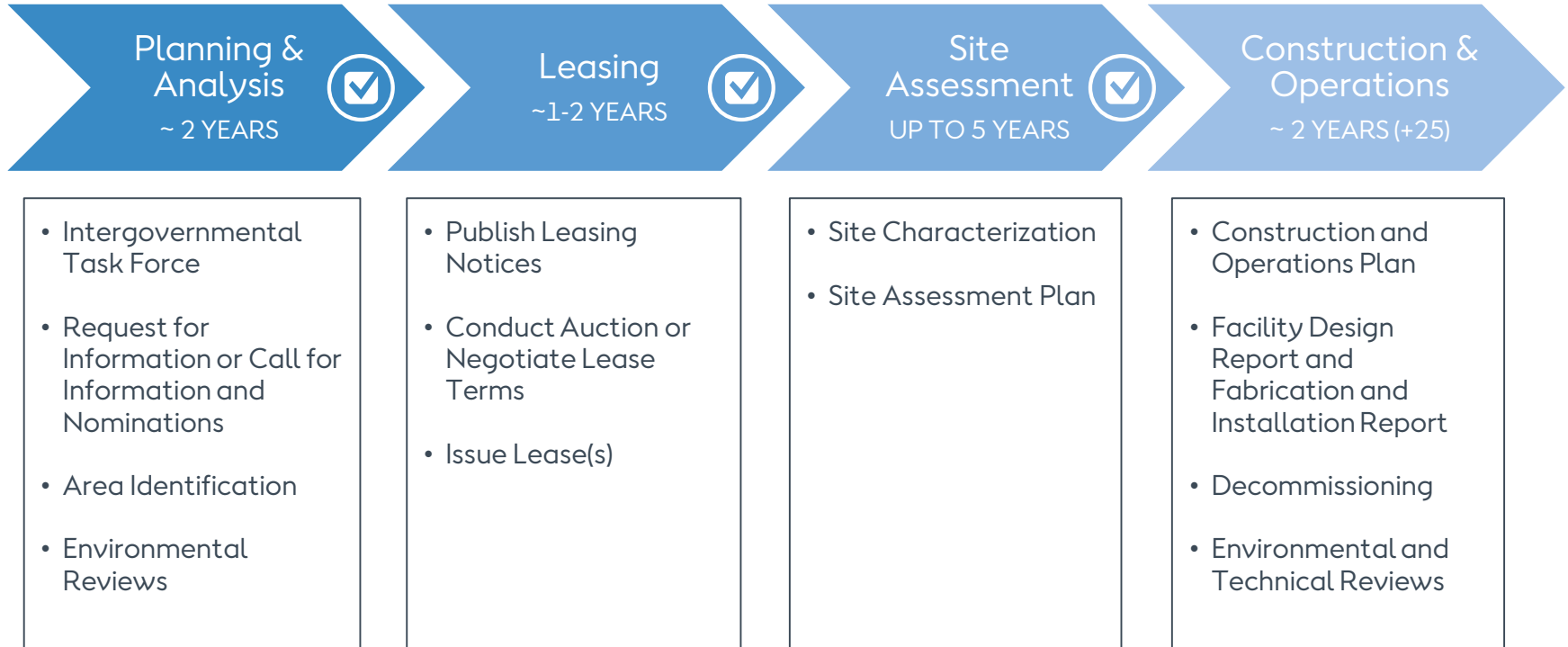


Project overview

- Support from PSEG
- 15 miles off the coast of Southern New Jersey to minimize visual and environmental impacts
- Will create a significant amount of jobs in the construction phase of the project
- Will power over half a million NJ homes with clean energy

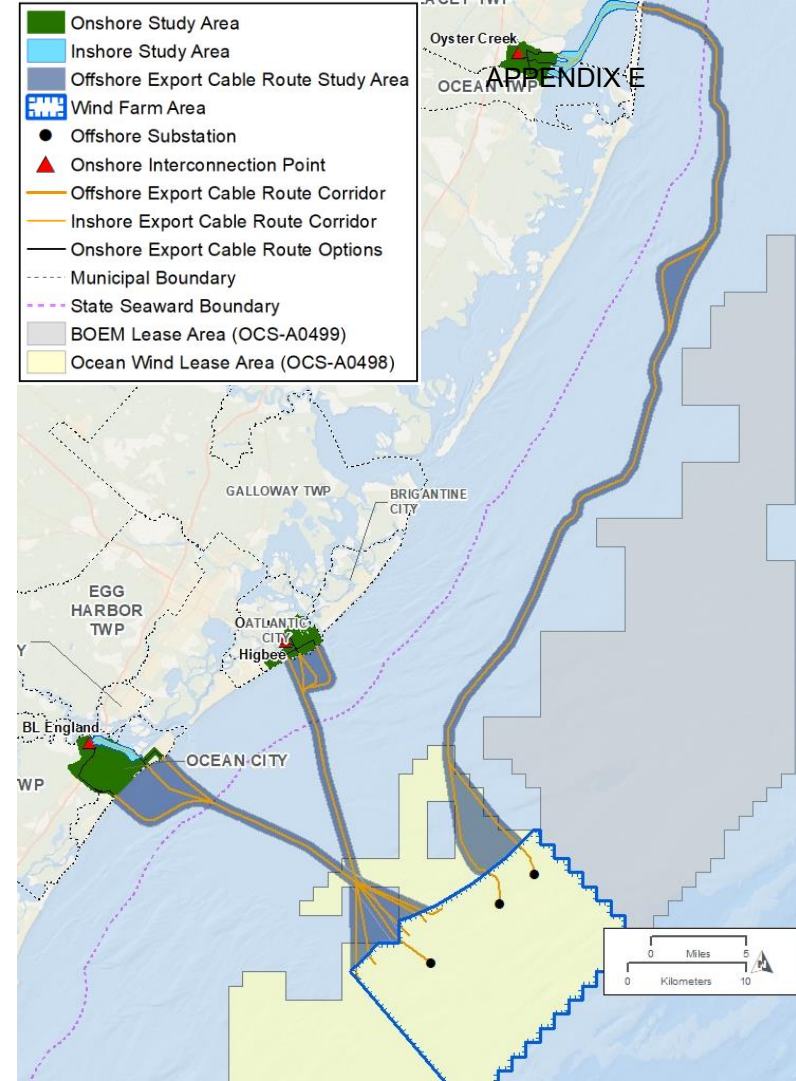
BOEM offshore wind federal process

Ocean Wind status

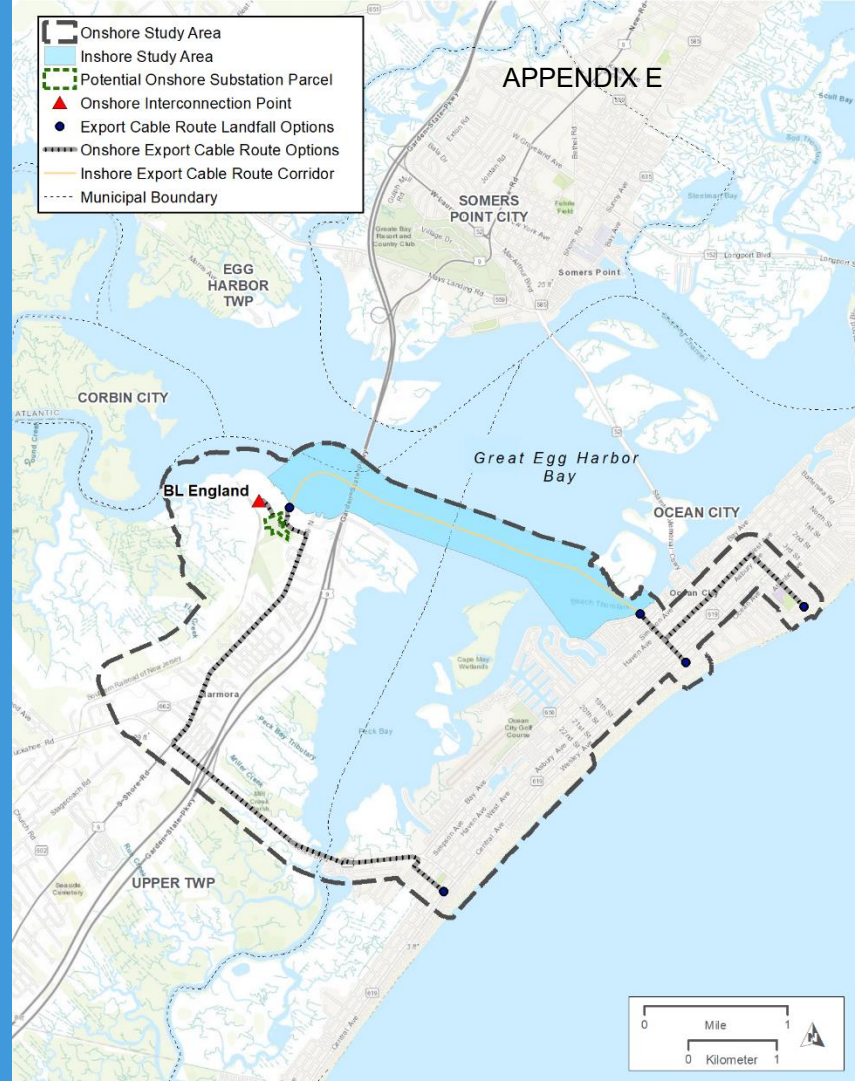


Connecting the wind farm to the land-based grid

- Three options for points of interconnection - only two will be selected
- Landfall location were identified based proximity to point of interconnection.
- Landfall areas included screening for:
 - Engineering feasibility
 - Existing infrastructure and grid capacity
 - Environmental and cultural impacts
 - Socio-economic impacts

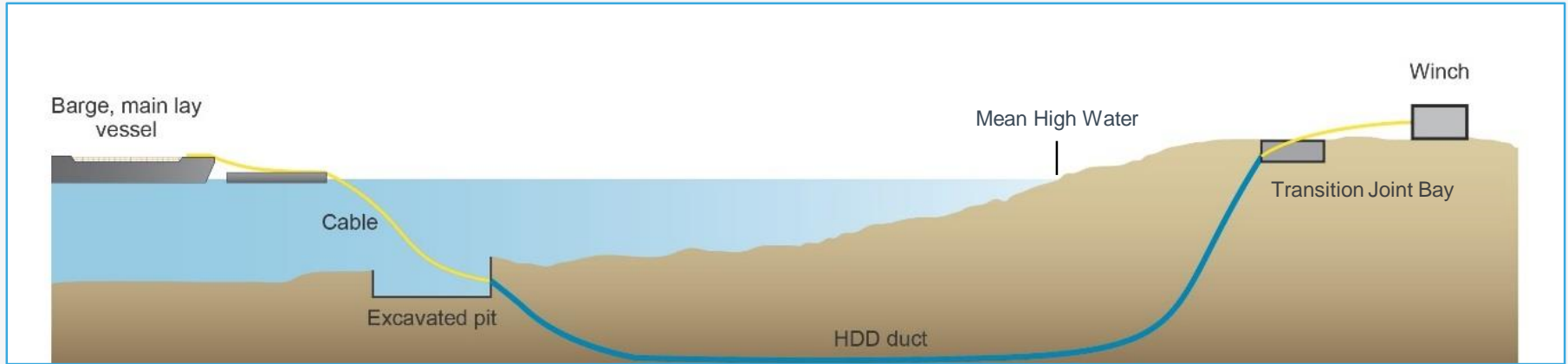


BL England indicative routes: Ocean City and Upper Township



Horizontal Directional Drilling is one option for transition the cable from offshore to onshore

- The cable would be drilled from offshore under the beach, helping to avoid and minimize potential impacts to the sensitive coastal areas
- Minimum targeted cable burial depth is 30ft below the active beach to avoid the cable being impacted by beach erosion



Note: not to scale

Typical utility construction in existing roadways

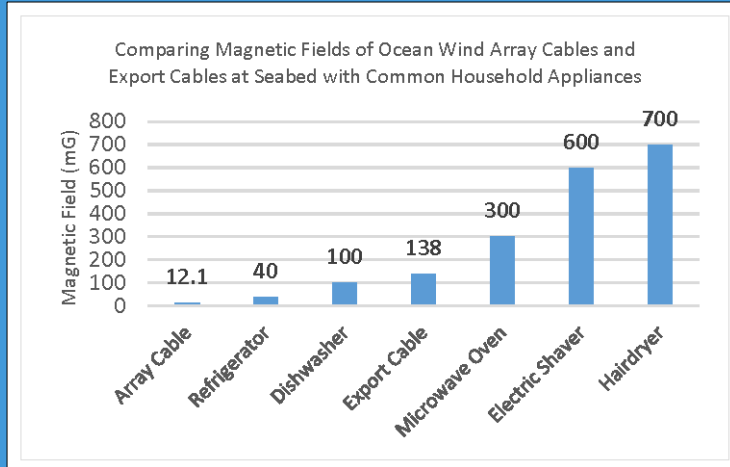
APPENDIX E



Underground duct work installed via trenching

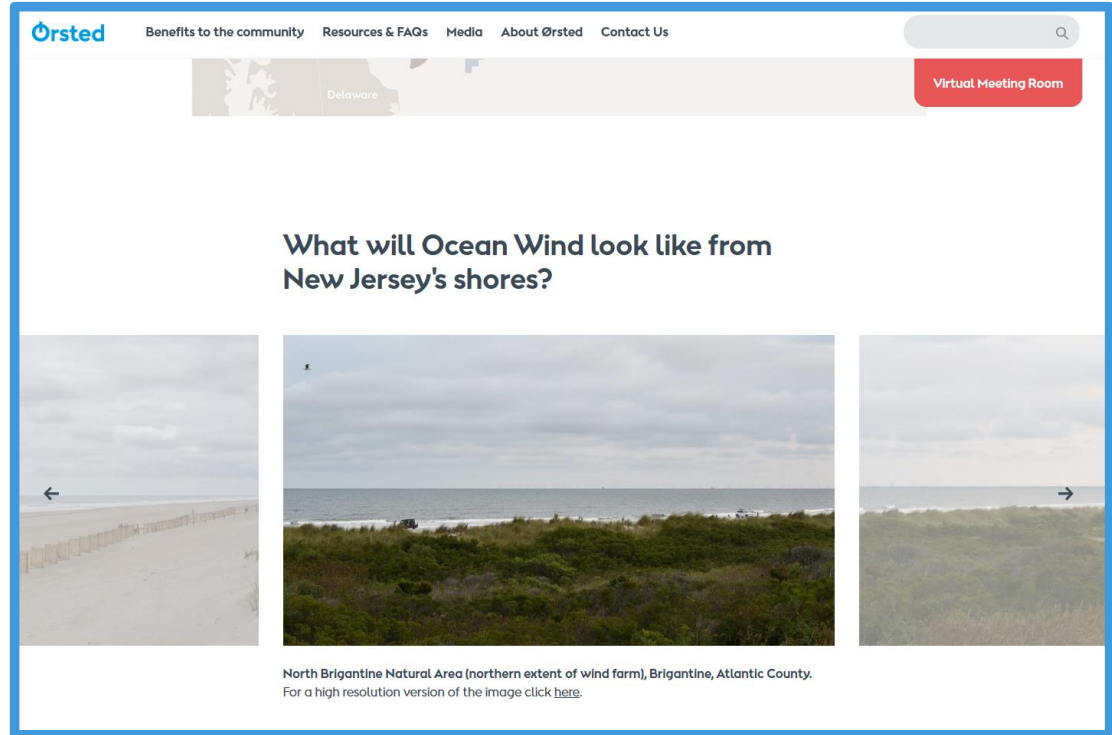


Post-construction pavement restoration



- EMF is generated wherever electricity is transmitted or used.
- Once the cable for the project is fully designed, Ocean Wind will carry out modelling to ensure that our cables are compliant with the EMF exposure guidelines.
- EMF will be calculated as part of the cable design or cable burial risk assessment and best management practices will be used to minimize potential impacts.
- Potential impacts associated with EMF will be reviewed and considered during the Federal and State permitting process to ensure the project complies with all relevant state and federal regulations.

Find a complete set
of images of the
project at
OceanWind.com



- Opened New Jersey office in Atlantic City in May 2018
- Significant amount of construction phase jobs; O&M facility with 69 employees for 25+ years
- Signed MOUs with Rutgers, Rowan, Montclair, and Stockton Universities
- \$15 million dedicated to the Pro-NJ Grantor Trust to support MBE/WBE/small businesses and their entry into the offshore wind industry and advance coastal infrastructure development
- Established a workforce development and training program in Atlantic City
- Proud sponsors of the NJ Audubon Society, the Wetlands Institute, and a variety of other local groups and NGOs





Local community –

Engagement early and often in the local communities near the project location



NGOs –

Local, state, regional, and national non-profits



Fishing –

Commercial and recreational, plus shore-side supply chain



Academic –

University, college, and other academic partners

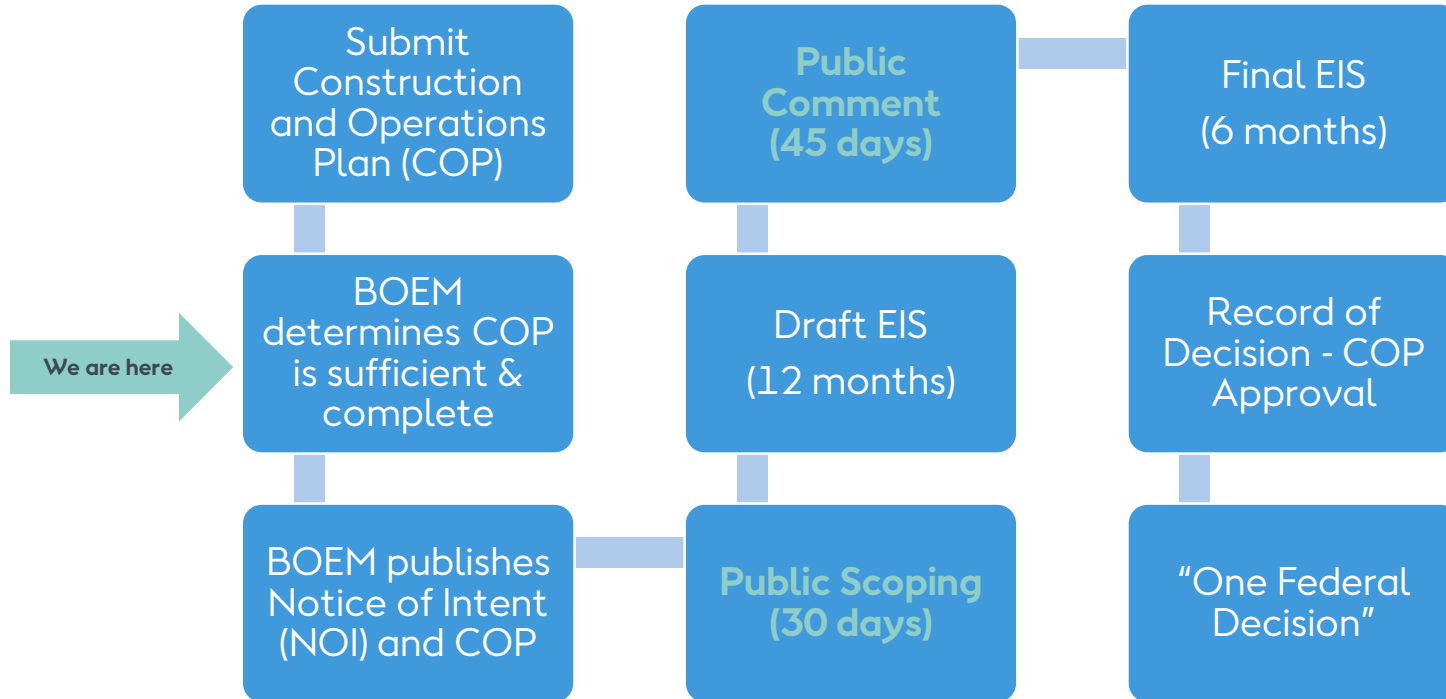


Research and Development –

National labs, research institutions, private entities

Federal approval process: National Environmental Policy Act (NEPA)

Approximately two years; Two key opportunities for public comment



Other federal approvals and coordination

APPENDIX E

Agency	Jurisdiction
U.S. Environmental Protection Agency	Air emissions
U.S. Army Corps of Engineers	Activities within Waters of the U.S.
Federal Aviation Administration	Navigable Airspace
U.S. Coast Guard	Navigable Waterways
National Marine Fisheries Service	Fisheries, Marine Mammals, Endangered Species
U.S. Fish and Wildlife Service	Federally T&E Listed Species and Migratory Birds
Department of Defense	Military Operations

- Waterfront Development
- Coastal Zone Consistency
- Wetlands
- Tidelands
- Flood Hazard Area
- Water Quality
- Stormwater
- Park Lands, Preserved Lands
- State threatened and endangered species
- Green Acres
- Pinelands

NJDEP has a public process associated with each permit program.





Kris Ohleth

Stakeholder Engagement Manager

KRIOH@orsted.com

(201) 850-3690

Thank you for your interest
in the Ocean Wind Project!
Please feel free to reach out
anytime.

OCEAN WIND, LLC
c/o Orsted North America, Inc.
399 Boylston Street, 12th Floor
Boston, MA 02116

May 13, 2021

Jay A. Gillian, Mayor
Bobby Barr, Council President
City of Ocean City
861 Asbury Avenue
Ocean City, NJ 08226

Re: Ocean Wind, LLC Offshore Wind Generation Project

Dear Mayor Gillian and Council President Barr:

We at Ocean Wind, LLC would like to thank you for your valuable time and perspectives during these past two years of Project Development. As we enter the next phase of the permitting process for the Ocean Wind Project, we aim to continue to work together in order to support our local communities and Ocean City as a whole.

As part of Ocean Wind's development efforts, the development of the offshore wind generation project that has been awarded to Ocean Wind by the New Jersey Board of Public Utilities, we propose a team of Ocean Wind officials from the Project meet jointly with both of you or your designees, representing the government leadership in Ocean City in order to:

1. share updates as to the progress of the Project and answer any questions you might have; and
2. discuss additional benefits the Project can provide to the community of the City of Ocean City as development proceeds.

This is an exciting time for clean energy and the people of New Jersey. We look forward to the opportunities and remain committed to an open dialog and to continuing to work together in support of the City of Ocean City, its residents, and the Ocean Wind Project,

A member of our team will reach out to schedule a meeting with the Ocean City delegation, but in the meantime, please feel free to contact Marc Reimer, Project Director at (857) 276-1725 or to coordinate a convenient time and framework for such a meeting that is most appropriate/suitable for you

I look forward to our discussions regarding this matter.

Sincerely,



Aaron Bullwinkel, Senior Legal Counsel
Ørsted Offshore North America

cc(by e-mail): Dorothy F. McCrosson, Counsel
cc(by e-mail): George Savastano, Business Administrator

August 11, 2021

Honorable Jay Gillian, Mayor
 The City of Ocean City, New Jersey
 861 Asbury Avenue
 Ocean City, New Jersey 08226

Re: Ocean Wind 1 Qualified Offshore Wind Project

Dear Mayor Gillian:

Pursuant to N.J.S.A. 48:3-87.1 et seq., Ocean Wind, LLC (“Ocean Wind”) is writing to formally provide the City of Ocean City (“Ocean City” or “City”) with notice of specific requests pertaining to the Ocean Wind 1 Project (“Ocean Wind 1” or “Project”). Ocean Wind and Ocean City have been engaged in ongoing discussions related to the Project since the New Jersey Board of Public Utilities approved Ocean Wind 1 as a Qualified Offshore Wind Project in June 2019.¹

As discussed further below, Ocean Wind will require certain land rights in Ocean City for the Project. These rights include certain easements and the use of public rights-of-way (“ROWs”) for the onshore portions of the Project. Ocean Wind will also need certain municipal consents, permits and approvals from Ocean City. Ocean Wind therefore respectfully requests that Ocean City grant the following:

- Easements over the following properties that are owned by Ocean City:

Requirement	Property Name/Description	Owner	Municipality	Block	Lot
HDD onshore cable route	Roosevelt Blvd bridge crossing North (East)	City of Ocean City	Ocean City	3350	17
Cable route under beach	Ocean City Beach	City of Ocean City	Ocean City	N/A	N/A
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	137
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	138
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	145
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	146
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	3500	1

¹ *In re Bd. of Pub. Utilities Offshore Wind Solicitation for 1,100 MW*, NJ BPU Docket No. QO18121289 (June 21, 2019).

- Ocean City’s consent to an application to the New Jersey Department of Environmental Protection (“NJDEP”) for a diversion of Green Acres property within Ocean City. The Green Acres diversion involves the following properties:

Requirement	Property Name/Description	Owner	Municipality	Block	Lot
HDD onshore cable route	Roosevelt Blvd bridge crossing North (East)	City of Ocean City	Ocean City	3350	17
Cable route under beach	Ocean City Beach	City of Ocean City	Ocean City	N/A	N/A
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	137
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	138
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	145
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	611.11	146
Cable route under beach	Beach tax parcel	City of Ocean City	Ocean City	3500	1

- If needed prior to approval of either a Right of Entry (“ROE”) or easement, evidence of Ocean City’s consent required in order to apply for NJDEP Division of Land Resource Protection permits. This consent would include: (1) approval to perform the regulated activities on City property; (2) consent for the NJDEP to enter City property; and (3) consent for Ocean Wind to submit the necessary applications relevant to City property.
- If a permanent easement crosses conservation easement/restriction areas held by Ocean City, and NJDEP confirms that a release would be required, the City’s agreement to facilitate a timely release of those restrictions.
- Road opening permits from the Ocean City Engineering Department for the portion of the onshore cable route within local roadways. Potential establishment of utility/access agreements from the City to support maintenance and operation of the onshore cable within public roadways.

Ocean Wind looks forward to our continued collaboration with Ocean City on the items described above.

Sincerely,



Marc Reimer
Project Development Director

- C: Council President Robert Barr
Dottie McCrosson, City Solicitor
George Savastano, Business Administrator

November 1, 2021

By Regular and Electronic Mail [dmccrosson@ocnj.us]

Dorothy F. McCrosson, Esq.
McCrosson & Stanton, P.C.
200 Asbury Avenue
Ocean City, New Jersey 08226

Re: Ocean Wind, LLC
Ocean Wind Offshore Wind Farm Project

Dear Dottie:

As you are aware, the New Jersey Board of Public Utilities (BPU) approved the Ocean Wind Offshore Wind Farm Project (Project) proposed by Ocean Wind, LLC (Ocean Wind) on June 21, 2019 (June 21 BPU Order), determining that the Project is a qualified offshore wind project. Among other things, the Project includes the proposed construction of an underground onshore export cable that will be installed under Ocean City-owned properties comprising a portion of the beach, 35th Street, Bay Avenue, and Roosevelt Boulevard in Ocean City, New Jersey to a proposed electric substation in Upper Township, New Jersey. Specifically, the current proposed route crosses properties identified on the Official Tax Map of Ocean City as Block 611.11, Lots 137 and 145, Block 3500, Lot 1 (including riparian grant), and Block 3350.01, Lot 17 (collectively, the Properties).

As Ocean Wind indicated in its August 11, 2021 letter to Ocean City Mayor Gillian, Ocean Wind requires permanent rights of way and easements, approximately 30 feet in width, for the construction, reconstruction, installation, operation, maintenance, inspection, patrolling, decommissioning, replacement and repair of a certain onshore export cable and associated equipment and facilities upon, under or across the Properties, totaling 0.857 acres, as depicted on drawings enclosed herewith. These permanent rights of way and easements are reasonably necessary for the construction and operation of the Project.

Communications between Ocean City and Ocean Wind began as early as June 2019, with more specific communications about the Project, including Ocean Wind's proposed acquisition of permanent rights of way and easements on the Properties, occurring in 2021. Since the Properties are Green Acres-restricted, in the event that the City decided to grant the necessary property rights to Ocean Wind, the City would be required to submit an application for the major diversion of the required permanent rights of way and easements to the New Jersey Department of Environmental Protection (Department), Green Acres Program, for approval by the Department's Commissioner and ultimately, by the State House Commission.

Dorothy F. McCrosson, Esq.

November 1, 2021

Page 2

The Green Acres diversion process and Ocean Wind's proposed timeline were discussed during a conference call on August 11, 2021. Ocean Wind representatives explained the purpose of the scoping hearing and that, by holding the hearing, the City was not committed in any way to complete the diversion process. Before committing to submitting a diversion application, a scoping hearing must be held to "solicit preliminary public comment" on the proposed diversion. See N.J.A.C. 7:36-26.8(a). To that end, Ocean Wind tentatively scheduled a scoping hearing on Wednesday, November 17, 2021, at the Ocean City Music Pier, subject to the City's ultimate approval. During the August 11th call, Ocean Wind representatives also emphasized the importance of holding a scoping hearing in the October/November timeframe. On October 12, 2021, you attended a call with Judeth Yeany and Kevin Appelget of the Department's Green Acres Program and Ocean Wind representatives to discuss the purpose of the scoping hearing and notice requirements, and address questions and concerns regarding the City's role in the process. On that same date, you informed Christine Roy, Ocean Wind's outside counsel, by phone that City officials do not approve the scoping hearing on November 17th. You indicated that the City would prefer to decide whether to proceed with scoping hearing after Ocean Wind's open house on November 6, 2021. You confirmed the City's decision in an email to Ms. Roy later that same day.

In order to meet the targeted date for the start of commercial operation of the Project as set forth in the June 21 BPU Order, and given that the Green Acres diversion process can be protracted, the latest date that a scoping hearing can be held is January 31, 2022. Further, in issuing the June 21 BPU Order, the BPU found that the Project would, among other things, contribute to a stronger New Jersey economy by anchoring an offshore wind supply chain in New Jersey, combat global climate change to protect the State and its natural resources, and provide added reliability for the transmission network and transmission rate relief for ratepayers. Importantly, the June 21 BPU Order envisions a schedule for commercial operation starting in 2024. In addition, the Project is vital to meeting the need established by both New Jersey Executive Order 8, which set a goal for 3,500 MW of renewable energy by 2030, and Executive Order 92, which increased the goal to 7,500 MW by 2035. Ocean Wind is committed to meeting the BPU's anticipated 2024 commercial operation date so that New Jersey's offshore wind goals can be met.

Ocean Wind respectfully requests Ocean City's cooperation in connection with this very important project by proceeding with the Green Acres diversion process. Specifically, we ask that the City make a decision no later than **December 17, 2021** to proceed with the scoping hearing and to allow for the appropriate public notice ahead of the meeting. We also ask that the City confirm its decision in writing.

Ocean Wind is committed to continuing to try to work cooperatively with the City through the Green Acres diversion process. Among other benefits, the City would be able to negotiate the ultimate compensation to be paid for the necessary permanent easements in accordance with the Green Acres rules, which would be far greater than under the statutory alternative. Specifically, under the Green Acres Rules, the City would be entitled to a minimum of ten times the market value of the permanent rights of way and easements that are reasonably necessary for the Project. See N.J.A.C. 7:36-26.10(g).

Dorothy F. McCrosson, Esq.
November 1, 2021
Page 3

Ocean Wind representatives would be happy to meet with Ocean City representatives to discuss this important Project, the benefits to Ocean City in accommodating the Green Acres diversion process, including potential compensation scenarios under the Green Acres rules.

Thank you.

Sincerely,



Marc Reimer
Project Development Director

All by electronic mail (only) with enclosures:

cc: Honorable Mayor Jay A. Gillian
George Savastano, Business Administrator
Madeline Urbish, Head of Government Affairs & Policy
Pilar Patterson, Permit Manager
Richard Grist, Lead Real Estate Manager
Aaron Bullwinkel, Esq.
Christine A. Roy, Esq.
Judeth Yeany, NJDEP Green Acres
Kevin Appelget, NJDEP Green Acres



no.	date	by	ckd	description
A	09/16/21	TSV	-	ISSUED FOR REVIEW

LEGEND

- PROPOSED DRILL PATH —
- UNDERGROUND CONDUIT — UCC
- PERMANENT EASEMENT - - -
- TEMPORARY WORKSPACE - - -
- PROPERTY BOUNDARY — P
- TIDAL WATER LEVEL - - -
- RIPARIAN GRANT BOUNDARY - - -
- DIVERSION AREA (PERMANENT EASEMENT)



Ocean Wind
An Ørsted & PSEG project

HDR
HDR ENGINEERING, INC.
1 INTERNATIONAL BOULEVARD, SUITE 1000,
MAHWAH, NJ 07495

date	09/03/21	detailed	T. VONBERGE
designed		checked	

PERMANENT EASEMENT ACROSS THE PROPERTY OF OCEAN CITY BLOCK 611.11, LOTS 137 & 145	
CAPE MAY COUNTY, NEW JERSEY	
LF D BL ENGLAND 35TH STREET CROSSING PLAN VIEW	
project	RDS-PP CODE
drawing	10092078-01T-4-001 — rev. A
sheet	1 of 1 sheets
file	10092078-01T-4-001

PRELIMINARY - NOT FOR CONSTRUCTION



**3,801 SF
0.087 AC**

BLOCK 3350.01
LOT 17
DB. 3004 PG. 794

ROOSEVELT BLVD.
COUNTY ROUTE #623
(130' R.O.W.)

NAUTILUS DR.

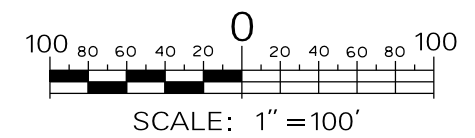
WATER VIEW BLVD.
(60' R.O.W.)

OCEAN CITY

LEGEND NOT ALL ITEMS ARE TO SCALE

- = PROJECT ROUTE
- = MUNICIPAL LINE
- = TAX BLOCK LINE & NUMBER
- = TAX LOT LINE & NUMBER
- = UTILITY EASEMENTS
- = PROPOSED PERMANENT EASEMENT

PRELIMINARY



NO.	DATE	DESCRIPTION	DWN.	CHK.
1				
2				

PSEG SERVICES CORPORATION
CORPORATE HEADQUARTERS
80 Park Plaza T6B
Newark, N.J. 07102-4194
Phone : (973) 430-8952
Email : surveying@pseg.com

**PERMANENT EASEMENT
ACROSS THE PROPERTY
OF OCEAN CITY**
BLOCK 3350.01 LOT 17

OCEAN CITY CAPE MAY CO., N.J.

EASEMENT EXHIBIT

DRAWN CCK CHECKED BSG SCALE AS SHOWN
DATE 09-20-2021 EXAMINED MDR AUTH Prj-19048

December 15, 2021

By E-mail:
Dottie McCrosson, City Solicitor
The City of Ocean City, New Jersey
861 Asbury Avenue
Ocean City, New Jersey 08226

Re: Ocean Wind 1 Qualified Offshore Wind Project

Dear Ms. McCrosson:

Ocean Wind, LLC (“Ocean Wind”) is writing to provide the City of Ocean City (“City”) with an update of certain matters pertaining to the Ocean Wind 1 Project (“Ocean Wind 1” or “Project”), particularly regarding permitting needs and timeline. Specifically, Ocean Wind 1 respectfully requests that the City of Ocean City take two administrative actions: (1) agree to a scoping hearing for a Green Acres diversion and notify the project by Friday, December 24, 2021, and (2) provide consent to the submission of permits to the Division of Land Use at the NJ Department of Environmental Protection (“NJDEP”) to allow the initiation of the environmental review process no later than January 21, 2022. Enclosed you will find a letter from the NJDEP, which confirms the permitting requirements for Ocean Wind and supporting details for the timeline we outline below. Additionally, you will find attached previous correspondence with the City for your reference.

The information provided in this letter and the enclosures have been communicated previously in meetings and via written correspondence.

Permitting Needs

As you are aware, the Project route crosses parcels owned by the City that are Green Acres restricted as identified on the Official Tax Map of Ocean City as Block 611.11, Lots 137 and 145, Block 3500, Lot 1 (including riparian grant), and Block 3350.01, Lot 17 (collectively, the Properties). Ocean Wind requires permanent rights of way and easements, approximately 30 feet in width, for the construction, reconstruction, installation, operation, maintenance, inspection, patrolling, decommissioning, replacement and repair of a certain onshore export cable and associated equipment and facilities upon, under or across the Properties, totaling 0.857 acres, as depicted on drawings previously provided to the City in a letter dated November 1, 2021, which was addressed to you. These permanent rights of way and easements are reasonably necessary for the construction and operation of the Project.

In addition to these land rights, Ocean Wind will need consent from the City for its permit applications to the NJDEP in order to allow the agency to begin its environmental review of the Project. These applications include, but are not limited to, Waterfront Development Act, Wetlands Act of 1970, Coastal Area Facilities Review Act, Flood Hazard Area Control Act, and Freshwater

Wetlands Protection Act Individual Permits. Specifically, Ocean Wind will need the City to provide consent **no later than January 21, 2022**. This consent does not confer land rights to the Ocean Wind Project but allows for the initiation of environmental review through the state permitting process. Details on these and other permitting needs can be found in the attached letter sent to the County by Ocean Wind in August of 2021.

Additionally, since the Properties are subject to a Green Acres restriction, the City must hold a scoping hearing to solicit preliminary public comment on the proposed diversion prior to committing to completing the diversion process. In its letter to the City dated November 1, 2021, the Project requested confirmation from the City by December 17, 2021 of its intention to proceed with the diversion process and hold a scoping hearing to allow for proper public notice of the hearing. However, we would like to provide the City with an additional week to consider and respectfully request confirmation by **Friday, December 24, 2021**.

The Ocean Wind Project team is ready and able to meet with you and the appropriate leadership and staff at the City to discuss the information enclosed and the additional benefits the Project can provide to the community in the City as development proceeds.

Sincerely,



Marc Reimer
Project Development Director, Ocean Wind
Ørsted Offshore North America

CC (by e-mail):
Mayor Jay Gillian
City of Ocean City

Council President Bob Barr
City of Ocean City Council

George Savastano
Business Administrator
City of Ocean City

Aaron Bullwinkel, Senior Legal Counsel
Ørsted Offshore North America

Christine A. Roy, Esq.
Rutter & Roy, LLP



CITY OF OCEAN CITY

AMERICA'S GREATEST FAMILY RESORT

DEPARTMENT OF LAW

December 23, 2021

Christine A. Roy, Esquire
Rutter & Roy, LLP
3 Paragon Way, Suite 300
Freehold, NJ 07728

Re: Ocean Wind, LLC

Dear Ms. Roy:

I acknowledge receipt of your letter of December 22, 2021.

As I have previously advised, the governing body of the City of Ocean City is not ready to file an application with Green Acres on behalf of the Ocean Wind, LLC project.

The public meeting conducted by your client on November 6, 2021 was not as informative as the elected officials had expected. It appears to have been ineffective in reassuring the City Council that the project merits its support.

Additionally, the flurry of letters imposing deadlines on the City does not take into account the due diligence duty of the elected officials to review the appraisal we received yesterday and, potentially, to obtain an appraisal on behalf of the City.

I spoke with the Mayor and Business Administrator about this today. The Mayor advised me that he plans to meet with Council leadership early next week to discuss this project.

I will get back to you in the new year.

Thank you for your attention. I hope you have a very nice Christmas holiday.

Very truly yours,

/s/ Dorothy F. McCrosson

Dorothy F. McCrosson

cc: Mayor Jay A. Gillian
Council President Robert S. Barr



Christine A. Roy

Richard G. Scott
Member NJ and PA Bars

Of Counsel

Michael K. Rutter

Mark Stevens

Stephen J. Resnick
Member NJ and NY Bars

Richard B. Tucker, Jr.

Brian W. Keatts
Member NJ, NY and PA Bars

Monica N. Stahl
Member NJ and NY Bars

Heather N. Oehlmann

Russell E. Watson (1909-1970)
A. Dudley Watson (1917-1990)
Edward L. Webster, Jr. (1950-1987)

December 22, 2021

BY FEDEX AND & ELECTRONIC MAIL

Dorothy F. McCrosson, Esq.
McCrosson & Stanton, P.C.
200 Asbury Avenue
Ocean City, New Jersey 08226

Re: Ocean Wind, LLC
Block 611.11, Lots 137 and 145
Block 3500, Lot 1 (including riparian grant), and
Block 3350.01, Lot 17 in Ocean City
Ocean Wind Offshore Wind Farm Project

Dear Ms. McCrosson:

As you are aware, the New Jersey Board of Public Utilities (BPU) approved the Ocean Wind Offshore Wind Farm Project (Project) proposed by Ocean Wind, LLC (Ocean Wind) on June 21, 2019 (June 21 BPU Order), determining that the Project is a qualified offshore wind project. Among other things, the Project includes the proposed construction of an underground onshore export cable that would be installed under Ocean City-owned properties that are Green Acres-restricted, identified on the Official Tax Map of Ocean City (City) as Block 611.11, Lots 137 and 145, Block 3500, Lot 1 (including riparian grant), and Block 3350.01, Lot 17 (collectively, the Properties). The proposed route would also be installed under the City's road right of way along 35th Street and Bay Avenue.

As Ocean Wind stated in its August 11, 2021 letter to Ocean City Mayor Jay A. Gillian and again in its letter to you dated November 1, 2021, Ocean Wind requires permanent rights of way and easements, approximately 30 feet in width, for the construction, reconstruction, installation, operation, maintenance, inspection, patrolling, decommissioning, replacement and repair of a certain onshore export cable and associated equipment and facilities upon, under or across the

Dorothy F. McCrosson, Esq.
December 22, 2021
Page 2

Properties, totaling 0.838 acres, as depicted on drawings enclosed herewith and previously provided. These permanent rights of way and easements are reasonably necessary for the construction and operation of the Project.

The lands in question are subject to the State of New Jersey's Department of Environmental Protection (NJDEP) Green Acres statute and regulations found at N.J.S.A. 13:8A-1 et seq. and N.J.A.C. 7:36-1.1 et seq., and a copy of this letter is being provided to Judeth Yeany, Esq., Bureau Chief for the NJDEP's Green Acres Program.

As you know, Ocean Wind retained a Green Acres approved appraiser, Lee Ann Kampf, MAI, ASA, IFAS, CTA, of Lee Ann Kampf & Associates, of Ocean City, New Jersey, who completed an appraisal of the market value of the property rights which Ocean Wind proposes to acquire from the City. More specifically, Ms. Kampf's task was to evaluate the loss in market value, if any, which the Properties would sustain as a result of the proposed rights of way and easements. Ms. Kampf used the Sales Comparison Approach in making this valuation. Copies of her appraisals are enclosed. Please note that these appraisals were prepared in accordance with Green Acres' written instructions and will be reviewed by Green Acres' review appraiser.

On behalf of Ocean Wind, we are offering the City \$202,000 for the property rights described above. This offer is equal to ten times the amount of the total appraised value of the permanent easements and is in accordance with the requirements of the Green Acres regulations at N.J.A.C. 7:36-26.10(g).

As you are aware, Ocean Wind has repeatedly requested to meet with you and your client to discuss compensation for the easements, as well as other economic benefits to the City. Since the City has been unwilling to meet to discuss compensation for the necessary easements, we are sending this offer letter and offering cash compensation consistent with the Green Acres rules. As I have previously explained, the Green Acres rules allow for compensation to be paid in the form of cash, land replacement, or a combination of both (N.J.A.C. 7:36-26.10(c)). Working collaboratively with Ocean Wind would allow the City to negotiate the ultimate amount and form of compensation to be paid for the necessary easements in accordance with the Green Acres rules. For example, the City could negotiate whether it receives cash, land replacement or a combination of both. Potentially, the City could also use a portion of the cash compensation for park improvements, subject to approval by Green Acres.

Ocean Wind is committed to continuing to try to work cooperatively with the City. Ocean Wind would strongly prefer to come to an agreement with the City as to the amount and form of compensation to be paid for the easements and other benefits to the City rather than filing a petition under N.J.S.A. 48:3-87.1f(2). The benefits to the City and its residents would potentially be greater by working with Ocean Wind, as compared to the statutory alternative.

Dorothy F. McCrosson, Esq.
December 22, 2021
Page 3

To that end, Ocean Wind again requests a meeting as soon as possible to discuss compensation and the Green Acres diversion process, as well as other topics of interest to Ocean City concerning the Project.

Thank you.

Very truly yours,



CHRISTINE A. ROY

All by electronic mail (only) with enclosures:

cc: Honorable Mayor Jay A. Gillian
George Savastano, Business Administrator
Judeth Yeany, NJDEP Green Acres
Marc Reimer, Project Development Director
Madeline Urbish, Head of Government Affairs & Policy
Aaron Bullwinkel, Esq.
Pilar Patterson, Permit Manager
Richard Grist, Lead Real Estate Manager



**2,950 SF
0.068 AC**

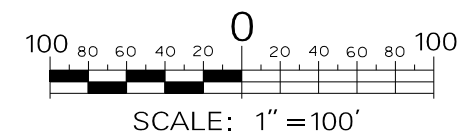
BLOCK 3350.01
LOT 17
DB. 3004 PG. 794

ROOSEVELT BLVD.
COUNTY ROUTE #623
(130' R.O.W.)

NAUTILUS DR.

WATER VIEW BLVD.
(60' R.O.W.)

LEGEND <small>NOT ALL ITEMS ARE TO SCALE</small>	
	= PROJECT ROUTE
	= MUNICIPAL LINE
	= TAX BLOCK LINE & NUMBER
	= TAX LOT LINE & NUMBER
	= UTILITY EASEMENTS
	= PROPOSED PERMANENT EASEMENT



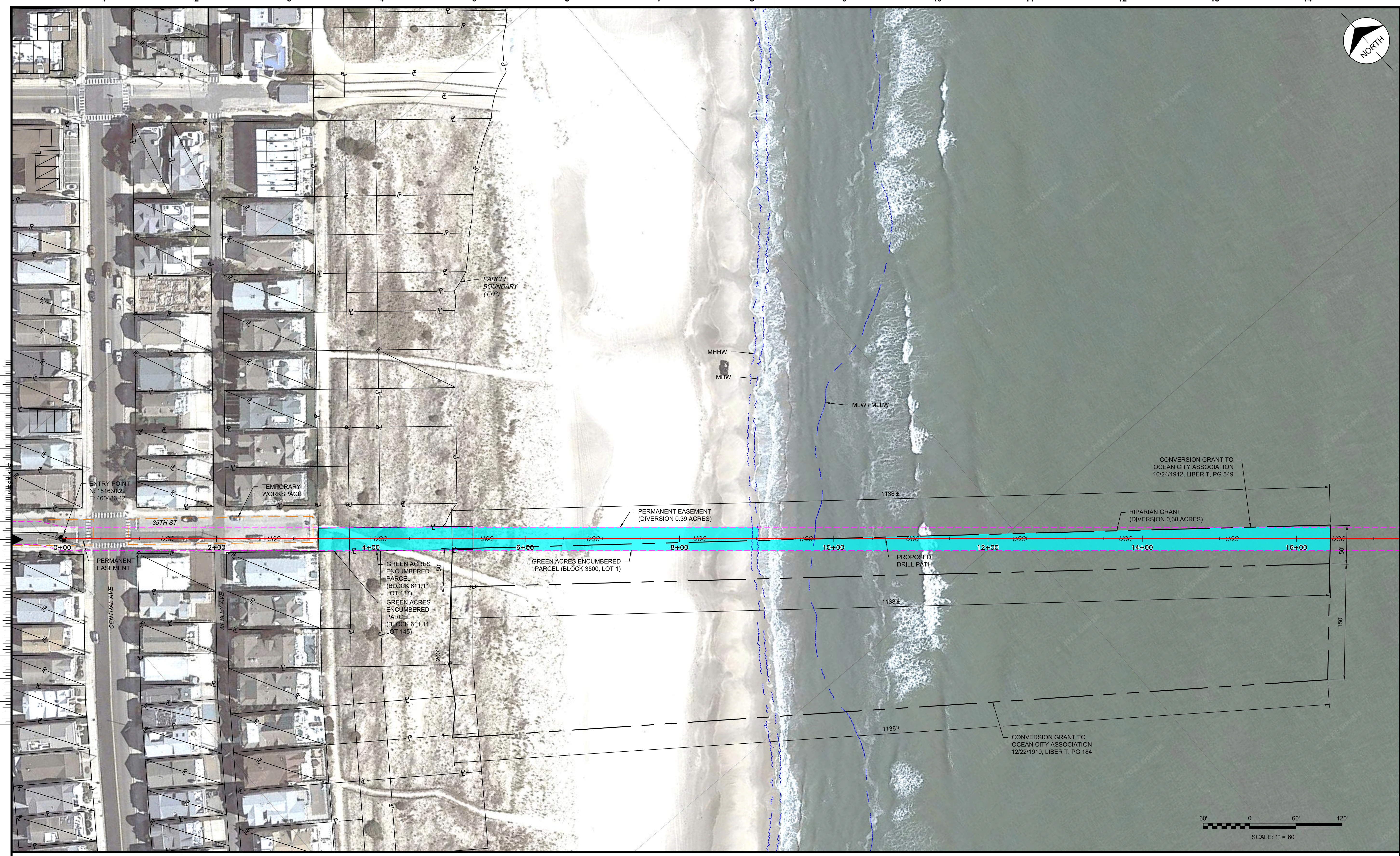
2				
1	02/08/21	REVISED PROPERTY BOUNDARIES AND PROPOSED EASEMENT	CCK	MDR
NO.	DATE	DESCRIPTION	DWN.	CHK.
REVISION				
		CORPORATE HEADQUARTERS 80 Park Plaza T6B Newark, N.J. 07102-4194 Email: surveying@pseg.com		
<p>PERMANENT EASEMENT ACROSS THE PROPERTY OF OCEAN CITY</p> <p>BLOCK 3350.01 LOT 17</p> <p>OCEAN CITY CAPE MAY CO., N.J.</p> <p>EASEMENT EXHIBIT</p>				
DRAWN	CCK	CHECKED	BSG	SCALE AS SHOWN
DATE	09-20-2021	EXAMINED	MDR	AUTH Pr J-19048



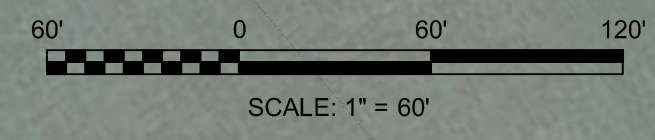
no.	date	by	ckd	description
A	09/16/21	TSV	-	ISSUED FOR REVIEW

LEGEND

PROPOSED DRILL PATH		
UNDERGROUND CONDUIT		UCC
PERMANENT EASEMENT		
TEMPORARY WORKSPACE		
PROPERTY BOUNDARY		P
TIDAL WATER LEVEL		
RIPARIAN GRANT BOUNDARY		
DIVERSION AREA (PERMANENT EASEMENT)		



Scale For Microfilming
 Millimeters
 Inches



Ocean Wind
 An Ørsted & PSEG project



HDR ENGINEERING, INC.
 1 INTERNATIONAL BOULEVARD, SUITE 1000,
 MAHWAH, NJ 07495

date	09/03/21	detailed	T. VONBERGE
designed		checked	

**PERMANENT EASEMENT ACROSS
 THE PROPERTY OF OCEAN CITY
 BLOCK 611.11, LOTS 137 & 145**

CAPE MAY COUNTY, NEW JERSEY

LF D BL ENGLAND
 35TH STREET CROSSING
 PLAN VIEW

project	RDS-PP CODE
drawing	10092078-01T-4-001
sheet	1 of 1 sheets
file	10092078-01T-4-001

**PRELIMINARY - NOT
 FOR CONSTRUCTION**

Appraisal Report

Ocean City Bayfront Lot
34th Street and Bay Avenue
(Block 3350.01, Lot 17)
Ocean City, Cape May County, New Jersey 08226

Prepared For:
CW Solutions
409 Joyce Kilmer Avenue, Suite 120
New Brunswick, NJ 08901

Prepared By:
Lee Ann Kampf, MAI, ASA, IFAS, CTA
42 W 15th Street
Ocean City, NJ 08226

Date of Valuation:
November 15, 2021

Lee Ann Kampf & Associates Real Estate Appraisal
42 W. 15th Street Real Estate Consulting
Ocean City, NJ 08226 Commercial & Residential
609.736.0695
leeann@leeannkampf.com



Lee Ann Kampf & Associates

Real Estate Appraisal & Consulting

December 20, 2021

Mr. Robert Weible
Vice President
CW Solutions
409 Joyce Kilmer Avenue, Suite 120
New Brunswick, NJ 08901
Via email: rweible@cwcsi.com

Re: Appraisal Report
Ocean City Bayfront Lot
34th Street and Bay Avenue (Block 3350.01, Lot 17)
Ocean City, Cape May County, New Jersey

Dear Mr. Weible:

I am transmitting this appraisal report pursuant to your request on the above referenced lot presented in narrative format. The subject includes the aforementioned lot containing bayfront saltwater wetlands totaling 130.65± acres.

The purpose of the appraisal is to determine the market value of the permanent subsurface easement to be acquired on a property owned by the City of Ocean City. The easement consists of 0.068 acres (2,950 square feet) subject to any and all rights, privileges and easements of record. The client is CW Solutions. The intended users are Orsted and their legal representatives and New Jersey Department of Environmental Protection Green Acres Program. The intended use of the appraisal is to assist the client and intended users in negotiating the potential terms of the easement for the subject lot.

Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection.

This appraisal report has been prepared in accordance with current NJDEP Green Acres Appraisal Requirements (GAAR), all professional appraisal standards Rule 2-2(a) and guidelines including the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Standards of Professional Practice (SPP) of the Appraisal Institute. A physical inspection of the subject property, its market area, and comparable property information, to the extent practicable, was made by the appraiser.

It is important to note, a significant factor in the market as of the effective date of this report is the prevalence of the current COVID-19 pandemic. On March 21, 2020, the governor of New Jersey, Phil Murphy, issued a Statewide Stay at Home Order directing all residents to stay at home until further notice. The Stay at Home Order was lifted in June 2020 and businesses reopened, however, the pandemic is dynamic, constantly changing, and has created uncertainty in the market. The indicated market value developed in this report is based upon the market conditions and trends available as of the Effective Date of this appraisal and may be subject to change after this date.

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lot (Block 3350.01, Lot 17) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$444,200
Final Value Opinion After: (Fee Simple Estate subject to Easement)	<u>\$444,000</u>
Value of Part Taken and Damages to Remainder	\$ 200

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owner. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Two Hundred Dollars
(\$200)

This letter of transmittal should only be used in conjunction with the entire, accompanying appraisal report. The value conclusion may not be presented without the attached report in its entirety. Attached is a report with my findings. I hope you find the details of this report relevant to your decisions and I will be happy to answer any questions.

Very truly yours,



Lee Ann Kampf, MAI, ASA, IFAS, CTA
State Certified General Real Estate Appraiser
#42RG00238100

Enclosures

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Standard Assumptions and Limiting Conditions

This report and the value conclusions contained in this report were predicated upon the following assumptions and limiting conditions:

1. By reason of this report, we cannot be required to give testimony with reference to the property appraised, unless arrangements have been previously made. If the appraiser(s) are subpoenaed pursuant to court order, the client will be required to compensate said appraiser(s) for their then regular hourly rates plus expenses.
2. No responsibility was assumed by us for matters of a legal nature, nor was any opinion on the title rendered. Good title was assumed. Management was assumed to be competent and the ownership to be in responsible hands. We assumed that there were no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. We assumed no responsibility for such conditions or for engineering which might be required to discover such factors.
3. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.
4. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local state, or national government or private entity or organization have been obtained or renewed for any use on which the value estimate contained in this report is based.
5. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated in the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field.
6. Exhibits such as plot plans and illustrative material, if any, were included to assist the reader in visualizing the property, and all engineering is assumed to be correct. We did not make a survey of the property.
7. Economic conditions are generally assumed to be consistent with the current state of the economy including interest rates on mortgages that were available as of the date of this report. We assume no responsibility for changes in market conditions or for the inability of the client or any other party to achieve their desired results based upon the appraised value.
8. All information has been furnished by sources deemed to be reliable, but no warranty or representation is made as to the accuracy thereof and is subject to corrections, errors, omissions, and withdrawal without notice.

9. This report was not prepared for syndication or income tax purposes and shall not be used, in whole or in part, in regards to any matter involving limited partnership offerings or the Internal Revenue Service.
10. The appraisal is to be used in whole and not in part. No part of the Appraisal Report shall be used in conjunction with any other appraisal. Publication of the Appraisal Report or any portion thereof, without the express written consent of the appraiser, is prohibited. Except as may be otherwise stated in the engagement letter, the Appraisal Report may not be used by any person or other than the party to whom it is addressed or for purposes other than which it was prepared. No part of the Appraisal Report shall be conveyed to the public through advertising or used in any sales or promotional material without the appraiser's prior written consent.
11. Unless otherwise noted, all maps are pointing north.
12. Unless otherwise noted, definitions in the report are from the Appraisal Institute's, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analysis, opinion and conclusion.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The appraisal was developed and the appraisal report was prepared in conformity with the *Green Acres Program Appraisal Requirements*.
- The appraisal was developed and the appraisal report prepared in conformance with the Appraisal Standards Board's *Uniform Standards for Professional Appraisal Practices*.
- Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection.
- No one provided significant professional assistance to the persons signing this report.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Lee Ann Kampf has completed the continuing education program for Designated Members of the Appraisal Institute.

- As of the date of this report, Lee Ann Kampf upholds the Bylaws and abides by the Code of Ethics and Professional Standards of the American Society of Appraisers (ASA).

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lot (Block 3350.01, Lot 17) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$444,200
Final Value Opinion After: (Fee Simple Estate subject to Easement)	<u>\$444,000</u>
Value of Part Taken and Damages to Remainder	\$ 200

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owner. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Two Hundred Dollars
(\$200)



Lee Ann Kampf, MAI, IFAS, CTA, SCGREA
NJ Certified General Appraiser #: 42RG00238100

December 20, 2021

Summary of Salient Facts and Conclusions

Identification:	Bayfront Saltwater Wetland Lot 34 th Street and Bay Avenue Ocean City, Cape May County, NJ 08226
Block/Lot:	(Block 3350.01, Lot 17)
Site Description:	Overall irregular shaped, 130.65± acres (5,691,114 square feet); Road frontage 3,194'± N/S 35 th Street, 327'± W/S Bay Ave, 336'± E/S Bayland Dr, 362'± S/S Clubhouse Dr; water frontage irregular 4,000'± along Great Egg Harbor Bay and 1,400'± Clubhouse Lagoon; primarily saltwater wetlands; dredge spoils site; flood zone AE, within 100-year flood event.
Improvement Description:	None
Zoning:	Conservation (C)
Highest and Best Use:	Recreation
Ownership:	City of Ocean City
Interest Appraised:	Fee Simple Estate
Acquisition:	0.068 acres (2,950 square feet) permanent easement
Inspection Date:	November 15, 2021
Valuation Date:	November 15, 2021

Extraordinary Assumption & Hypothetical Condition:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Summary of Salient Facts and Conclusions Continued

Value Indicators:

Value Indicators		
	Before	After
Sales Comparison	\$444,200	\$444,000
Income Approach	N/A	N/A
Cost Approach	N/A	N/A
Conclusion	\$444,200	\$444,000

Final Value Conclusion:

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lot (Block 3350.01, Lot 17) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$444,200
Final Value Opinion After: (Fee Simple Estate subject to Easement)	<u>\$444,000</u>
Value of Part Taken and Damages to Remainder	\$ 200

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owner. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

**Two Hundred Dollars
(\$200)**

Appraisal Assignment

This appraisal report has been prepared in accordance with current NJDEP Green Acres Appraisal Requirements (GAAR), all professional appraisal standards Rule 2-2(a) and guidelines including the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Standards of Professional Practice (SPP) of the Appraisal Institute.

The valuation process used generally accepted market-derived methods appropriate to the assignment. For a detailed description of the Scope of Work Rule see the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Foundation beginning on Page U-13, and Advisory Opinions 22, 28 and 29.

Identification of Property

The subject is identified as 34th Street and Bay Avenue (Block 3350.01, Lot 17) Ocean City, Cape May County, New Jersey. The subject includes the aforementioned lot containing bayfront saltwater wetlands totaling 130.65± acres (5,691,114± square feet). A further description of the property is presented in the "Property Analysis" section of this report.

Property Ownership

According to the Cape May County Clerk's Office, the owner of record for the subject lot is the City of Ocean City. See the "Ownership" section of the report for additional information.

Dates of Inspection and Valuation

Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection. The valuation date is as of the inspection date, November 15, 2021. Market research was conducted from September 14, 2021 to December 20, 2021. The issuance date of this report is indicated on the transmittal letter.

Appraisal Purpose, Client, Intended User and Intended Use

The purpose of the appraisal is to determine the as is, fee simple value subject to any and all rights, privileges and easements of record. The client is CW Solutions. The intended users are Orsted and their legal representatives and New Jersey Department of Environmental Protection Green Acres Program. The intended use of the appraisal is to assist the client and intended users in negotiating the potential terms of the easement on the subject lot.

Legal Interest Appraised

The real property valued in this appraisal consists of the **Fee Simple Estate**. Title is assumed to be free and clear of encumbrances including special financing and restrictions such as deed restrictions and easements of record. It is only subject to the four governmental powers of taxation, eminent domain, police power, and escheat.

The **Fee Simple Estate** is defined as:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”¹

Value Definition

The appraiser was engaged to provide a credible market value estimate for the fee simple interest of the Project and any damages to the remainder.

Market Value is further defined as:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and Seller are typically motivated;
- Both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

Exposure Time

Exposure Time is defined as:

“The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; an opinion based on an analysis of past events assuming a competitive and open market.”³

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*. Chicago, IL: Appraisal Institute, 2015, p. 90.

² Appraisal Institute, *The Appraisal of Real Estate, 15th Edition*. Chicago, IL: Appraisal Institute, 2020.

³ *Uniform Standards of Professional Appraisal Practice* as promulgated by the Appraisal Standards Board of the Appraisal Foundation, 2020-2022.

Based upon the market analysis as detailed in this report, the appraiser estimates a reasonable exposure time to have been 1 to 6 months for a property like the subject at the concluded opinion of value.

Extraordinary Assumptions and Hypothetical Conditions:⁴

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

- There are no hypothetical conditions used in the development of the appraisal report.

⁴ *Uniform Standards of Professional Appraisal Practice*, 2020-2022 Edition (Washington, D.C.: The Appraisal Foundation).

Scope of Work

In order to determine the value for the subject, data was collected and analyzed. The results of our analysis were then reported in conformance with USPAP, UASFLA and client requirements. The actual scope of work is embodied throughout the report.

The scope of this appraisal required collecting primary and secondary data relevant to the subject property including: an inspection of the subject lot and its environs; review of tax assessment and public records; investigation of sales in the subject's marketplace; and an analysis of inventory and availabilities. Following is a summary of that scope of work.

Property Research

1. Reviewed provided Preliminary Plans, by PSEG Services Corporation Surveys & Mapping, for "Permanent Easement Across the Property of Ocean City Block 3350.01, Lot 17, Ocean City, Cape May County, New Jersey, dated 09/03/21
2. Identified the subject using public records via the Cape May County Clerk's Office and Ocean City Tax Assessment Office
3. Examined tax assessment map and aerial maps
4. Researched NJ Geo-Web mapping system
5. Reviewed USDA Web Soil Survey
6. Reviewed FEMA Flood Insurance Rate Map
7. Reviewed zoning and land use regulations
8. Reviewed public record for easements and encumbrances
9. Inspected the subject property
10. Investigated and inspected the subject's location/neighborhood
11. Analyzed real estate tax assessment
12. Reviewed current listings and all historic transfers of property up to three years prior to the valuation date

Market Research

1. Reviewed the subject within its market context
2. Reviewed both public and private resources for information on economic and demographic trends that will influence competitive market performance
3. Identified, inspected and surveyed comparable properties in the market and extended market

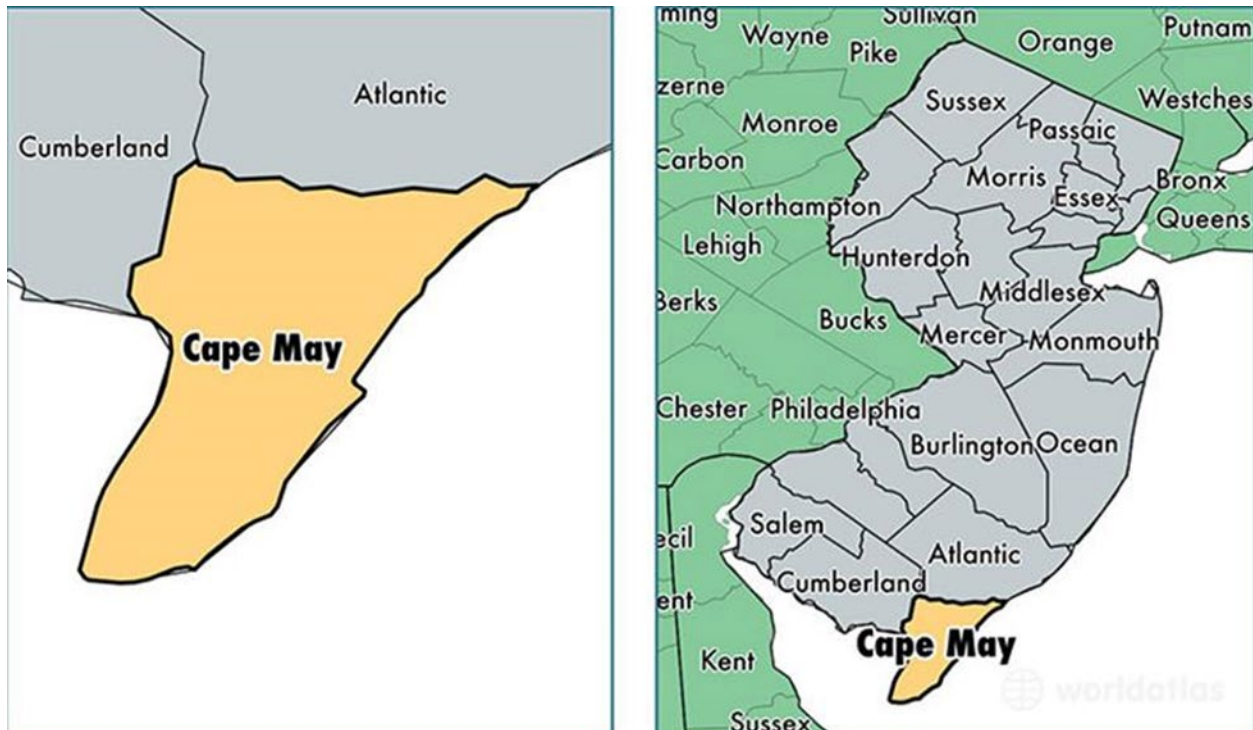
Analyses Considered

1. Determined Highest and Best Use based on inferred methods
2. Considered each of the three value approaches, Sales Comparison, Cost and Income Capitalization Approaches
3. Sales Comparison Approach - Applied
 - a. Identified comparable sales
 - b. Made adjustments to sales based on drive-by inspection and data gathering
4. Cost and Income Approaches – Not Applied as these methods are not typically considered by potential buyers of vacant land in the market

Regional and Local Market Description

The objective of this section is to identify and analyze trends and opportunities that may have a bearing on the economics and marketability of the property as described in the previous section. Since real estate is an integral part of its neighborhood and it cannot be treated as an entity apart from its environment, in this section, those attributes that may influence the highest and best use and market value of the property are explored in detail.

Regional- Cape May County



Source: World Atlas

Cape May County is the southernmost county within the State of New Jersey. Cape May County is bordered on the north by Atlantic County and on the west by Cumberland County with the remainder bordered by the Delaware Bay and the Atlantic Ocean. Much of the economic activity in the county is centered around tourism to the beach destinations. There is also a thriving agricultural business in Cape May County.

Population

According to the 2010 census, the population of New Jersey has increased by 4.5% since the 2000 census and at a higher rate of 5.7% from 2010 to 2020. From 2000 to 2010, the population of Cape May County has decreased by 4.9%. Furthermore, the population has declined by 6.1% from 2010 to 2020 as the following chart indicates:

U.S. Census Population					
Area	2000	2010	Est. 2020	Change 2000-2010	Change 2010-2020
New Jersey	8,414,350	8,791,894	9,288,994	4.5%	5.7%
Cape May County	102,326	97,265	91,312	-4.9%	-6.1%

Source: U.S. Census Bureau

From the Site To Do Business, the population is projected to continue to decline for Cape May County and increase for New Jersey as the following charts shows:

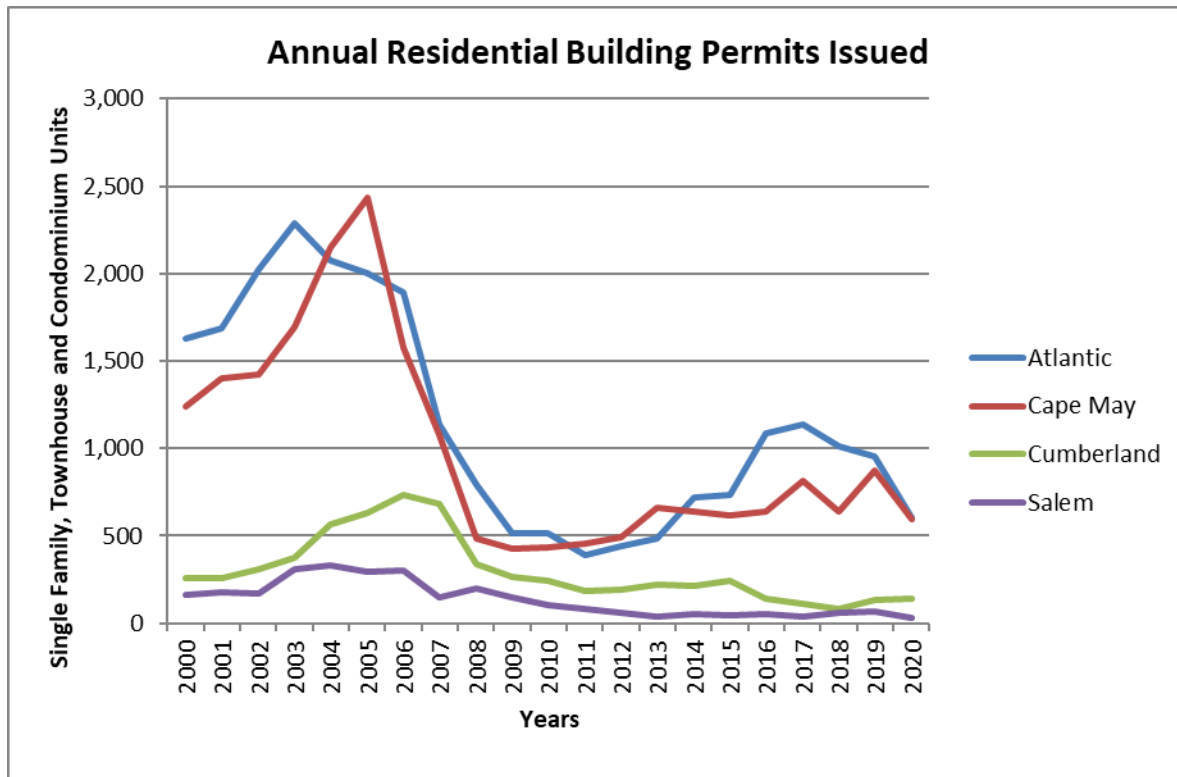
Population	New Jersey	Cape May County
2010 Total Population	8,791,894	97,265
2020 Total Population	9,288,994	91,312
2025 Total Population	9,233,247	91,818
2010 - 2020 Annual Growth Rate	5.7%	-6.1%
2020 - 2025 Annual Growth Rate	-0.6%	0.6%
	New Jersey	Cape May County
Median Home Value		
2020	\$348,500	\$333,161
2025	\$382,774	\$382,961
Median Age		
2010	38.9	47.1
2020	40.3	50.1
2025	41.2	50.8
2020 Population by Sex	9,100,978	94,393
Males	48.75%	48.82%
Females	51.25%	51.18%
2025 Population by Sex	9,233,247	91,818
Males	48.87%	48.95%
Females	51.13%	51.05%
	New Jersey	Cape May County
Per Capita Income		
2020	\$43,560	\$41,500
2025	\$47,830	\$45,749

Source: Site To Do Business

The median home value and the per capita income for the county are below state levels.

Housing Trends

The new housing market provides insights into the local economy. The following chart provides annual construction statistics by county on new residential housing units authorized by building permits. Residential housing permits include single-family houses, townhouse and condominiums units.



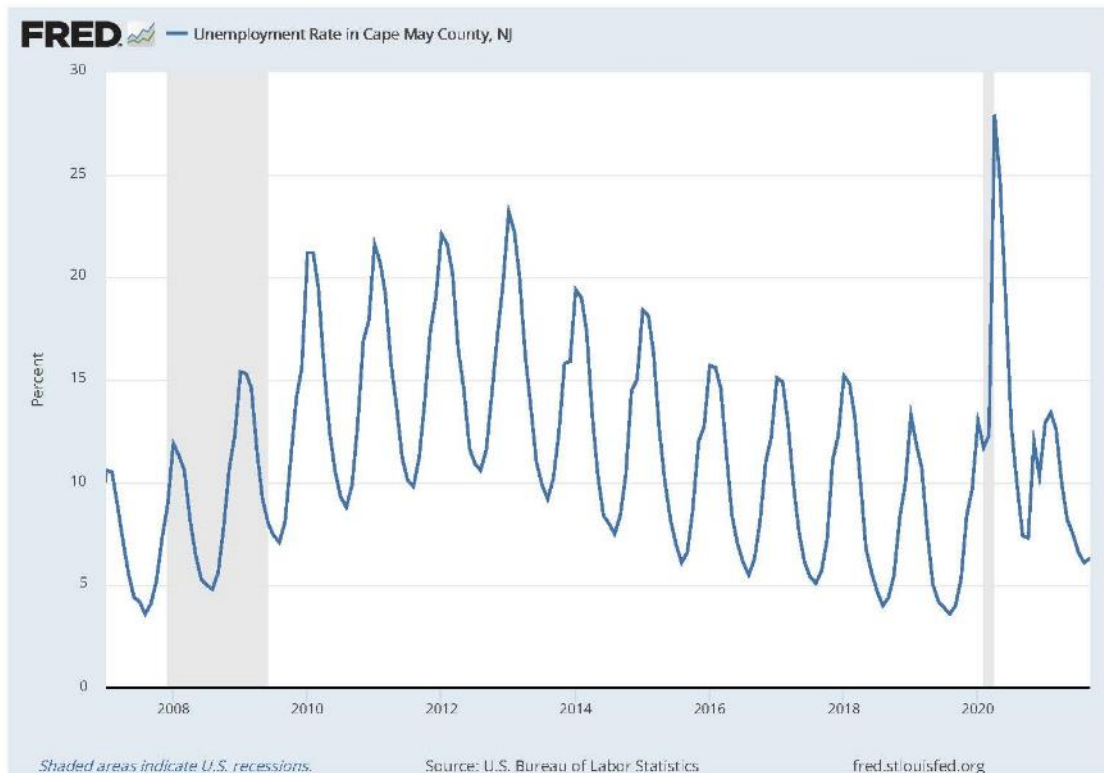
Source: HUD State of Cities Data System (SOCDS)

Building permits across the four southern counties of New Jersey increased annually until peaking in 2005. From 2005 to 2009 the number of building permits continued to decline for all three counties. The number of building permits for Cumberland and Salem Counties has remained relatively level since 2009. Atlantic County began to show signs of improvement with the number of building permits trending upward until 2017 mainly due much of the new development being subsidized; however, the numbers have trended downward since that time. For the Cape May County market, the number of permits increased from 2009 to 2013 and most recently, permits increased 35% from 641 building permits in 2018 to 870 permits in 2019. However, estimated building permits for 2020 show a decline of 31% from 870 building permits in 2019 to 598 permits in 2020.

Employment

Some of the largest private employers in Cape May County include: Cape Regional Medical Center, Wawa, Acme Markets and Walmart. There is also a thriving agricultural business in Cape May County. According to the Cape May County Tourism office, approximately ten years ago less than 10 percent of the County's tourism revenue came from eco-tourism and agricultural tourism, including tours and tastings at breweries and wineries.

When the Governor of New Jersey announced the *Stay-at-Home Order* in March 2020 (see “Market Participant” section of the report) the unemployment rate for Cape May County was 10.9% and more than doubled to 26.9% in May 2020. As of September 2021, the unemployment rate has declined to 6.3%. This unemployment rate is slightly higher than the statewide unemployment rate of 6.2% in September 2021. The following chart shows the annual unemployment rate for Cape May County since 2007.



Given the Covid-19 pandemic, the projected unemployment rate is uncertain.

Linkages

Cape May County is easily accessible from major nearby metropolitan areas including New York, Philadelphia, Newark and Wilmington through a network of federal and state highways. To the north, the Garden State Parkway connects Cape May to Newark as well as to the New Jersey Turnpike (I-95) with access to New York City. The Garden State Parkway connects to the Atlantic City Expressway with access to Atlantic City to the east and Philadelphia and Wilmington to the west. Philadelphia and Wilmington are located approximately 50 miles from Cape May County while Newark and New York are located approximately 100 miles. Linkages include Routes 55 and 9, Routes 47, 49, and 50. The Cape May-Lewes Ferry, operated by the Delaware River and Bay Authority (DRBA), provides connection between New Jersey and Delaware. Visitor Centers at the DRBA Cape May and Lewes Terminals provides amenities for tourists.

Retail

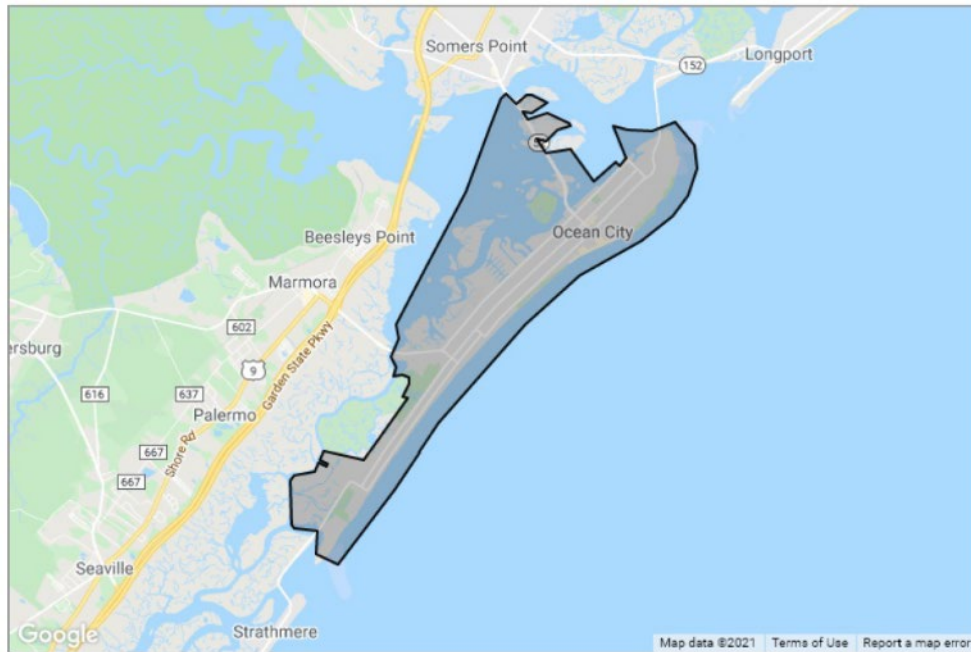
Retail shopping in Cape May County is primarily via neighborhood shopping centers on the mainland and downtown shopping districts on the barrier islands and historic Cape May. The nearest regional shopping mall is the Hamilton Mall located in Mays Landing, Atlantic County. Several big box stores are located throughout Cape May County such as Home Depot, Staples, Michaels, Wal-Mart, and TJ Maxx/Home Goods.

Tourism Activity

Tourism is the driving force of the local economy attracting visitors from primarily Pennsylvania, New Jersey and New York. The main attractions in Cape May County are the beaches from Ocean City to Cape May. According to the Cape May County Department of Tourism, the Cape May market is considered a traditional and secure visitor base with a high visitor return rate. From the most recent report, the Cape May County Planning Department indicates approximately 80% of the visitors in 2013 were return visitors. Year after year generations continue to visit the southern New Jersey beach destinations. Visitor attractions include the boardwalks in Ocean City and Wildwood and the Promenade in Sea Isle City. Cape May County offers diverse number of attractions and activities from golf courses and vineyards to fishing and tour boats to natural reserves for bird watching. Additional cultural and historic attractions include the Cape May Zoo, Cape May Lighthouse, Aviation Museum and tours of the Historic District of Cape May.

In summary, Cape May County's location along the Atlantic Ocean and Delaware Bay is desirable. Much of the economic activity in the county is centered around tourism to the beach destinations. On a positive note, tourism remains relatively strong in Cape May County; however, the COVID-19 pandemic continues to create uncertainty in the market.

Municipal Data – Ocean City



Ocean City is located in northern Cape May County. According to the 2010 census, Ocean City had a year-round population of 11,701, a 24% decline since 2000. The year-round population has remained level with a 2020 population of 11,229. Ocean City is primarily a seasonal market in which during the summer months the population increases dramatically to 120,000 to 130,000± residents. Ocean City is a “dry town” and does not permit the sale of alcohol.

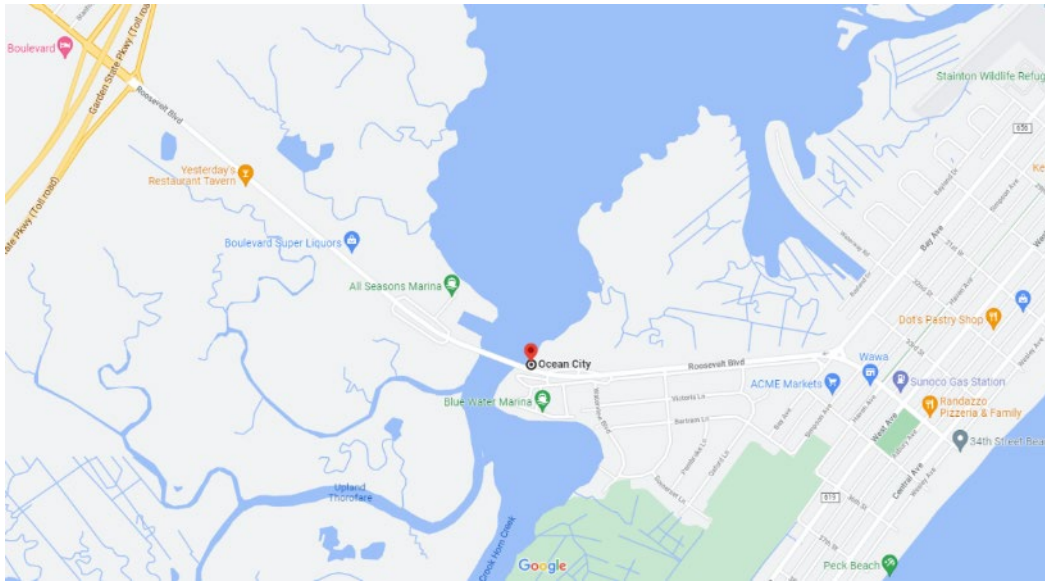
Ocean City is known as “America’s Greatest Family Resort” with the main tourist attractions surrounding the beach and the bay. On the beach side is the Boardwalk with amusement piers, arcades, shops and restaurants overlooking the Atlantic Ocean. On the bay side are marina and water related activities. The tourist season is from Memorial Day Weekend through Labor Day Weekend, with most businesses beginning weekend operations mid-March and extending through mid-October.

According to the Realtors Property Resource (RPR) Neighborhood Report, in Ocean City the median household income is \$77,527 and the median home price is \$880,000. Sale prices have increased significantly over the last year at 24.9%. The recent increase in home sale prices is a result of employees who have the option to work from home during the Covid-19 pandemic are choosing to work from the shore community. From the RPR Market Activity Report sale prices of land and have increased 5.23% over the last 12-months, but not included in the report are the “tear down” lots. A copy of the report is in the addenda of the report.

Ocean City is served by the Ocean City police and fire departments. Students attend Ocean City School District for Kindergarten through High School.

In summary, Ocean City is an established area in which every year thousands of tourists return for the seaside vacation experience.

Neighborhood Analysis



Source: Google Maps

The subject is conveniently located along the main roadway 34th Street/Roosevelt Blvd in the south end of Ocean City. The subject's neighborhood is primarily saltwater wetlands, residential uses including a mix of condos, duplexes and single family homes. To the east is the Ocean City Sandcastle Park with playground, basketball courts and tennis courts.

As shown on the map above, greatest, restaurants and shopping in the south end is located along 34th Street between Bay and Wesley Avenues. Commercial uses include, but are not limited to, Randazzo's, Hoys Five & Ten, Sunoco Gas Station, Wawa, CVS, Acme, Topsail Steamer, Fractured Prune, Ocean Cigars, Elizabeth Eve Salon, Blitz's Market, real estate offices, etc.

Market Impacts and Participants Survey

The prevalence of the current Coronavirus (COVID-19) pandemic has taken center stage in the lives of everyone in the world and unprecedented steps have been taken to contain the virus. A review of the facts includes:

- The World Health Organization (WHO) shows that “illness due to COVID-19 infection is generally mild, especially for children and young adults. However, it can cause serious illness”.⁵
- As of March 25, 2020, in the United States there were 17-state orders in effect, and more than 50% of the US population are officially urged to stay-at-home and practice social distancing in an effort to slow the number of patients requiring treatment and lessen the load on the health care system.⁶
- Pfizer and Moderna vaccines were approved and commenced vaccinating first responders in December 2020. Johnson and Johnson was approved in March 2021. As of the valuation date over eleven-million doses in New Jersey have been administered.

⁵ <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>

⁶ <https://www.cnn.com/2020/03/23/us/coronavirus-which-states-stay-at-home-order-trnd/index.html>

On March 4, 2020, New Jersey had its first case of COVID-19. On March 19, 2020, the governor of New Jersey, Phil Murphy, issued a *Statewide Stay at Home Order* directing all residents to stay at home until further notice. On April 30, 2020, there were 458 deaths due to COVID-19, with most lives lost in a single day and as of June 2020 there were over 12,000 confirmed COVID-19 deaths in New Jersey. The Stay-at-Home Order was lifted on June 9, 2020, as the number of cases declined; however, a second wave resulted in further restrictions. As the number of people who were vaccinated increase, the percentage of people contracting COVID-19 declined. One May 24, 2021, Governor Murphy lifted the indoor mask and social distancing restrictions. During the first and second waves, the pandemic was dynamic and constantly changing.

As of November 2021, there are 28,000 confirmed deaths in New Jersey due to COVID-19. Although life is has returned to a new normal, many businesses were impacted by the pandemic, such as restaurants and retail stores, many of whom continue to receive assistance in the form of grants and loans. Many employees have not returned to the office and continue to work from home. The apartment market was impacted by the eviction moratorium. All of these factors continue to create noticeable uncertainty in the market. The appraiser interviewed market participants to determine the current and anticipated market conditions.

In an interview with Lee Jerome of Levin Commercial Real Estate, the market was slow during the *Stay-at-Home Order* but has since picked up. According to Mr. Jerome, overall, there is a lack of supply of available properties in the market. Low interest rates are the driving forces behind many investment buyers pivoting to real estate.

According to a local broker, since May 2020, the real estate market has been a seller's market with buyers competing for a limited supply of available properties.

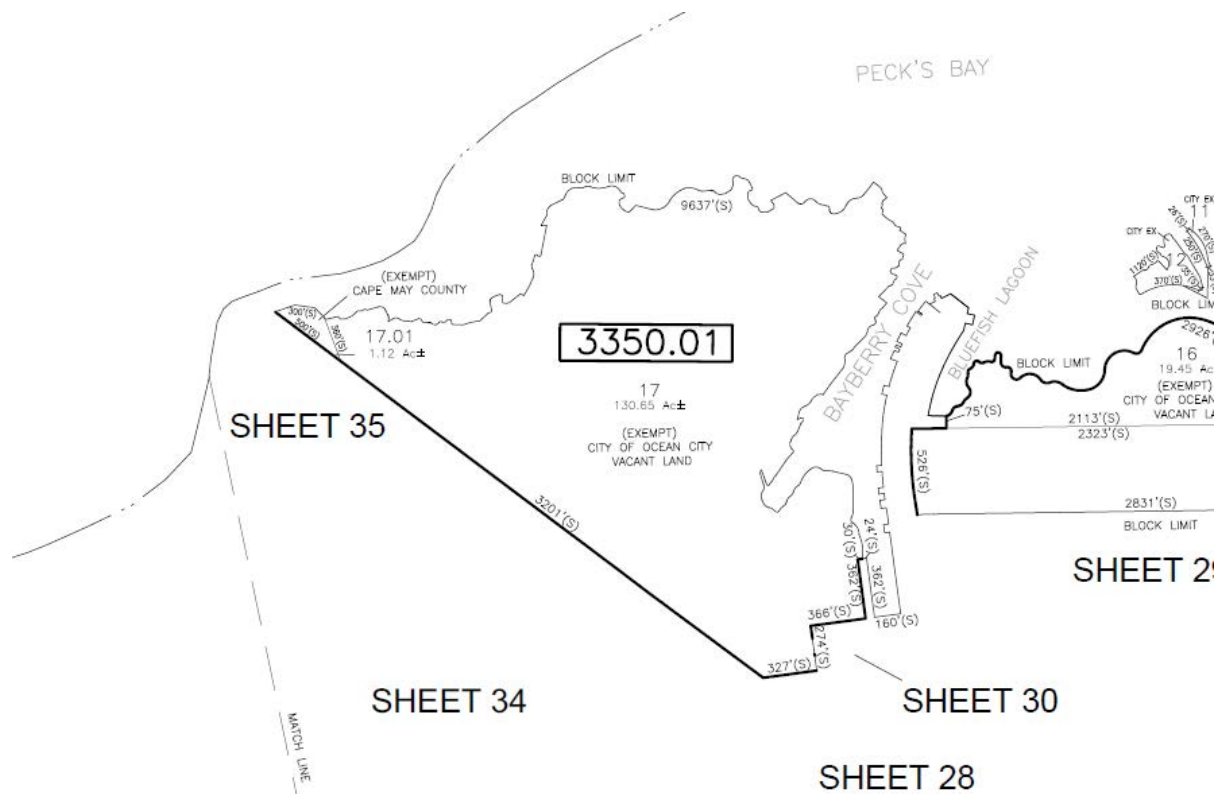
As of April 28, 2021, Anne Klein, Executive Managing Director at Newmark Knight Frank commercial real estate, indicated that the Philadelphia MSA office market has an average vacancy rate of 15%. Remote work or work-from-home prior to the pandemic was approximately 12%. In March 2020, remote work increased to 36%. As of May 2021, remote work has remained at 36%.

Overall, the impacts from the Coronavirus are uncertain. If history is indicative of future occurrences, then New Jersey shore communities have proven to be resilient, from managing rainy summer seasons, to recovering from Superstorm Sandy. The subject's market may initially feel the impacts of COVID-19, but would likely recover as it has in the past.

Property Analysis

For the site and improvement analysis the appraiser relied upon several sources of information including, but not limited to the provided the Preliminary Plans, by PSEG Services Corporation Surveys & Mapping, for “Permanent Easement Across the Property of Ocean City Block 3350.01, Lot 17, Ocean City, Cape May County, New Jersey, dated 09/16/21, recorded deed, tax assessor’s map and records; third party mapping data; appraiser’s aerial measurements and site inspection.

The appraiser was provided with a copy of the plans showing the easement area on Block 3350.01, Lot 17. The following tax map shows the subject lot:



The subject site is an irregular shaped lot located on the northerly side of 34th Street/Roosevelt Boulevard, north of the Marmora/Ocean City bridge and west of Bay Avenue. The subject’s three other borders are surrounded by water with 4,000± feet of water frontage along Great Egg Harbor Bay and 1,700± feet along Clubhouse Lagoon.

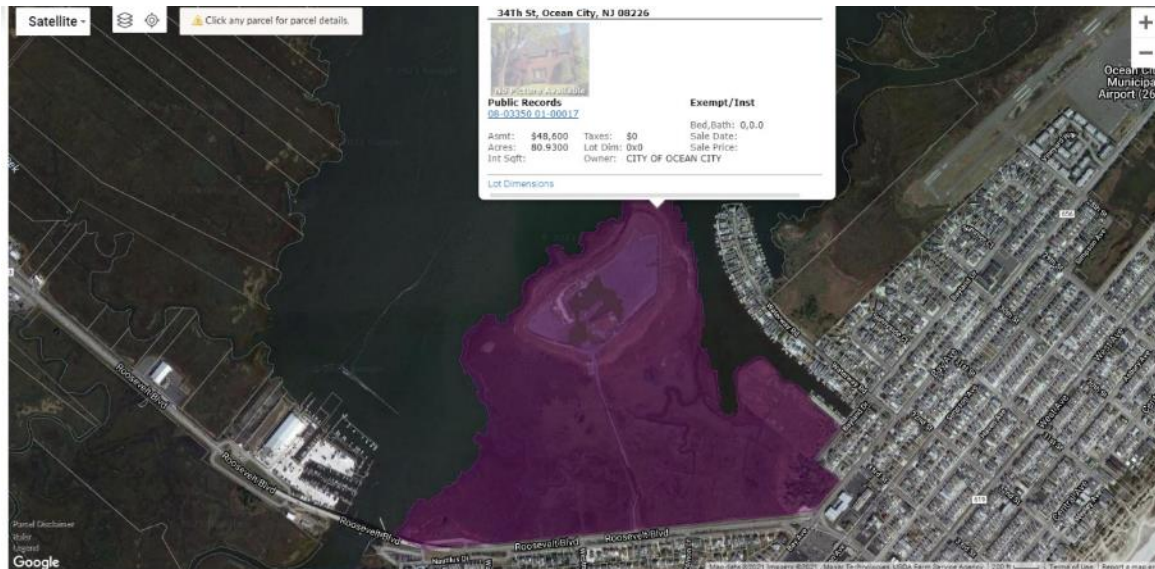
According to the public records the tract to be appraised is approximately 130.65± acres (5,691,114 square feet). The valuation assumes the subject lot measures 130.65± acres. If information to the contrary presents itself, the appraiser reserves the right to amend the report.

Access and Visibility

Access to the tract is good. The site benefits from its access along 34th Street/Roosevelt Boulevard. The site has 3,194± feet of road frontage along 34th Street. In addition, the lot has 327± feet on the west side of Bay Avenue, 336± feet on the east side of Bayland Drive and 362±

feet on the south side of Clubhouse Drive. Roosevelt Boulevard is a two-lane, 120-foot right of way with shoulders. To the east Roosevelt Boulevard provides access to Ocean City. To the west, Roosevelt Boulevard provides access to Garden State Parkway (GSP) and further west to Route 9, the main commercial corridor of Marmora. Visibility is considered good during the summer season as traffic counts increase and average during the off-season.

The following is a aerial map of the subject lot.



Source: Bright MLS

Topography and Soil Conditions

The site is characterized by flat land at sea level. Site soils have been identified via the United States Department of Agriculture's Web Soil Survey. The subject tract consists of primarily Appoquinimink Transquaking Mispillion complex classified as very frequently flooded.

The confirmation of the soil conditions is beyond the scope of this report and professional soil tests were not conducted on the subject property. Should there be any questions regarding the aforementioned items, it is recommended a professional in the applicable field be contacted.

Vegetation

The subject site is primarily saltwater marsh.

Mineral Deposits

The appraiser was not aware of any recognized mineral development or mineral valuation issues on the subject property. The appraiser is not an expert in the field, but there appear to be no mining activities in the area so it is unlikely there are any commercially valuable mineral deposits on the subject parcels.

Environmental Hazards

The site visit for did not reveal any stressed vegetation or surface staining that would indicate environmental hazards on the site. The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Any investigation exceeding casual observation is beyond the scope of this report. The appraiser is not an expert in the field of environmental remediation. It is recommended a professional in the applicable field be contacted should there be any questions regarding potential hazardous conditions.

Easements and Encumbrances

Through a review of the public record and from information provided by the client, there are a number of recorded easements and encumbrances. The following provides a summary:

- The appraiser was provided with a Tideland Search Certificate for Block 3350, Lot 16 indicating there is a Shoreline Claim by the State of New Jersey for an approximate size claim area of 5%.
- Moreover, there is a Tideland Grant, dated December 3, 2018, for a Revocable License (A Rental Agreement from the State of New Jersey), for a license area of 373 square feet of formerly flowed tidelands and is depicted on the plan entitled, “As-Built plan & right-of-way confined disposal facility #83 access road Ocean City situated in Cape May County NJ, dated February 6, 2018, prepared by Michael J. McGuire of ACT Engineers. The area is for the dredge spoils access road. The license is in effect for a period of 10 years from 7/19/2018 to 7/19/2028.
- The appraiser notes, there is a Declaration of Restriction for Mitigation Site, dated June 2, 1994, in favor of NJDEP, as recorded in Deed Book 2476, Page 319. However, the area of restriction is not impacted by the easement to be acquired.
- The subject lot is listed on the NJDEP Green Acres Recreation and Open Space Inventory.

The appraiser was not made aware of any other easements or encumbrances to the subject site. Copies of the other aforementioned documents are in the appraiser’s workfile.

Flood Map and Wetlands

According to Federal Emergency Management Agency (FEMA), the subject is located in Flood Hazard Map Number 34009C0088F, last revised October 5, 2017, and is in Flood Hazard Zone AE, areas inundated by the 100-year flood event. A copy of the flood map is in the addenda of the report.

The appraiser researched the wetlands delineation with New Jersey GeoWeb. The site is encumbered by wetlands. The following map show the wetlands delineation.



Source: NJ-GeoWeb

As shown, the majority of the lot contains wetlands. Should there be any questions regarding the wetlands, it is recommended that a professional in the applicable field be contacted.

Utilities

The lot does not have utilities. There is public sewer and water, gas, electric and telephone along 34th Street/Roosevelt Boulevard.

Site Improvements

Site improvements include wooden gated (locked) entrance to gravel driveway to dredge spoils site. The appraiser notes, the site improvements are not in the easement area and are not impacted by the Project.

Improvements

None noted.

Ownership

According to the title search, the owner of the subject lot is the City of Ocean City, as per a deed dated December 23, 2002, and recorded in Deed Book 3004, Page 794. The Quit Claim Deed between Stainton-Burrell Development, LTD (grantor) to the City of Ocean City (grantee), for a consideration of \$70,000, including the transfer of Lots 16 and 17. According to the tax assessor's records the tax record is assigned a non-usable code indicating the sale is not an arm's length transaction.

There have been no known listings or sales transactions for the three years prior to this assignment.

Assessment and Taxes

The Ocean City tax assessor's records indicate the lot designated as Property Class 15C-Public Property and is tax exempt. The tax assessment record is as follows:

Tax Assessment	
Description	Land
Land	\$48,600
Improvements	<u>\$0</u>
Total	\$48,600
Tax	Exempt
Equalization Rate (2021_	79.56%
Equalized Value	\$61,086

The total tax assessment for the subject lot is \$48,600. The 2021 tax equalization rate for Ocean City is 79.56%. The tax equalization rate indicates assessments are below market value.

Land Use Control and Zoning

New Jersey Land Use Regulation

The subject property is subject to Coastal Area Facility Review Act (CAFRA) regulated by the New Jersey Department of Environmental Protection (NJDEP). Under the NJDEP Division of Land Use Regulation, there are several regulations applicable to the subject's location along the bay. For future development of the site or mitigation of the wetlands, an application process to obtain permits is required to adhere to the coastal laws and rules. Timeframes vary depending on the nature of the application. Property owner must demonstrate compliance with applicable standards to be approved. Any question with regard to CAFRA should be referred to NJDEP

Ocean City Zoning Ordinance

The subject is located in the Ocean City Conservation ("C") Zoning District. As per the zoning ordinance, there are a limited number of permitted uses in the C zone including:

- Open space, fish and wildlife preserve, hunting, fishing, boating and marine agriculture.
- Necessary government facilities for the public health, safety and welfare.
- Piers, docks, facilities for docking, anchoring, mooring, launching, storing, sale, rental and servicing of boats.
- Municipal structures and public uses that promote recreational opportunities and public access to the bay and wetlands areas.
- Dredge material containment facilities.

There are no area and bulk requirements in the C zone.

Based on the zoning ordinance, the lot is legal, conforming. However, given the lot is almost entirely encumbered with wetlands, the lot is considered non-buildable and future development would not be permitted. A change of zoning is not anticipated. Therefore, the highest and best use of the lot is for recreational use.

The appraiser recommends an expert in the field be consulted with regard to any question as to the legal status of the subject. A portion of the zoning map and ordinance are located in the addenda of the report.

Market Analysis

The first step is to identify and analyze trends and opportunities that may have a bearing on the economics and marketability of the subject property. The appraiser considered saltwater wetland sales located in Ocean, Atlantic and Cape May Counties. For the market data analysis, the appraiser surveyed the South Jersey Shore Regional MLS, South Jersey MLS, Cape May County MLS and Bright MLS for recent arm's length sales of comparable land sales in the aforementioned counties. In addition, the appraiser interviewed real estate broker and agents as well as state, county and local representatives for recent sales considered comparable to the subject. There were a limited number of sales. There were no recent, arm's length sales (< 10 years) located in Ocean City. However, there were arm's length sales considered comparable to the subject in Atlantic and Cape May Counties. The following chart lists the sales sorted by price per acre:

Comparable Land Sales							
	Address	Municipality	County	Sale Date	Sale Price	Acres	\$Acre
A	Nacote	Galloway Twp	Atlantic	10/5/2021	\$2,500	11.5	\$217
B	Cedar Swamp	Dennis Twp	Cape May	12/19/2019	\$52,400	20.29	\$2,583
C	1301 Dennisville Petersburg Rd	Upper Twp	Cape May	7/20/2021	\$110,000	41.03	\$2,681
D	Meadowland	Upper Twp	Cape May	8/5/2020	\$150,000	48.89	\$3,068
E	211 Jeffers Landing	Egg Harbor Twp	Atlantic	4/8/2020	\$26,500	1.6	\$16,563

The sales occurred between December 2019 and October 2021. The sales ranged from 1.60± to 48.89± acres. The sales were a wide range from \$217 to \$16,563 per acre. The sale on the low end of the range does not have road frontage. The sale on the high end of the range had a portion of the lot with cleared upland. The sale most similar to the subject is 48.89 acres of meadowland/saltwater wetlands in Upper Township across the bay from the subject for \$3,068 per acre. The subject is expected to price similar to this sale. The sales were utilized in the sales comparison approach. Additional information on these sales is presented in data sheets in the addenda section of the report.

As previously noted, sale prices in Ocean City over the last year increased 24.9% due to increased demand related to the pandemic and lack of supply. The increase is primarily associated with residential sales which is typical of residential sales along barrier islands in Southern New Jersey. A market analysis of buildable land sales shows an increase in sale prices of 5.23% over the last 12-months, but not included in the report are the "tear down" lots. From the recent sales, the days on market ranged from 2 to 184 days. The estimated exposure time is 1 to 6 months.

Highest and Best Use – Before the Project

Highest and best use is defined as that reasonable and probable use that will support the highest present value, as defined, as of the effective date of this report. The four tests of highest and best use are. 1) legally permissible; 2) physically possible; 3) financially feasible; 4) maximally productive.

- 1) To be **legally permissible** the use must be allowed under public land use controls such as zoning and land use laws with the additional consideration of private covenants and deed restrictions.

Legal restrictions affecting the property include the local municipal land use ordinance along with all other county and state regulations. The site lies within the C, Conservation zoning district. There are a limited number of permitted uses in the C district and based on the zoning ordinance, the lot is legal, conforming. However, given the lot is almost entirely encumbered with wetlands, the lot is considered non-buildable and future development would not be permitted.

- 2) **Physical possibility** is affected by the characteristics of the site such as size, shape, topography and other physical aspects of the site. The consideration of a use as physically possible must be tempered by analysis of its financial feasibility.

The subject is 130.65± acres, or 5,691,114± square feet. The site is irregular shaped with frontage along Roosevelt Boulevard. The subject's three other borders are surrounded by water with 4,000± feet of water frontage along Great Egg Harbor Bay and 1,700± feet along Clubhouse Lagoon. Ingress/egress is via eastbound Roosevelt Boulevard. The site has 3,194± feet of road frontage along 34th Street. In addition, the lot has 327± feet on the west side of Bay Avenue, 336± feet on the east side of Bayland Drive and 362± feet on the south side of Clubhouse Drive. Roosevelt Boulevard is a two-lane, 120-foot right of way with shoulders. To the east Roosevelt Boulevard provides access to Ocean City. To the west, Roosevelt Boulevard provides access to Garden State Parkway (GSP) and further west to Route 9, the main commercial corridor of Marmora. Visibility is considered good. The lot is generally level and is almost entirely encumbered with wetlands. The lot is located in Flood Hazard Zone AE, areas inundated by the 100-year flood event. Based on CAFRA regulations the lot is not developable. Overall, the physical characteristics of the property appear to limit future development and is considered non-buildable.

- 3) To be **financially feasible** there must be demand for the use and the perceived potential for a level of compensation commensurate with the level of risk assumed for a selected course of action.

A review of land sales in the market shows buyer demand for land used for recreational activities such as fishing, crabbing and birdwatching. Five sales utilized in the sales comparison approach were the most recent land sales considered similar in size and utility. The most likely buyer of the subject site is an outdoor enthusiast. The land sales indicate buyer demand and the financial feasibility of the subject.

4) The **maximally productive** use is the financially feasible use that will produce the highest net return.

Given the location and demand for land in the market the maximally productive use of the subject is recreational use, which is considered legally permissible, physically possible, and financially feasible.

Highest and Best Use

The highest and best use as-if vacant is defined as that use from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported and financially feasible that results in the highest **land** value. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

The most probable buyer of the subject would be an outdoor enthusiast. The highest and best use of the subject as-if vacant, and an economic use is for recreational or other similar activities such as fishing, crabbing, birdwatching, etc.

Valuation Before the Project

Appraisal Process – Before the Project

In arriving at the estimated value of the subject property as of the effective date of this report, customary valuation practice required an assemblage of as much information as was available and a utilization of the data in three approaches to value: Income Capitalization Approach, Cost Approach and Sales Comparison Approach.

The approaches considered most applicable to the appraisal of the subject property are presented on the following pages. The approaches presented considered the positive and negative physical attributes, the immediate linkages of the location, the effects of specific financial/economic variables of the subject and those elements highlighted earlier in this report.

The sales comparison approach utilizes a process of comparing the most recent sales of similar lots to the subject in arriving at an opinion of value.

The income capitalization approach involves an estimate of the net income which a property is capable of producing. This is converted into an indication of value utilizing any of several capitalization techniques.

The cost approach involves estimating the market value of the land independently of the improvements as though vacant and available for its most probable profitable use. This involves utilization of the same process used in the sales comparison approach. Next, the reproduction or replacement cost is estimated as though the improvements were new on the effective date of the appraisal from which accrued depreciation from all sources is deducted to arrive at a depreciated improvement value. This is added to the estimated land value for a total opinion of value.

The sales comparison approach was utilized since land sales of comparable use have been transferred, giving an indication of buyer actions.

The cost and income approaches were not applied as this method is not typically considered by potential buyers in the local market for land.

Sales Comparison Approach– Before the Project

The Sales Comparison Approach is based upon the assumption that potential purchasers would be willing to substitute the opportunities afforded by the subject property for the opportunity related to each of the specified comparable properties. Comparable sales are a manifestation of the thought process typical buyers and sellers in the marketplace are utilizing at any particular point in time. When there are an adequate number of sales of truly comparable properties with sufficient information for comparison, a range of values for the subject property can be developed.

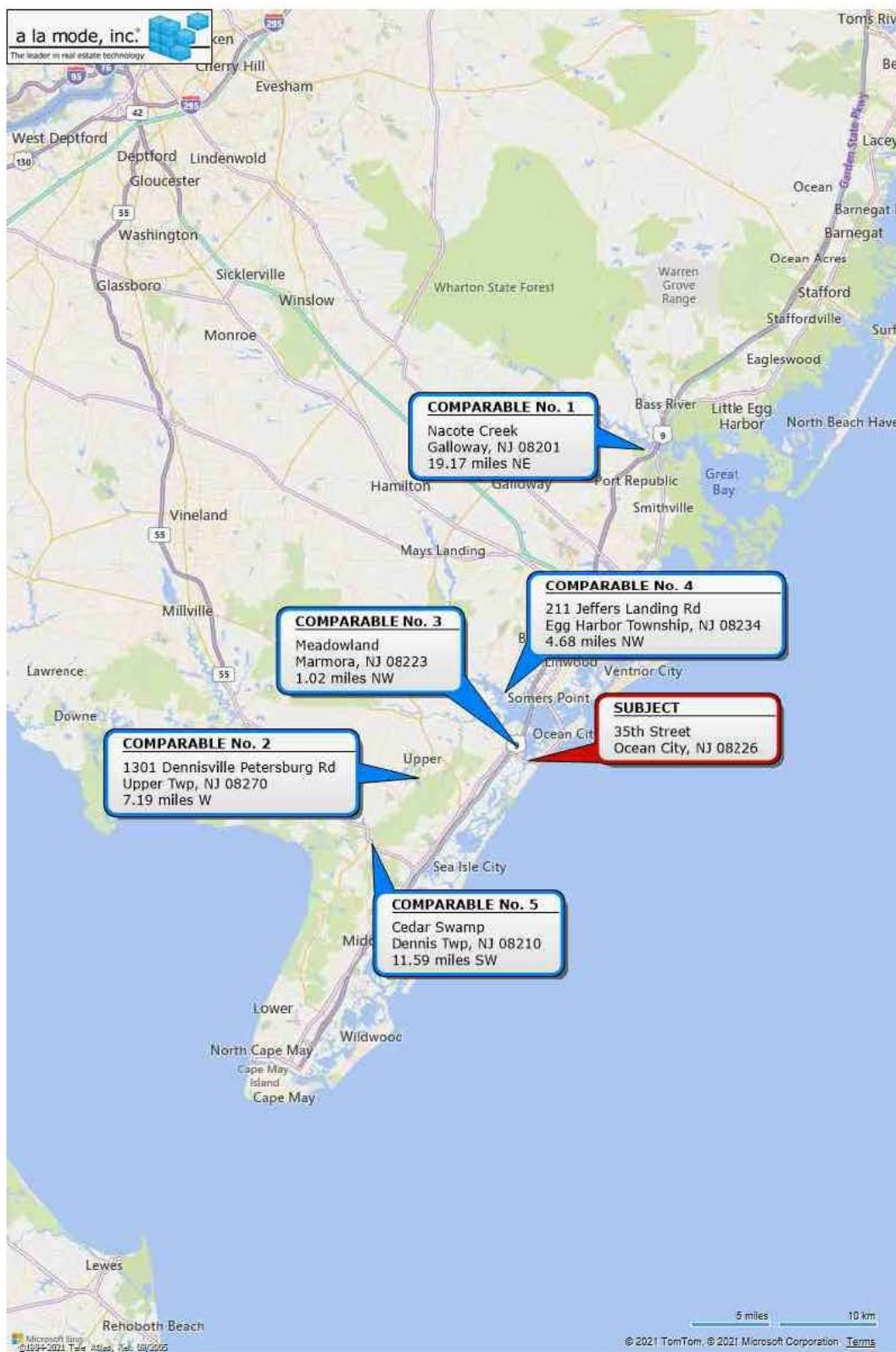
The range of value developed using units of comparison such as sales price per acre, or any of several other units that the marketplace has indicated are relevant, can be studied and necessary adjustments made to provide for the differences between all the comparables and the subject. An analysis of the adjusted units of comparison can then form a basis for the market value of the subject property. Only unit factors considered by the subject's marketplace are relevant. For the subject lot, the value is based on a price per acre.

The degree to which the appraiser can rely on the Sales Comparison Approach depends upon an adequate number and similarity of the circumstances involved in the comparable sales. Differences always exist between properties even though they may provide a buyer with similar levels of functional utility. Adjustments for these differences serve to define more clearly the price that could reasonably be expected, subject to the limitations of the definition of market value.

There were a limited number of comparable sales to determine an opinion of value. Due to the limited number of sales, paired sales analysis and quantitative adjustments could not be determined for location, size, physical characteristics and zoning/use; therefore, the appraiser applied qualitative adjustments by indicating whether the sales were inferior or superior to the subject.

On the following pages is a sales comparison analysis of wetlands which were identified to determine the value.

Comparable Sale Map



Comparable Sale No. 1

Photo by Lee Ann Kampf 12/1/2021

Property Identification

Property Type Wetlands
Address Nacote, Galloway Twp, Atlantic County, NJ
Tax ID Block 1204.01, Lot 8

Sale Data

Grantor Daniel G. Parks
Grantee Bart Anderson
Sale Date October 5, 2021
Document # Book: 15130, Page: 1
Property Rights Fee Simple Estate
Financing Cash
Verification Buyer's Agent

Sale Price \$2,500

Land Data

Site Size 11.50± acres (1,787,267 sq. ft.)
Frontage No street frontage; 954' frontage S/S Nacote Creek
Zoning CV – Conservation
Utilities None
Site Remarks Irregular shaped, level, interior lot, primarily saltwater wetlands

Improvement Description

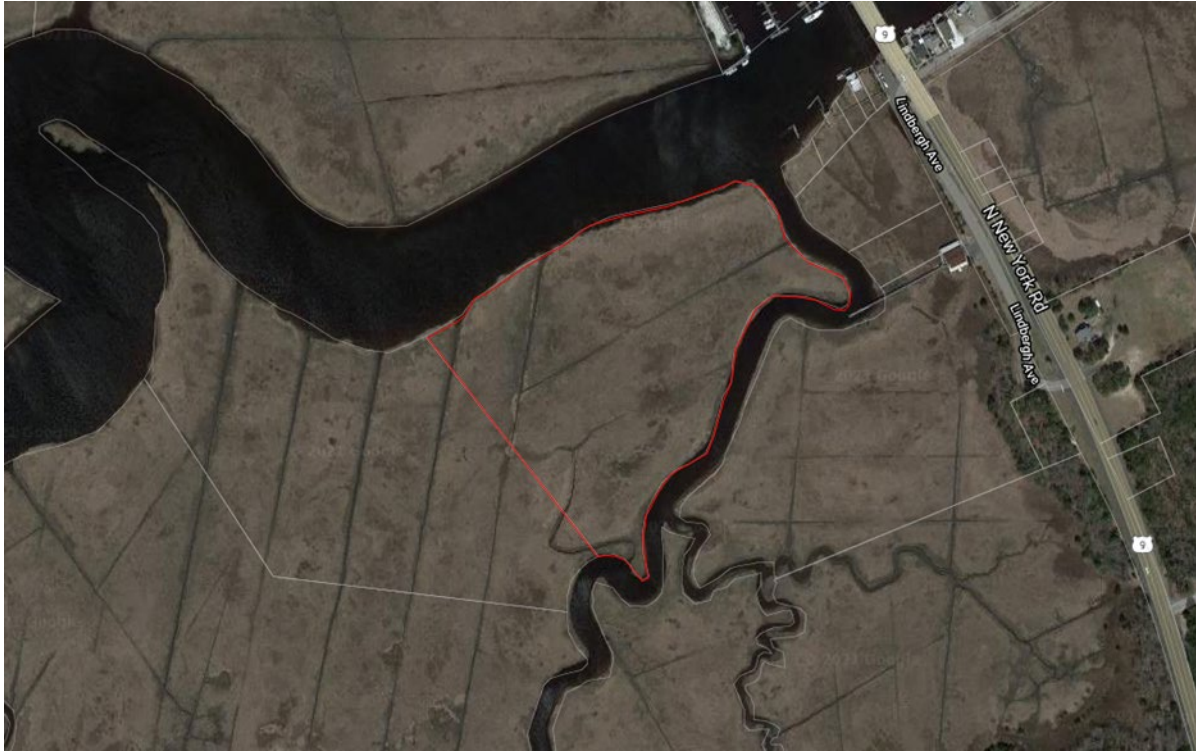
Improvements None

Indicators

Sale Price Per Acre **\$217 per acre**

Remarks

The sale was verified to be an arm's length transaction. The site was listed for \$5,000 (50% sale to list ratio) for 64 days on market. The lot is not developable as per zoning and CAFRA regulations. According to the buyer's agent, the lot is landlocked with the only access via the Nacote Creek.



Comparable Sale No. 2

Photo by Lee Ann Kampf 11/30/2021

Property Identification

Property Type Wetlands
Address 1301 Dennisville-Petersburg Road, Upper Twp, Cape
 May County, NJ
Tax ID Block 453, Lot 5.03

Sale Data

Grantor Linda Milligan
Grantee Brian and Lisa Sullivan Sr.
Sale Date July 20, 2021
Document # Book: 4000, Page: 358
Property Rights Fee Simple Estate
Financing Cash or Equivalent
Verification Buyer's Agent

Sale Price \$110,000

Land Data

Site Size 41.03± acres (1,787,267 sq. ft.)
Frontage 882' street frontage S/S Dennisville- Petersburg Road
Zoning CAR – Conservation/Agricultural Rural
Utilities None
Site Remarks Generally rectangular shaped, level, interior lot,
 primarily wooded and wetlands

Improvement Description

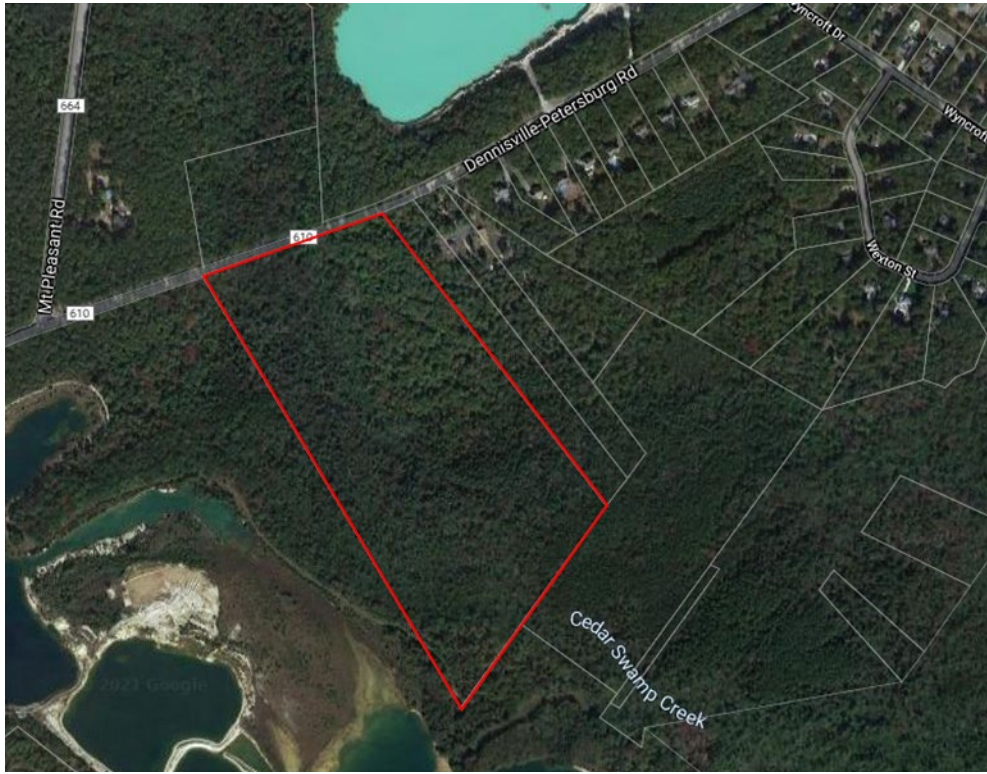
Improvements None

Indicators

Sale Price Per Acre **\$2,681 per acre**

Remarks

The sale was verified to be an arm's length transaction. The site was listed for \$140,000 (79% sale to list ratio) for 324 days on market. Most of the lot is not developable as per zoning and CAFRA regulations. According to the buyer's agent, at the time of sale the buyer had no future plans for the land.



Comparable Sale No. 3

Photo by Lee Ann Kampf 11/30/2021

Property Identification

Property Type Wetlands
Address Meadowland, Upper Twp, Cape May County, NJ
Tax ID Block 735, Lots 41 and 42

Sale Data

Grantor Thomas Towers
Grantee Hilson Group, Inc.
 dba Tuckahoe Mitigation Partners, LLC
Sale Date August 5, 2020
Document # Book: 39260, Page: 553
Property Rights Fee Simple Estate
Financing Cash
Verification Representative of the seller

Sale Price \$150,000

Land Data

Site Size: 48.89± acres (2,129,648 sq. ft.)
Frontage No street frontage; 400±' water frontage Great Egg Harbor Bay
Zoning C – Conservation
Utilities None
Site Remarks Moderately irregular shaped, level, interior lot, primarily saltwater wetlands

Improvement Description

Improvements None

Indicators

Sale Price Per Acre **\$3,068 per acre**

Remarks

The sale was verified to be an arm's length transaction. The lot is not developable as per zoning and CAFRA regulations.



Comparable Sale No. 4

Photo by Lee Ann Kampf 11/30/2021

Property Identification

Property Type	Wetlands
Address	211 Jeffers Landing Rd, Egg Harbor Twp, Atlantic County, NJ
Tax ID	Block 8901, Lot 25

Sale Data

Grantor	Chance Investments, LLC
Grantee	Jeffrey Solomon
Sale Date	April 8, 2020
Document #	Book: 14781, Page: 22528
Property Rights	Fee Simple Estate
Financing	Cash
Verification	Buyer's Agent

Sale Price	\$26,500
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Land Data

Site Size	1.60± acres (69,696 sq. ft.)
Frontage	318'± street frontage W/S Jeffers Landing; 376'± water frontage E/S Great Egg Harbor River
Zoning	CRW – Conservation Recreation Wetlands
Utilities	None
Site Remarks	Irregular shaped, level, interior lot, primarily cleared land and an area of saltwater wetlands along northern border

Improvement Description

Improvements	None
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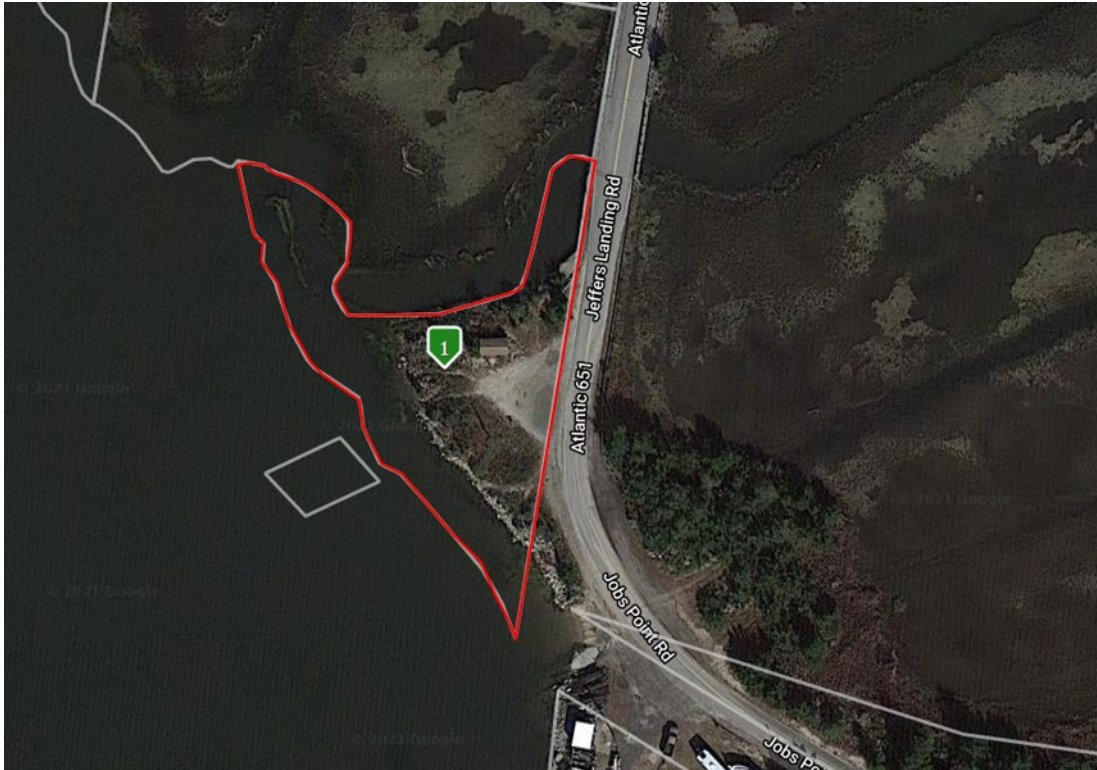
Indicators

Sale Price Per Acre	\$16,563 per acre
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Remarks

Lee Ann Kampf, MAI

The sale was verified to be an arm’s length transaction. The site was listed for \$29,900 (89% sale to list ratio) for 278 days on market. The lot is not developable as per zoning and CAFRA regulations. There was a shed on the lot considered personal property. The MLS listing marketed the lot as a “perfect fishing spot”.



Comparable Sale No. 5

Photo by Lee Ann Kampf 11/30/2021

Property Identification

Property Type Wetlands
Address Cedar Swamp, Dennis Twp, Cape May County, NJ
Tax ID Block 120, Lot 166 and Block 224, Lot 68.02

Sale Data

Grantor Janet Ay
Grantee United States of America
Sale Date December 19, 2019
Document #: Book: 3893, Page: 552
Property Rights Fee Simple Estate
Financing Cash
Verification Representative of the Buyer

Sale Price \$52,400

Land Data

Site Size: 20.29± acres (883,832 sq. ft.)
Frontage: Access is via a power line easement from Woodbine-Ocean View Road (Route 550)
Zoning C – Conservation
Utilities None
Site Remarks: Two non-contiguous lots irregular shaped, level, interior lots, mainly wooded and wetlands

Improvement Description

Improvements None

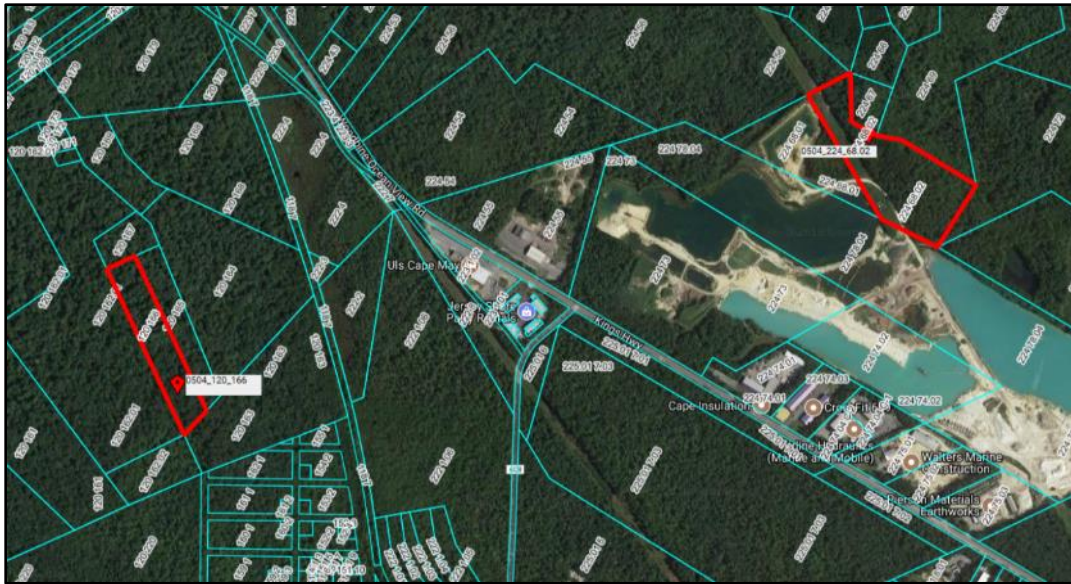
Indicators

Sale Price Per Acre \$2,583 per acre

Remarks

The sale was verified to be an arm's length transaction. The seller utilized the site

primarily for hunting. One of the lots was landlocked. Most of the lot is not developable as per zoning and CAFRA regulations. The site was purchased by US Fish and Wildlife for conservation purposes.



Comparable Land Sales Adjustment Analysis "Before the Project"						
	Subject	Comparable Sale #1	Comparable Sale #2	Comparable Sale #3	Comparable Sale #4	Comparable Sale #5
Address	34th Street & Bay Ave	Nacote	1301 Dennisville Petersburg Rd	Meadowland	211 Jeffers Landing	Cedar Swamp
Municipality	Upper Township	Galloway Twp	Upper Twp	Upper Twp	Egg Harbor Twp	Dennis Twp
County, State	Cape May County, NJ	Atlantic County, NJ	Cape May County, NJ	Cape May County, NJ	Atlantic County, NJ	Cape May County, NJ
Block/Lot	3350.01/17	1204.01/8	453/5.03	735/41 & 42	8901/25	120/166 and 224/68.02
Date	-	10/5/2021	7/20/2021	8/5/2020	4/8/2020	12/19/2019
Sale Price	-	\$2,500	\$110,000	\$150,000	\$26,500	\$52,400
# of Acres	130.65	11.50	41.03	48.89	1.60	20.29
Sale Price/Acre	-	\$217	\$2,681	\$3,068	\$16,563	\$2,583
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Cash or Equivalent	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	Typical	Typical	Typical	Typical	Typical	Typical
Market Conditions	11/15/2021	10/5/2021	7/20/2021	8/5/2020	4/8/2020	12/19/2019
		0%	0%	5%	7%	8%
Adjusted Unit Price		\$217	\$2,681	\$3,222	\$17,722	\$2,789
Location	Good	Inferior	Inferior	Inferior	Inferior	Inferior -
% Adjustment		5.0%	10.0%	5.0%	5.0%	10.0%
\$ Adjustment		\$11	\$268	\$161	\$886	\$279
Access	Bayfront/Road Frontage	Inferior	Inferior	Inferior	Inferior	Inferior -
% Adjustment		5.0%	10.0%	5.0%	5.0%	10.0%
\$ Adjustment		\$11	\$268	\$161	\$886	\$279
Size (Acres)	130.65	Comparable	Comparable	Comparable	Smaller	Comparable
% Adjustment		0.0%	0.0%	0.0%	-20.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	-\$3,544	\$0
Site Characteristics	Saltwater Wetlands	Comparable	Comparable	Comparable	Superior	Comparable
% Adjustment		0.0%	0.0%	0.0%	-50.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	-\$8,861	\$0
Zoning/Use	Conservation/Recreation	Comparable	Comparable	Comparable	Comparable	Comparable
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Unit Price		\$239	\$3,217	\$3,544	\$7,089	\$3,347
Mean	\$3,487					
Median	\$3,347					
Concluded	\$3,400					
Acres	130.65					
Value Conclusion	\$444,200					

The chosen comparable sales reflected the following ranges:

Summary of Comparable Land Sales		
Sale Date	Sale Price	Sale Price/Acre
12/2019 – 10/2021	\$2,500 - \$150,000	\$217 - \$16,563

The estimated market adjustments made to each comparable sale are as follows:

Property Rights Conveyed: Each comparable sale reflected the purchase of the fee simple estate. The market value of the fee simple estate is being estimated for the subject, so no adjustment appeared to be warranted.

Financing: No sale concessions or atypical financing were reported during the verification of the sales. Thus, no adjustment was required.

Conditions of Sale: No atypical conditions of sale were reported during our verification of the sales. Thus, no adjustment was required.

Market Conditions (Time): An adjustment for market conditions is made if, since the time the comparable sales were transacted, general property values have appreciated or depreciated due to inflation or deflation, or investors' perceptions of the market have changed. The appraiser considered market conditions since the sales occurred. The comparable sales presented sale dates from December 2019 to October 2021. As previously noted in the report, the land sales in the market have trended upward approximately 4% per year. As such, the land sales were adjusted upward since the sales occurred.

Location: The subject lot is located along the bay in Ocean City. To determine a location adjustment, the appraiser considered the water frontage, median household income and median home price from RPR reports. The following chart provides a summary.

Location						
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Location	Ocean City	Galloway	Upper Twp	Upper Twp	Egg Harbor Twp	Dennis Twp
Waterfront	Bay	Nacote Creek	None	Bay	Bay	None
Median HH Income	\$77,527	\$85,115	\$85,028	\$85,028	\$77,875	\$64,632
Median Home Price	\$879,730	\$250,340	\$384,000	\$384,000	\$298,000	\$521,000
Overall		Inferior	Inferior -	Inferior	Inferior	Inferior -

Access: Access to the subject is via the road and water was considered. The following chart provides a summary.

Access						
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Water Frontage (Feet)	4,000'	954'	0	400'	376'	0
Road Frontage (Feet)	3,194'	None	882'	None	318'	Easement
Overall		Inferior	Inferior -	Inferior	Inferior	Inferior -

Size: The subject site measures 130.65 acres. The adjustment is based on economies of sale. Due to the limited number of sales and the lack of market information, no measurable per unit

adjustment for land size was determined. The exception is Sale 4 which was much smaller and adjusted downward based on qualitative adjustment.

Site Characteristics: The physical characteristics of the subject property and each comparable was considered. Due to the limited number of sales in the market, and the lack of reliable quantitative market support, qualitative consideration was given to each the sales. Sales 1, 2, 3 and 5 were considered similar to the subject with no adjustments. Sale 4 was superior in site characteristics with less saltwater wetlands and more uplands and adjusted downward.

Zoning/Land Use: The subject is located in the C - Conservation zoning district and subject to CAFRA permitting which limits future development. All of the sales were located in comparable zoning districts and/or non-developable; thus, no adjustments were required.

Conclusions: Each comparable sale used in the analysis provides a reasonable indication of the subject's market value and was considered the best available as of the valuation date. Greater weight was given to Sale 3 located across the bay from the subject.

Based on this information and other data found within the market, the market value for the subject is estimated at **\$3,400 per acre or \$444,200**.

Summary of Value Indications:

Summary of Value Indications	
Sales Comparison Approach	\$ 444,200
Income Capitalization Approach	N/A
Cost Approach	N/A

Correlation and Final Value Estimate – Before Project

During the analysis, it was found that the Sales Comparison Approach to value provided the best and most reliable indication of the subject site's market value. It was developed since land is often purchased on this basis. After making the appropriate adjustments to each comparable sale, a reliable market value estimate for the site resulted.

The Income Capitalization Approach was also considered but was not developed, since an adequate supply of comparable lease information was not found for land zoned for this type of use. In addition, this approach to value does not reflect the typical motivations of land purchasers within the market.

The Cost Approach was also considered, but not developed, since the Project will not impact the improvements and only the value of the land has been estimated.

After considering all of the facts and circumstances in connection with the subject property, I conclude that the estimated Market Value Before the Project for the Fee Simple Interest, as of November 15, 2021, was **\$444,200**.

Nature of Project

Description of the Project

The description of the Project is based on the provided Preliminary Plans, by PSEG Services Corporation Surveys & Mapping, for “Permanent Easement Across the Property of Ocean City Block 3350.01, Lot 17, Ocean City, Cape May County, New Jersey, dated 09/03/21. The area is summarized and described as follows:

Permanent Easement Area Description	
Interests Acquired:	Permanent subsurface easement
Land Area/Dimensions:	2,950± square feet or 0.068± acres; the easement will be approximately 30'± in width and 98.33'± in length
Description/Location:	Generally rectangular shaped, along southwest corner of the site, east of the bay, just north of the Roosevelt Blvd Bridge.
Improvements Affected:	None
Property Owner's Future Right of Use:	Permanent easement of subsurface area at the southwest corner of the site will be below the surface and unseen and will have a nominal effect on use and utility.

On the following page is a copy of the provided map. The orange area shows the easement area.



Just Compensation

Just compensation provides for compensation of any taking, as well as damages to the remainder property. Just Compensation is defined as:

“the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position as he or she would be if the property had not been taken.”⁷

The “Before and After Rule” is the methodology used in this report to estimate the value of the part taken and any damages to the remainder. Simply put, just compensation to the property owner is estimated as follows:

Value of Property Before the Project
Minus Value of Property After the Project
The Difference is the Just Compensation

The first part of this report concluded to a market value of the property Before the Project. The second part of this report describes the property After the Project and estimates the market value of the land under the hypothetical condition that the “After the Project” description of the property represents the property as of November 15, 2021. In effect, the property is analyzed as if the Project has been completed and any acquisition has physically occurred.

The Before and After methodology generally shows the effect of a fee simple taking on a property and may include some damages. Compensation for easement areas generally need to be estimated separately.

Damages

In condemnation, the loss in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder.⁸

Damages value any improvements or portions of improvements which are within easements, or otherwise damaged by the Project and to be purchased; together with the value of any easements; plus any severance damages and the amount of any rounding differences.

⁷ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*, Chicago, IL, 2015

⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*. Chicago, IL: Appraisal Institute, 2015, p. 59.

Description of Remainder

The property will continue to offer many of the same physical characteristics as Before the Project including frontage, topography and visibility. After the Project, the site's physical characteristics are shown as follows:

Physical Characteristics of the Site (After the Project)	
Land Area:	130.650± acres with a subsurface easement area for a land area of 130.582± acres, less than 0.05% impact
Reduction:	2,950± square feet or 0.068± acres, subsurface
Shape:	Same as Before the Project
Topography:	Same as Before the Project
Frontage:	Same as Before the Project
Access:	Same as Before the Project
Easements/Encumbrances:	<p>Permanent easement of subsurface area at the southwest corner of the site will be below the surface and unseen and will have a nominal effect on use and utility.</p> <p>All other easements are the Same as Before the Project.</p>
Improvements Affected:	None

Highest and Best Use – After the Project

Highest and best use is defined as that reasonable and probable use that will support the highest present value, as defined, as of the effective date of this report. The four tests of highest and best use are. 1) legally permissible; 2) physically possible; 3) economically feasible; 4) maximally productive.

- 1) To be **legally permissible** the use must be allowed under public land use controls such as zoning and land use laws with the additional consideration of private covenants and deed restrictions.

Legal restrictions affecting the property include the local municipal land use ordinance along with all other county and state regulations. The site lies within the C, Conservation zoning district. There are a limited number of permitted uses in the C district and based on the zoning ordinance, the lot is legal, conforming. However, given the lot is almost entirely encumbered with wetlands, the lot is considered non-buildable and future development would not be permitted.

- 2) **Physical possibility** is affected by the characteristics of the site such as size, shape, topography and other physical aspects of the site. The consideration of a use as physically possible must be tempered by analysis of its financial feasibility.

The subject is 130.65± acres, or 5,691,114± square feet. After the Project there will be a subsurface easement area of 0.068± acres or 2,950± square feet.

The site is irregular shaped with frontage along Roosevelt Boulevard. The subject's three other borders are surrounded by water with 4,000± feet of water frontage along Great Egg Harbor Bay and 1,700± feet along Clubhouse Lagoon. Ingress/egress is via eastbound Roosevelt Boulevard. The site has 3,194± feet of road frontage along 34th Street. In addition, the lot has 327± feet on the west side of Bay Avenue, 336± feet on the east side of Bayland Drive and 362± feet on the south side of Clubhouse Drive. Roosevelt Boulevard is a two-lane, 120-foot right of way with shoulders. To the east Roosevelt Boulevard provides access to Ocean City. To the west, Roosevelt Boulevard provides access to Garden State Parkway (GSP) and further west to Route 9, the main commercial corridor of Marmora. Visibility is considered good. The lot is generally level and is almost entirely encumbered with wetlands. The lot is located in Flood Hazard Zone AE, areas inundated by the 100-year flood event. Based on CAFRA regulations the lot is not developable.

Overall, the physical characteristics of the property continue to limit future development and is considered non-buildable. The permanent easement of subsurface area at the southwest corner of the site will be below the surface and unseen and will have a nominal effect on use and utility.

- 3) To be **financially feasible** there must be demand for the use and the perceived potential for a level of compensation commensurate with the level of risk assumed for a selected course of action.

A review of land sales in the market shows buyer demand for land used for recreational activities such as fishing, crabbing and birdwatching. Five sales utilized in the sales comparison approach

were the most recent land sales considered similar in size and utility. The most likely buyer of the subject site is an outdoor enthusiast. The land sales indicate buyer demand and the financial feasibility of the subject.

4) The **maximally productive** use is the financially feasible use that will produce the highest net return.

Given the location and demand for land in the market the maximally productive use of the subject is recreational use, which is considered legally permissible, physically possible, and financially feasible.

Highest and Best Use

The highest and best use as-if vacant is defined as that use from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported and financially feasible that results in the highest **land** value. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

The most probable buyer of the subject would be an outdoor enthusiast. The highest and best use of the subject as-if vacant, after the Project and an economic use is for recreational or other similar activities such as fishing, crabbing, birdwatching, etc.

Valuation - After the Project

Appraisal Process - After the Project

Again, the appraisal report considered the value of the land only. This is because the value of the site improvements is not impacted by the proposed acquisition. Each of the three traditional approaches to value has been considered in estimating the market value of the site. The market value indication was developed via the Sales Comparison Approach for the same reason that it was developed "Before the Project."

Sales Comparison Approach - After the Project

A market value estimate has been developed through the Sales Comparison Approach for the subject site. The same sales have been utilized as in the Before the Project and the same adjustments have been made.

Comparable Land Sales Adjustment Analysis "After the Project"						
	Subject	Comparable Sale #1	Comparable Sale #2	Comparable Sale #3	Comparable Sale #4	Comparable Sale #5
Address	34th Street & Bay Ave	Nacote	1301 Dennisville Petersburg Rd	Meadowland	211 Jeffers Landing	Cedar Swamp
Municipality	Upper Township	Galloway Twp	Upper Twp	Upper Twp	Egg Harbor Twp	Dennis Twp
County, State	Cape May County, NJ	Atlantic County, NJ	Cape May County, NJ	Cape May County, NJ	Atlantic County, NJ	Cape May County, NJ
Block/Lot	3350.01/17	1204.01/8	453/5.03	735/41 & 42	8901/25	120/166 and 224/68.02
Date	-	10/5/2021	7/20/2021	8/5/2020	4/8/2020	12/19/2019
Sale Price	-	\$2,500	\$110,000	\$150,000	\$26,500	\$52,400
# of Acres	130.582	11.50	41.03	48.89	1.60	20.29
Sale Price/Acre	-	\$217	\$2,681	\$3,068	\$16,563	\$2,583
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	Cash or Equivalent	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	Typical	Typical	Typical	Typical	Typical	Typical
Market Conditions	11/15/2021	10/5/2021	7/20/2021	8/5/2020	4/8/2020	12/19/2019
Adjusted Unit Price		\$217	\$2,681	\$3,222	\$17,722	\$2,789
Location	Good	Inferior	Inferior	Inferior	Inferior	Inferior -
% Adjustment		5.0%	10.0%	5.0%	5.0%	10.0%
\$ Adjustment		\$11	\$268	\$161	\$886	\$279
Access	Bayfront/Road Frontage	Inferior	Inferior	Inferior	Inferior	Inferior -
% Adjustment		5.0%	10.0%	5.0%	5.0%	10.0%
\$ Adjustment		\$11	\$268	\$161	\$886	\$279
Size (Acres)	130.58	Comparable	Comparable	Comparable	Smaller	Comparable
% Adjustment		0.0%	0.0%	0.0%	-20.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	-\$3,544	\$0
Site Characteristics	Saltwater Wetlands	Comparable	Comparable	Comparable	Superior	Comparable
% Adjustment		0.0%	0.0%	0.0%	-50.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	-\$8,861	\$0
Zoning/Use	Conservation/Recreation	Comparable	Comparable	Comparable	Comparable	Comparable
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
\$ Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Unit Price		\$239	\$3,217	\$3,544	\$7,089	\$3,347
Mean	\$3,487					
Median	\$3,347					
Concluded	\$3,400					
Acres	130.582					
Value Conclusion	\$444,000					

Conclusions After the Project

Again, each comparable sale used in the analysis provided a reasonable indication of the subject's land value and was considered the best available as of the valuation date.

Based on this information and other data found within the market, the market value for the subject After the Project is estimated at **\$3,400 per acre or \$444,000.**

Damages to the Remainder

As previously discussed, Before the Project the subject site will be 130.650± acres and After the Project the site will have a 0.068-acre subsurface easement area. The reduced size of 130.582± acres is less than a 0.05% reduction and the subject will continue to meet the permitted zoning requirements, Before and After the Project.

There are damages to the remainder anticipated due to the fee taking of 0.068 acres (2,950 square feet).

Compensation for Easements/Encumbrances

Proposed Easement Area: The market value of the subject property through the Sales Comparison Approach Before the Project is \$444,200 and After the Project is \$444,000. Therefore, the compensation of \$200 is the compensation for the subsurface easement area.

Before the Project:	\$444,200
After the Project:	<u>\$444,000</u>
Value of the Fee Taking:	\$ 200

Correlation and Final Value Estimate - After the Project

The resulting market value estimate for the property, After the Project, is summarized as follows and reflects all anticipated damages to the remainder:

Summary of Value Indications	
Sales Comparison Approach	\$444,000
Income Capitalization Approach	N/A
Cost Approach	N/A

Reconciliation

In the final reconciliation, the appraiser must ensure that the approaches and methods used relate to the real property interest being appraised, the definition of value under consideration, and the purpose and use of the appraisal. In the analysis of the subject, only the Sales Comparison Approach to value has been considered in estimating value for the subject property. The following value estimates were derived by each approach employed:

Value Indicators		
	Before	After
Sales Comparison	\$444,200	\$444,000
Income Approach	N/A	N/A
Cost Approach	N/A	N/A
Conclusion	\$444,200	\$444,000

Conclusion and Justification

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lot (Block 3350.01, Lot 17) as of November 15, 2021, was:

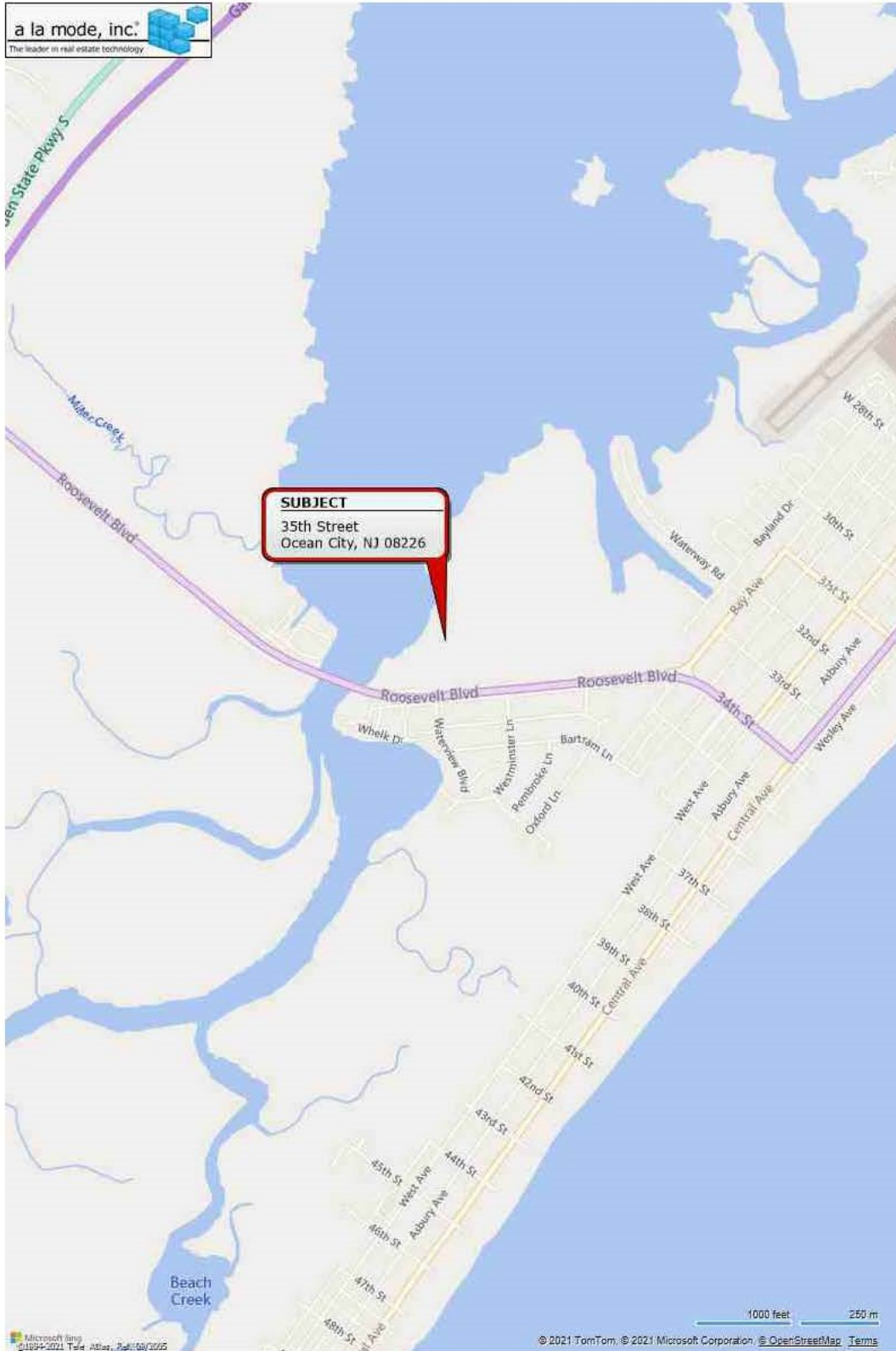
Final Value Opinion Before: (Fee Simple Estate)	\$444,200
Final Value Opinion After: (Fee Simple Estate subject to Easement)	<u>\$444,000</u>
Value of Part Taken and Damages to Remainder	\$ 200

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owner. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Two Hundred Dollars
(\$200)

Addenda

Location Map



Subject Photographs



1. View of Lot Easement Area facing Northeasterly



2. View of Lot Easement Area facing Northeasterly



3. View of Dredge Spoils Driveway from 34th Street facing Northerly



4. View of Dredge Spoils Gate from 34th Street facing Northerly

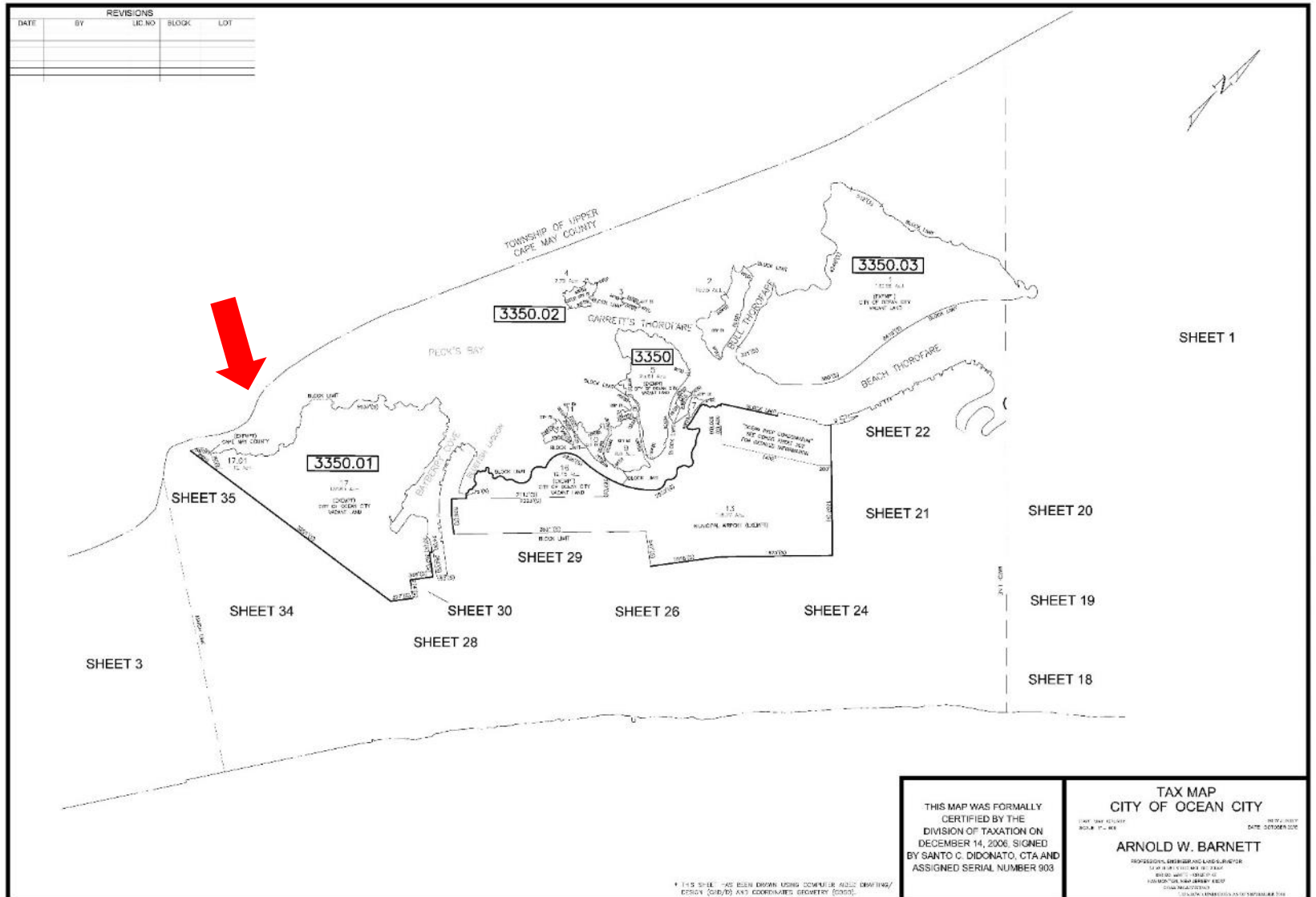


5. - View of 34th Street facing Northwesterly, Subject on Right

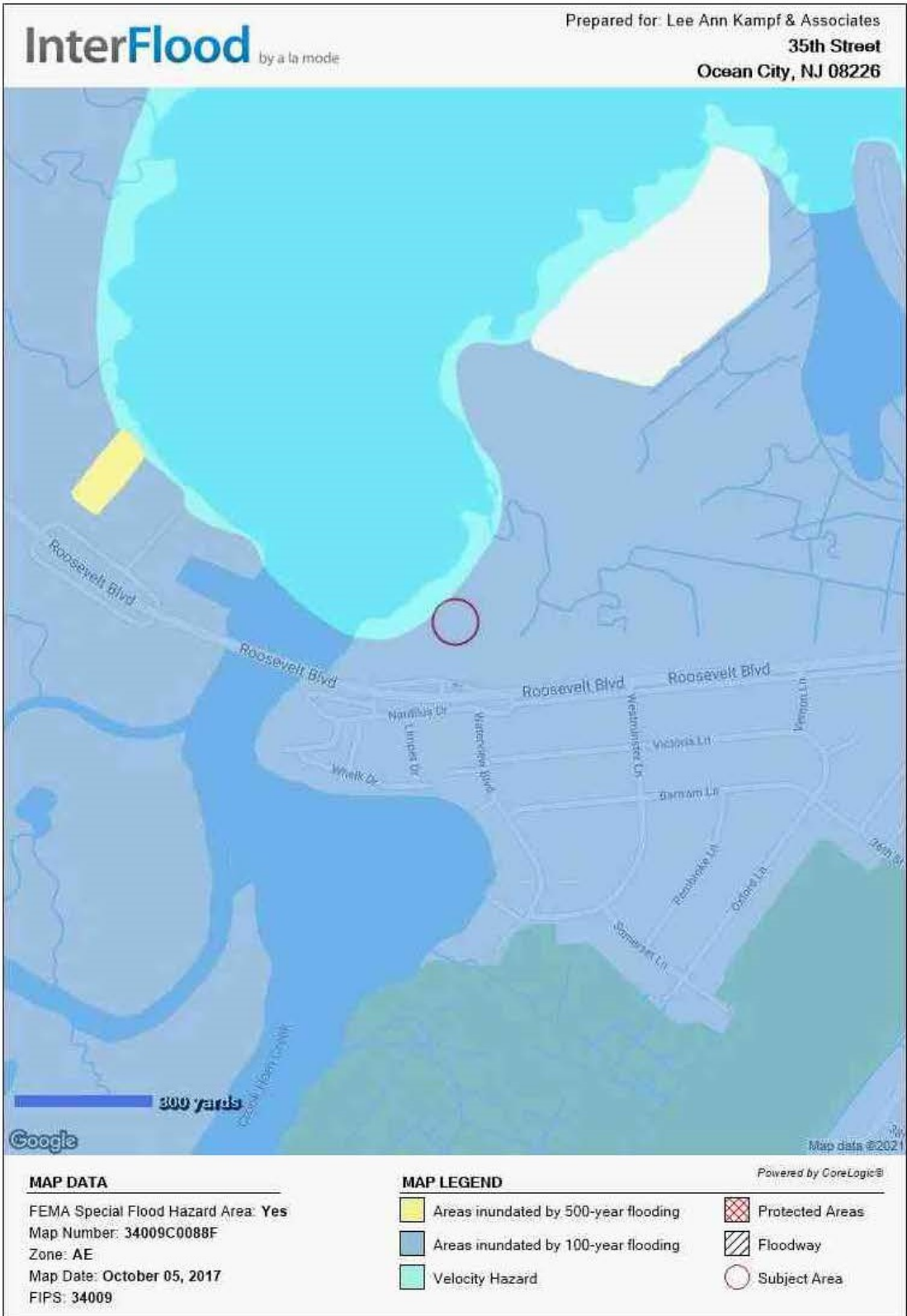


6. View of 34th Street facing Southeasterly, Subject on Left

Subject Tax Map



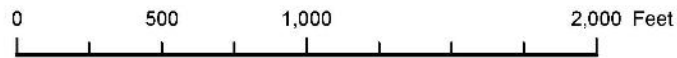
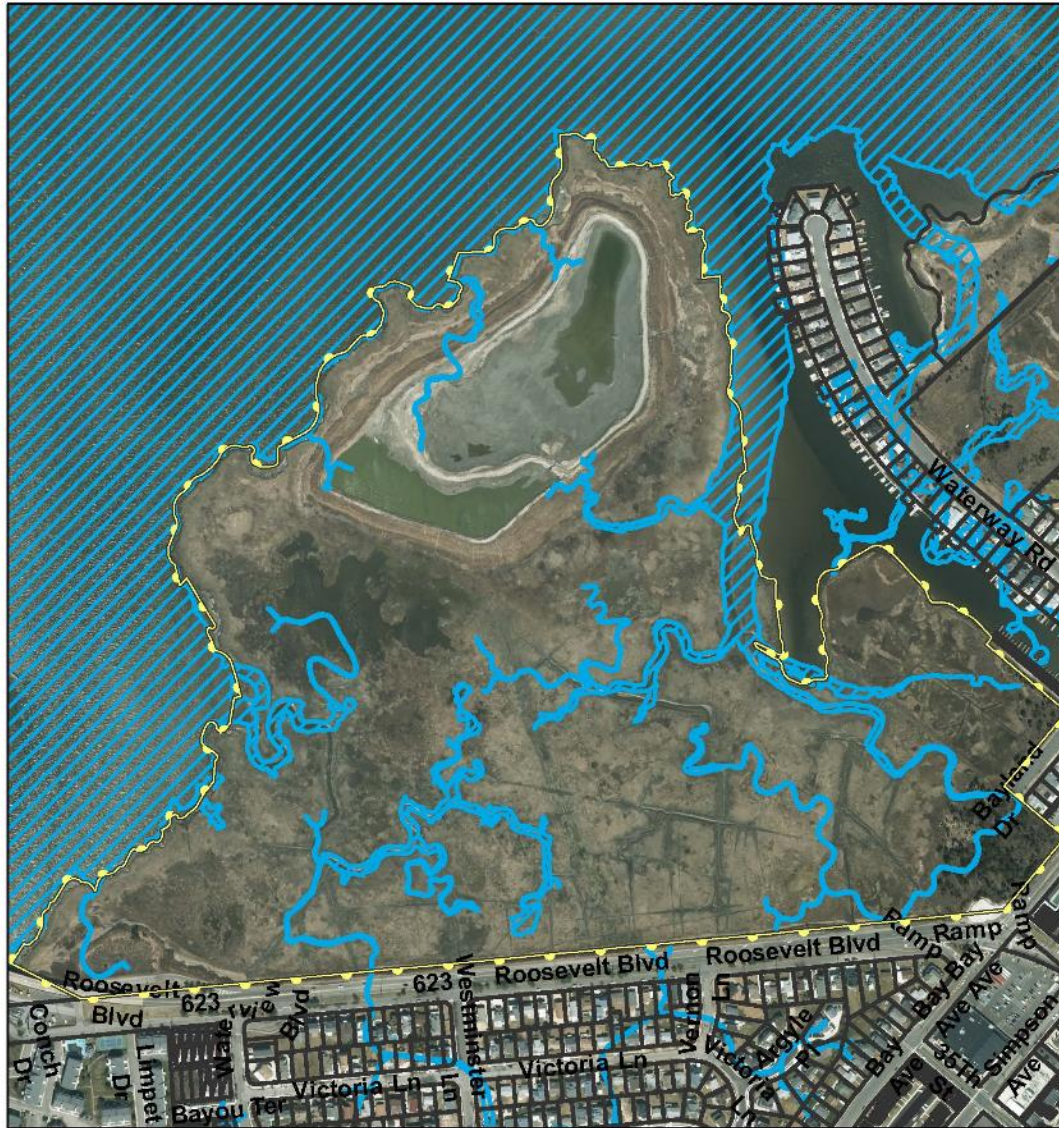
Flood Map



Tideland Map



Tidelands Claim Search



Tidelands Legend

PIQ	Claimed	TimeBarred	Instruments	Gore
-----	---------	------------	-------------	------

The claim and property lines depicted are a scaled representation and are for informational purposes only. Results are based on the NJ State Tidelands Conveyance Maps and are subject to the Tidelands Reservation Statement. Signature is not responsible for errors or omissions in the State's data.

Neighborhood Analysis

Neighborhood Report

Mamora, NJ 08223

Neighborhood: Housing Stats and Charts

	08223	Mamora	Cape May County	New Jersey	USA
Median Estimated Home Value	\$384K	\$384K	\$510K	\$431K	\$292K
Estimated Home Value 12-Month Change	+17.7%	+17.7%	+17.8%	+13.6%	+15.4%
Median List Price	\$397K	\$397K	\$600K	\$400K	\$150K
List Price 1-Month Change	+20.3%	+20.3%	+4.3%	0%	-0.1%
List Price 12-Month Change	+18.5%	+18.5%	+13.2%	+4.7%	+7.1%
Median Home Age	43	43	45	55	41
Own	89%	-	78%	64%	64%
Rent	11%	-	22%	36%	36%
\$ Value of All Buildings for which Permits Were Issued	-	-	\$243M	\$4.8B	\$307B
% Change in Permits for All Buildings	-	-	-15%	+5%	+13%
% Change in \$ Value for All Buildings	-	-	-10%	+8%	+10%

Median Sales Price vs. Sales Volume

This chart compares the price trend and sales volume for homes in an area. Home prices typically follow sales volume, with a time lag, since sales activity is the driver behind price movements.

Data Source: Public records and listings data

Update Frequency: Monthly

- Median Sales Price Public Records
- Median Sales Price Listings
- Sales Volume Public Records
- Sales Volume Listings

Median Sales Price



Sales Volume



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10/13/2021

Neighborhood Report

Mamora, NJ 08223

Neighborhood: People Stats and Charts

	08223	Cape May County	New Jersey	USA
Population	4.73K	93.7K	8.88M	323M
Population Density per Sq MI	331	373	1.21K	–
Population Change since 2010	-5.8%	-3.3%	+3.8%	+7.7%
Median Age	46	49	40	38
Male / Female Ratio	46%	49%	49%	49%



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10/13/2021

Neighborhood Report

Marmora, NJ 08223

Neighborhood: Economic Stats and Charts

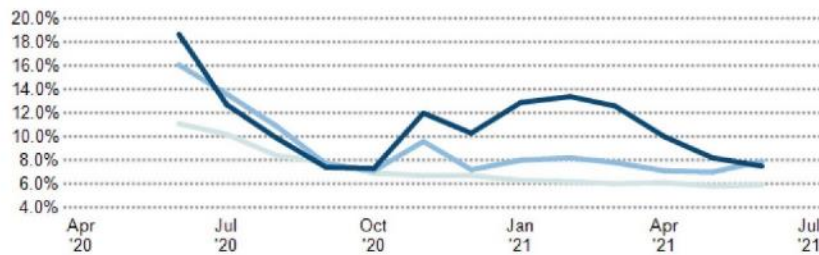
	08223	Marmora	Cape May County	New Jersey	USA
Income Per Capita	\$44,938	–	\$38,496	\$40,895	\$32,621
Median Household Income	\$85,028	–	\$63,690	\$79,363	\$60,293
Unemployment Rate	–	–	7.5%	7.9%	5.9%
Unemployment Number	–	–	4.32K	354K	–
Employment Number	–	–	53.1K	4.13M	–
Labor Force Number	–	–	57.4K	4.48M	–

Unemployment Rate

This chart shows the unemployment trend in the area of your search. The unemployment rate is an important driver behind the housing market.

Data Source: Bureau of Labor Statistics
Update Frequency: Monthly

■ Cape May County
■ New Jersey
■ USA

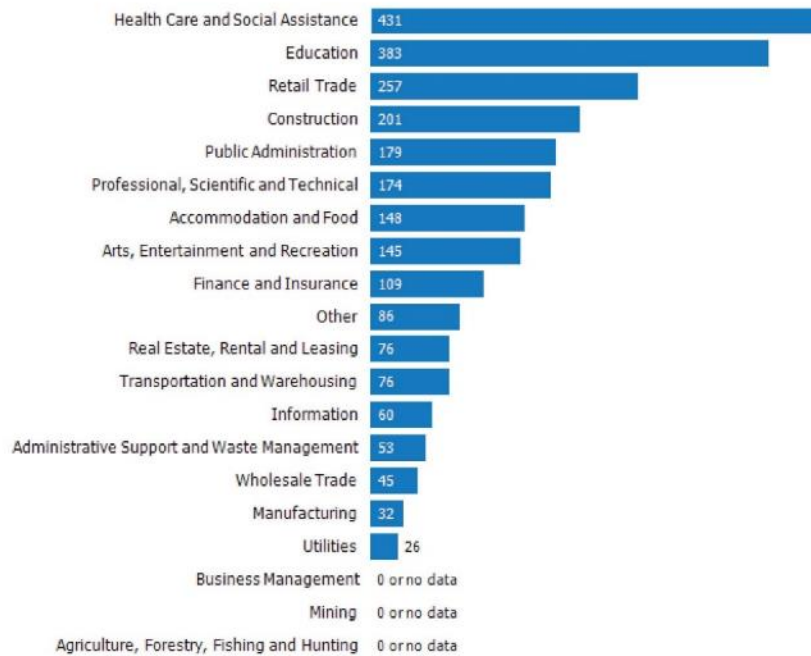


Occupational Categories

This chart shows categories of employment within an area.

Data Source: U.S. Census
Update Frequency: Annually

■ 08223



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10/13/2021

Portion of Zoning Map and Ordinance

Chapter 25. Zoning and Land Development

Article 200. Zoning District Regulations

§ 25-206.1. C, Conservation Zone.

§ 25-206.1.1. Purpose.

[Ord. #09-26, § 2]

It is the intention of the City to create a Conservation Zone to prevent and eliminate conditions which, in the event of flood and storm, threaten the public health, safety and welfare and which lead to damage to, or loss of, property; and to promote recreational opportunities and public access along the bay front of the coastal area. This zone corresponds to Chapter 20, Tidal Flood Plain, of the City of Ocean City General Code, Ordinance 1093.

The Conservation Zone includes all areas as shown on the Ocean City Zoning Map, which prior to this Ordinance, were not zoned. The Conservation Zone includes all islands in the bay as well as lands undevelopable due to environmental regulations.

§ 25-206.1.2. Permitted Uses.

[Ord. #09-26, § 2]

The following uses are permitted within the Conservation Zone, subject to applicable State and/or Federal regulation:

- a. Open space, fish and wildlife preserve, hunting, fishing, boating and marine agriculture.
- b. Necessary governmental facilities for the public health, safety and welfare.
- c. Piers, docks, facilities for the docking, anchoring, mooring, launching, storing, sale, rental and servicing of boats.
- d. Municipal structures and public uses that promote recreational opportunities and public access to the bay and wetlands areas.
- e. Dredge material containment facilities.

§ 25-206.1.3. Conditional Uses.

[Ord. #09-26, § 2]

Not applicable in this zone.

§ 25-206.1.4. Prohibited Uses.

[Ord. #09-26, § 2]

No land or building shall be used for any purpose not permitted in this section. No alterations of the natural characteristic of any lands through diking, ditching, filling or similar activities shall be permitted.

§ 25-206.1.5. Permitted Accessory Uses.

[Ord. #09-26, § 2]

Not applicable in this zone.

§ 25-206.1.6. Building Height.

[Ord. #09-26, § 2]

Not applicable in this zone.

§ 25-206.1.7. Lot Area.

[Ord. #09-26, § 2]

Not applicable in this zone.

§ 25-206.1.8. Lot Width.

[Ord. #09-26, § 2]

Not applicable in this zone.

§ 25-206.1.9. Front Yard.

[Ord. #09-26, § 2]
Not applicable in this zone.

§ 25-206.1.10. Rear Yard.

[Ord. #09-26, § 2]
Not applicable in this zone.

§ 25-206.1.11. Side Yards.

[Ord. #09-26, § 2]
Not applicable in this zone.

§ 25-206.1.12. Floor Area.

[Ord. #09-26, § 2]
Not applicable in this zone.

§ 25-206.1.13. Lot Coverage.

[Ord. #09-26, § 2]
Not applicable in this zone.

§ 25-206.1.14. Off-Street Parking.

[Ord. #09-26, § 2]
No parking shall be permitted in the Conservation Zone. All parking shall be off site.

§ 25-206.1.15. Signs.

[Ord. #09-26, § 2]
No signs shall be permitted in the Conservation Zone except for municipal direction, safety or related type signs.

§ 25-206.1.16. Dwelling Unit Density.

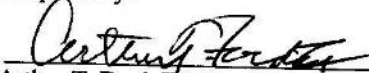
[Ord. #09-26, § 2]
Not applicable in this zone.

Select Language | ▼

Portion of Deed

Bk D3004 Pg 794 #640
 COUNTY OF CAPE MAY
 Consideration 70,000.00
 Realty Transfer Fee .00
 Date 02-14-2003 By CLERKRMF

Prepared by:


 Arthur T. Ford, III, Esquire

QUIT CLAIM DEED

This Deed is made on December 23, 2002, **BETWEEN STANTON-BURRELL DEVELOPMENT LTD., a Limited Partnership of the State of New Jersey**, whose address is 728 West Avenue, Ocean City, New Jersey 08226 referred to as the Grantor,

AND CITY OF OCEAN CITY, whose post office address is 9th Street and Asbury Avenue, Ocean City, New Jersey 08226, referred to as the Grantee. The words "Grantor" and "Grantee" shall mean all Grantors and all Grantees listed above.

Transfer of Ownership. The Grantor grants and conveys (transfers ownership of) the property described below to the Grantee. This transfer is made for the sum of **SEVENTY THOUSAND DOLLARS (\$70,000.00)**. The Grantor acknowledges receipt of this money.

Tax Map Reference. (N.J.S.A. 46:15-2.1) Municipality of Ocean City, Block No. 3305, Lot Nos, 16 and 17.

Property. The property consists of the land and any structures on the land in the City of Ocean City, County of Cape May, and State of New Jersey. The property is generally shown on the Official Tax Map of the City of Ocean City as Lots 16 and 16 in Block 3305.

UNDER AND SUBJECT to Declaration of Restriction for Mitigation Site recorded June 3, 1994 in Deed Book 2476, page 319.

UNDER AND SUBJECT to Memorandum of License Agreement recorded February 25, 2002 in Book X71, page 301.

UNDER AND SUBJECT to Estate and Interest of the State of New Jersey, if any, in and to that portion of the premises in question lying in the bed of the unnamed stream or Tidal Creek(s) as shown on that certain Tideland Map and/or State Claim Overlay prepared for the Natural Resource Council by the State of New Jersey Department of Environmental Protection, Office of Environmental Analysis under Map No. 147-2010 and 154-2010, duly filed.

FORD, FLOWER & HASBROUCK • ATTORNEYS AT LAW
 CENTRE COURT • 728 WEST AVENUE • OCEAN CITY, NEW JERSEY 08226

Bk D3004 Pg 795 #640

NC1645 - Affidavit of Consideration or Exemption RTF-1 (Rev. 4/02) P 4/02

STATE OF NEW JERSEY AFFIDAVIT OF CONSIDERATION OR EXEMPTION (c. 49, P.L. 1968)

Printed by ALL-STATE LEGAL A Division of ALL-STATE International, Inc. www.allstatelegal.com 800.222.0510 Page 1

PARTIAL EXEMPTION (c. 176, P.L. 1975)

To Be Recorded With Deed Pursuant to c. 49, P.L. 1968 as amended by c. 308, P.L. 1901 (N.J.S.A. 46:15-5 et seq.)

STATE OF NEW JERSEY

COUNTY OF Cape May } SS.

FOR RECORDER'S USE ONLY
Consideration \$ 70,000.00
Realty Transfer Fee \$ E
Date 2-14-2005 By JD

* Use symbol "C" to indicate that fee is exclusively for county use.

(1) PARTY OR LEGAL REPRESENTATIVE (See Instructions #3, 4 and 5 on reverse side)

Deponent, Francine A. Shimp, being duly sworn according to law upon his/her oath deposes and says that

he/she is the Title Company Representative in a deed dated 12-23-02 transferring real property identified as Block No. 3305 Lot No. 16 & 17 located at Ocean City Cape May County and annexed hereto.

(2) CONSIDERATION (See Instruction #6)

Deponent states that, with respect to deed hereto annexed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is to be assumed and agreed to be paid by the grantee and any other lien or encumbrance thereon not paid, satisfied or removed in connection with the transfer of title is \$ 70,000.00

(3) FULL EXEMPTION FROM FEE

Deponent states that this deed transaction is fully exempt from the Realty Transfer Fee imposed by c. 49, P.L. 1968, for the following reason(s): Explain in detail. (See Instruction #7.) Mere reference to exemption symbol is not sufficient.

(b) By or to the United States of America, this State, or any instrumentality, agency or subdivision.

(4) PARTIAL EXEMPTION FROM FEE

NOTE: All boxes below apply to grantor(s) only. ALL BOXES IN APPROPRIATE CATEGORY MUST BE CHECKED. Failure to do so will void claim for partial exemption. (See Instructions #8 and #9.)

Deponent claims that this deed transaction is exempt from the increased portion of the Realty Transfer Fee imposed by c. 176, P.L. 1975 for the following reason(s):

A. SENIOR CITIZEN (See Instruction #8)

- Grantor(s) 62 years of age or over.*
One- or two-family residential premises.
Owned and occupied by grantor(s) at time of sale.
Owners as joint tenants must all qualify except in the case of a spouse.

B. BLIND (See Instruction #8)

- Grantor(s) legally blind.*
One- or two-family residential premises.
Owned and occupied by grantor(s) at time of sale.
No owners as joint tenants other than spouse or other qualified exempt owners.
DISABLED (See Instruction #8)
Grantor(s) permanently and totally disabled.*
One- or two-family residential premises.
Receiving disability payments.
Not gainfully employed.
No owners as joint tenants other than spouse or other qualified exempt owners.

* IN THE CASE OF HUSBAND AND WIFE, ONLY ONE GRANTOR NEED QUALIFY

C. LOW AND MODERATE INCOME HOUSING (See Instruction #8)

- Affordable According to HUD Standards.
Meets Income Requirements of Region.
Reserved for Occupancy.
Subject to Resale Controls.

D. NEW CONSTRUCTION (See Instruction #9.)

- Entirely new improvement.
Not previously used for any purpose.
Not previously occupied.

Deponent makes this Affidavit to induce the County Clerk or Register of Deeds to record the deed and accept the fee submitted herewith in accordance with the provisions of c. 49, P.L. 1968.

Subscribed and sworn to before me this 13th day of December 2002

Paige M. Reed
Notary Public of New Jersey
My Commission Expires July 16, 2007

Signature of Deponent
24 Roosevelt Blvd
Marmora, NJ 08223
Address of Deponent

Stainton-Burrell Development LIT
Name of Grantor
728 West Avenue
Ocean City, NJ 08226
Address of Grantor at Time of Sale

FOR OFFICIAL USE ONLY
Instrument Number County
Deed Number Book Page
Deed Dated Date Recorded

IMPORTANT - BEFORE COMPLETING THIS AFFIDAVIT, PLEASE READ THE INSTRUCTIONS ON THE REVERSE SIDE HEREOF. This form is prescribed by the Director, Division of Taxation in the Department of the Treasury, as required by law, and may not be altered or amended without the approval of the Director.

Owner Notification Letter

Lee Ann Kampf & Associates Real Estate Appraisal
 42 W. 15th Street Real Estate Consulting
 Ocean City, NJ 08226 Commercial & Residential
 609.736.0695
 leeann@leeannkampf.com



Lee Ann Kampf & Associates
 Real Estate Appraisal & Consulting

November 2, 2021

Via Certified Mail

Melissa Rasner
 Municipal Clerk
 City of Ocean City
 861 Asbury Avenue
 Ocean City, NJ 08226

Re: Property Acquisition Appraisal - Easement
 Bay Avenue and 34th Street (Block 3350.01, Lot 17)
 Ocean City, Cape May County, New Jersey 08226
 LAK File #: 90145.01

Dear Ms. Rasner:

Our firm has been engaged by CW Solutions, on behalf of Orsted, for the Ocean Wind Project. We have been tasked with determining the fair market value of the referenced bayfront property for a partial acquisition. The appraisal will be used to provide just compensation for the partial acquisition of your property.

We would like to offer you the opportunity to accompany us during our inspection, so that you can disclose any important information about the property. Please let us know which date is preferred, Monday, November 15th at 2:30pm or Tuesday, November 16th at 11:00am. In addition, we would like to request that you provide any of the applicable items detailed on the enclosed list.

Please contact me at (609)736-0695 to coordinate the inspection appointment as soon as possible.

Very sincerely yours,

Lee Ann Kampf, MAI, ASA, IFAS, CTA
 New Jersey State Certified General Real Estate Appraiser
 #42RG00238100

Cc: Mayor Jay A. Gillian
 Dottie McCrosson, Solicitor
 George Savastano, Business Administrator
 Frank Donato III, Chief Financial Officer
 Joseph Elliott, Tax Assessor

Kevin Appelget, NJDEP
 Green Acres, Project Manager
 Kay Sangster, NJDEP
 Green Acres, Review Appraiser

Property Appraisal Exhibit Request

Please provide the following:

1. A copy of surveys or any existing conditions plans.
2. Information on any easements encumbering the property.
3. A copy of any environmental conditions or wetlands delineation reports.
4. A copy of any recent appraisal reports prepared for the property.
5. Any other information you believe should be considered in the appraisal of your property.

Please forward a copy of any of the above applicable items to:

Lee Ann Kampf & Associates
42 W 15th Street
Ocean City, NJ 08226
leeann@leeannkampf.com

If you need to contact us:

Phone: (609)736-0695

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
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For delivery information, visit our website at www.usps.com®.

Ocean City, NJ 08226

OFFICIAL USE

Certified Mail Fee	\$3.75	0226 07 Postmark Here 11/02/2021
Extra Services & Fees (check box, add fee as appropriate)	\$0.00	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.58	
Total Postage and Fees	\$4.33	

7020 1290 0000 7851 9979

Sent to
 Melissa Rasner, Municipal Clerk
 Street and Apt. No., or PO Box No.
 601 Asbury Ave
 City, State, ZIP+4®
 Ocean City, NJ 08226

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

NJDEP Instructions



State of New Jersey
DEPARTMENT OF ENVIRONMENTAL PROTECTION
 GREEN ACRES PROGRAM

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

501 East State Street
 P.O. Box 420, Mail Code 501-01
 Trenton, New Jersey 08625-0420
 Tel. (609) 609-984-0599 • Fax (609) 984-0608
www.NJGreenAcres.org

SHAWN M. LATOURETTE
Commissioner

MEMORANDUM

DATE: October 28, 2021

TO: Kevin Appelget, Project Manager

FROM: Kay Sangster SCGRE, MRICS
 Review Appraiser, Green Acres Appraisal Section

RE: State House Commission: Project #: SHC 0508007-01D
 Owner/s:
 Parcels: Block 3350.01, Lot 17; Block 611.11, Lots 137 and 145
 Applicant: City of Ocean
 Parcel Address: Bay Ave and 34th Street; 3501-03 Wesley Ave; and 3500-02
 Wesley Ave Ocean City, NJ 08226.

Please advise our local partner to:

1. inform the appraiser(s) that NJDEP Green Acres is an intended user of this appraisal report, and that this appraisal assignment must be prepared according to current NJDEP Green Acres Appraisal Requirements (GAAR), current USPAP Standards, and the specific instructions described below;
2. provide the appraiser(s) with the owner's contact information, other intended user(s) information and the specific written instructions stated below at the start of the assignment; and,
3. inform the appraiser(s) that the instructions below **must** be included in the addendum of the appraisal report(s).
4. inform the appraiser(s) that the report will be reviewed for its conformance with USPAP and the GA-AR. Reports that do not conform may be rejected or subject to a lengthy review.

The Green Acres Appraisal Requirements (GAAR) are found on our website https://www.nj.gov/dep/greenacres/pdf/Green_Acres_Appraisal_Requirements_01-2019.pdf and is based in part on quality factors of "Complete, Accurate, Adequate, Relevant and Reasonable", and on current USPAP Requirements. As required by USPAP, appraisers must ask their Client whether there are any other Intended Users of the report other than the Client and NJ DEP Green Acres and ensure that the report conforms to any appraisal requirements required by the client and any intended users.

Description:

Acquisition of a permanent subsurface utility easement on lots identified on the municipal tax map as follows:

Block/Lot	Address	Size	Current use	Interest to be Acquired
3350.01/17	Bay Ave & 34 th St.	80.93 Ac.	Conservation	Permanent Utility Easement
611.11/137 & 145	Wesley Ave	0.1377 Ac.	Recreational	Permanent Utility Easement

October 28,
2021

The first part of the proposed acquisition will run diagonally across the southwesterly end of the subject property (Block 3350.01, Lot 17), towards Roosevelt Boulevard. Block 3350.01, Lot 17 is an eighty-acre vacant property zoned C- Conservation. According to the NJ-GeoWeb, the entire site is affected by freshwater wetlands. The easement is approximately 3,801 square feet.

The second part of the easement begins at the easterly end of 35th Street and will traverse Block 611.11, Lots 137 and 145 towards the Atlantic Ocean. The lots consist primarily of sand dunes and according to the NJ-GeoWeb, are covered by freshwater wetlands. The easement in this section will contain a total area of 5,998.212 square feet.

The sites will be purchased "As Is", with no contingencies or approvals based on its economic highest and best use as of the effective valuation date and subject to the EA below.

Instructions/Reminders:

1. Please note that GAAR requires a "Before" and "After" for partial acquisitions. If the appraiser has determined that there are no effects on the 'remainder', kindly explain in a section of the appraisal report. Please refer to Section E-2 GA-AR for additional guidance.
2. Please include the extraordinary assumption (EA) that 'the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected'.
3. Please provide a total and per acre value.
4. Per GAAR, please analyze 5 comparable sales, preferably including private party sales. Please provide a fully conforming adjustment grid, relevant adjustments including sale contingencies, market conditions (time), property location, size, access, physical characteristics etc. If sales are not in the same municipality as the subject, relevant location adjustments are requested.
5. Improvements if any, are to be described as indicated in Section 4-D of the GA-AR.
6. Please provide available MLS sheets/Broker listings etc. for subject, comparables and any comparable listings to verify any conditions of sale.
7. Please take current "in person, on-site" subject and comparable sale photos. The subject and comparable sales are expected to be personally inspected by the appraiser.
8. Please contact Kaydiann.Sangster@dep.nj.gov in the Green Acres Appraisal Section if you have any questions, prior to completing the appraisal report.

Documents for Appraisers:

- A. Pre-Appraisal Fact Sheet
- B. Project Reference Map

PLEASE NOTE – Covid-19 must be acknowledged in the report. While COVID-19 precautions and regulations are in place, phone interviews may take the place of face-to-face owner-agent/appraiser meetings. A Certified confirmation letter to the owner must be placed in the report Addendum. This letter will contain the date of inspection, the time/date of phone interview(s), and names of persons who participated in the call(s). During COVID conditions, and if no in-person meeting is held, this letter will substitute for the certified notification letter. For the safety of all involved, social distancing, mask-wearing and all precautions should be exercised in any appraisal work performed by Green Acres Approved Appraisers. Updates on COVID-19 conditions may apply.

Thank you in advance for your interest in providing professional appraisal services to the NJ DEP Green Acres.



Comparable Sales Multiple Listing Service

ALL FIELDS DETAIL

MLS # 551739 Listing Type Exclusive Right to Sell
 Class LOTS/LAND
 Type 10+ to 20 Acres
 Area Galloway Twp
 Asking Price 55,000
 Address Nacote
 Address 2 Salt Marsh
 City/Community Galloway Township
 State NJ
 Zip 08201
 Status Sold CO OP by Member
 Sale/Rent For Sale
 IDX Include Y



GENERAL

Allow Internet Display	Yes	Allow Address on Internet	Yes
Allow AVM	No	Allow Consumer Comment	No
Limited Service (Y/N)	No	County	Atlantic
FIPS Code	34001	Waterfront (Y/N)	No
Number of Acres	11.50	Appointment Phone Number	609-432-5051
Listing Date	6/6/2021	Compensation-SAC	0
Compensation-BBC	5500	Compensation-TBC	0
MayBSub3rdPartyApp/ShortS	No	Approved Short Sale?	N/A
Bank Owned/Foreclosure	No	Zoned	CV
Lot Dimensions	11.50	Property ID	11-01204-01-00008
Lot #	8	Block #	1204
Directions	Nacote Creek	Off Market Date	8/9/2021
Update Date	11/2/2021	Status Date	11/2/2021
HotSheet Date	11/2/2021	Price Date	11/2/2021
Input Date	6/10/2021 12:09 PM	Associated Document Count	0
Original Price	55,000	Agent Hit Count	83
Client Hit Count	15	Days On Market	64
Agent	EVALINDA NICETA - 609-432-5051	Agent License ID	0447777
Listing Office 1	BALSLEY/LOSCD - VOICE: 609-646-3207	Office License ID	7800246
Auction Y/N	No	Picture Count	0
Days On MLS	60	Input Date	6/10/2021 12:09 PM
Update Date	11/2/2021 6:04 PM		

FEATURES

LOCATION	DEVELOPMENT STATUS	POSSESSION
Water View	Wetlands	At Closing
		ZONING
		Wetland

FINANCIAL

Total Assessment	511,500	Taxes	5356
Tax Year	2020		

SOLD STATUS

Selling Agent 1	DANIEL BODDY	Selling Office 1	CENTURY 21 FRICK REALTORS - VOICE: 609-652-5600
How Sold	Cash	Contract Date	8/9/2021
Closing Date	10/5/2021	Sold Price	52,500
Seller Concession	0		

REMARKS

Remarks Not buildable. Land locked. 11.50 Acres

DISCLAIMER

This information is deemed accurate, but not guaranteed. © 2021 South Jersey Shore Regional Multiple Listing Service

Agent Full

1301 Dennisville Petersburg Rd, Woodbine, NJ 08270

Closed | 07/23/21

Land

\$110,000



MLS #: NJCM104208
 Tax ID #: 11-00453-00005 03
 Ownership Interest: Fee Simple
 Type: Land
 Waterfront: No

Lot Acres / SQFT: 41.03a / 1787267sf / Assessor
 Price/Acre: \$2,680.97

Location

County: Cape May, NJ
 MLS Area: Upper Twp - Cape May County (20511)
 Transportation: Metro/Subway Station 1 to 3 miles

School District: [Upper Township Public Schools](#)

Association / Community Info

Association Recreation Fee: No

Taxes and Assessment

Tax Annual Amt / Year: \$2,813 / 2020
 Clean Green Assess: No
 Zoning: CAR

Tax Assessed Value: \$139,100 / 2020
 Land Use Code: 0
 Block/Lot: 00453 / 00005 03

Land Information

Lot Acres / SQFT: 41.03a / 1,787,267sf / Assessor
 Current Use: Land/Lot Only
 Lease In Effect: No
 Additional Parcels: No

Lot Size Dimensions: 0.00 x 0.00

Ground Rent

Ground Rent Exists: No

Utilities

Utilities: Water Source: None; Sewer: No Septic System

Remarks

Agent: Call Shelly from Upper Twp Planning and Zoning for more information 609-628-2011 Ext 124.

Public: Property is zoned Conservation Agriculture Rural (CAR). Buyer is responsible for all diligence in ascertaining status of utilities/variances to build.

Listing Office

Listing Agent: [Patricia Bridges](#) (3303621) (Lic# Unknown) (609) 335-5913
 Listing Agent Email: patricia.bridges@foxroach.com
 Responsible Broker: Stephen Booth (3135545) (Lic# 8332408-NJ)
 Listing Office: [BHHS Fox & Roach-Northfield](#) (61002) (Lic# 9702902)
 1001 Tilton Rd, Northfield, NJ 08225-1261
 Office Manager: John Geraci (3168916)
 Office Phone: (609) 646-1900 Office Fax: (609) 677-4477

Directions

Tuckahoe Rd Hwy 631, turn left on Dennisville Petersburg Rd 0.3 miles on left past Wyncroft Dr.

Compensation

Buyer Agency Comp: 3% Of Gross Sub Agency Comp: 0% Of Gross
 Transaction Broker: 0% Of Gross Dual/Var Comm: No

Listing Details


Original Price: \$140,000 Owner Name: Linda Milligan
 Listing Agrmnt Type: Exclusive Right Owner Phone: (850) 865-7959

Prospects Excluded:	No	DOM / CDOM:	324 / 324
Listing Service Type:	Full Service	Listing Terms:	As is Condition
Dual Agency:	Yes	Original MLS Name:	BRIGHT
Sale Type:	Standard	Off Market Date:	07/28/21
Listing Term Begins:	08/25/2020	Lease Considered:	No
Listing Entry Date:	08/26/2020		
Possession:	Immediate		
Acceptable Financing:	Cash, Contract, Conventional		
Disclosures:	None		

Sale/Lease Contract

Selling Agent:	Richard DiCioccio (3314175) (Lic# Unknown)	(609) 822-4200
Selling Agent Email:	richard.diciccio@foxroach.com	
Selling Office:	BHHS Fox & Roach-Margate (61026) (Lic# 9702902)	
Responsible Broker:	Stephen Booth (3135545) (Lic# 8332408-NJ) 9218 Ventor Ave, Margate, NJ 08402	
Office Phone:	(609) 822-4200	Office Fax: (609) 822-9436
Concessions:	No	
Agreement of Sale Dt:	07/09/21	Close Date: 07/23/21
Close Sale Type:	Standard Sale	Close Price: \$110,000.00
Buyer Financing:	Cash	Last List Price: \$140,000.00



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ALL FIELDS DETAIL



MLS # 521990 **Listing Type** Exclusive Right to Sell
Class LOTS/LAND
Type 6,001 to 10,000 SQFT
Area Egg Harbor Twp
Asking Price \$29,900
Address 211 Jeffers Landing Road
City Egg Harbor Township
/Community
State NJ
Zip 08234
Status Sold CO OP by Member
Sale/Rent For Sale
IDX Include Y



GENERAL

Allow Internet Display	Yes	Allow Address on Internet	Yes	
Allow AVM	No	Allow Consumer Comment	No	
Limited Service (Y/N)	No	County	Atlantic	
FIPS Code	34001	Waterfront (Y/N)	Yes	
Number of Acres	0.00	Appointment Phone Number	Vacant Lot	
Listing Date	5/9/2019	Compensation-SAC	0	
Compensation-BBC	2.5	Compensation-TBC	0	
MayBSub3rdPartyApp/Shorts	No	Approved Short Sale?	N/A	
Bank Owned/Foreclosure	No	Lot Dimensions	234 X 298 IRR	
Lot #	25	Block #	8901	
Directions	Heading South on Jeffers Landing, lot on the right		Off Market Date	2/11/2020
Update Date	4/13/2020	Status Date	4/13/2020	
HotSheet Date	4/13/2020	Price Date	4/13/2020	
Input Date	5/9/2019 11:27 AM	Associated Document Count	0	
Original Price	\$32,000	Agent Hit Count	216	
Client Hit Count	69	Days On Market	278	
Agent	DANIEL BODDY		Agent License ID	SP-9485668
Listing Office 1	CENTURY 21 FRICK REALTORS - VOICE: 609-652-5600		Office License ID	9100190
Auction Y/N	No	Picture Count	14	
Days On MLS	278	Input Date	5/9/2019 11:27 AM	
Update Date	4/13/2020 4:43 PM			

FEATURES

LOCATION	TOPOGRAPHY	POSSESSION
River Front	Cleared	At Closing
UTILITIES AVAILABLE		NUMBER OF LOTS
Electric		One

FINANCIAL

Total Assessment	\$94,000	Taxes	\$2,953
Tax Year	2019		

SOLD STATUS

Selling Agent 1	Tinysia (Tiny) Rassmann - CELL: 609-464-3295	Selling Office 1	KELLER WILLIAMS REALTY ATLANTIC SHORE - Main: 609-484-9890
How Sold	Cash	Contract Date	2/11/2020
Closing Date	4/8/2020	Sold Price	\$26,500
Seller Concession	0		

REMARKS

Remarks WATERFRONT! 234 X 298 IRR lot, situated on the Great Egg Harbor River, absolutely gorgeous views!! Perfect fishing spot, private, peaceful, shed on lot to store personal property. Additional lot now included!!! Being sold as an unbuildable lot

ADDITIONAL PICTURES

Appraiser Qualifications

Qualifications of Lee Ann Kampf, MAI, ASA, IFAS, CTA

Principal of Lee Ann Kampf and Associates specializing in real estate appraisal and consulting services for all property types. The firm provides valuation services for all types of properties throughout Southern New Jersey, Philadelphia and surrounding suburbs, and Delaware. Clients include lenders, attorneys, investors, government agencies, and property owners.

Professional Certification & Licenses

Member, (MAI), Appraisal Institute (565896)
 Certified General Appraiser (42RG00238100), State of New Jersey
 Certified General Appraiser (GA-003876), Commonwealth of Pennsylvania
 Certified General Appraiser (X1-0000574), State of Delaware
 Certified Tax Assessor (CTA-#2463), State of New Jersey
 Accredited Senior Appraiser Real Property, (ASA), American Society of Appraisers
 Member, (IFAS), National Association of Independent Fee Appraisers (110894)
 Licensed Real Estate Sales Agent, (#1540600), State of New Jersey

Professional Experience

Present valuation experience as Principal of Lee Ann Kampf and Associates includes a variety of appraisal assignments consisting of: office buildings; shopping centers; convenience and retail stores; restaurants and bars; hotels and motels; apartments; schools; marinas; amusement parks/piers; warehouses; industrial buildings; food processing facilities; self-storage facilities; single and multi-family properties; commercial and residential land; historic properties; and special-purpose properties.

Employed by Clarion/Samuels Associates from September 2007 to November 15012 as an Associate Appraiser specializing in income producing properties. Duties included the development of narrative appraisal reports and utilization of proprietary valuation software and Argus software. Appraisal assignments included; land valuation for residential and commercial development, conservation and preservation easements, impacts of externalities on property values, and commercial properties including retail shopping centers, hotels and office buildings. Varied appraisal and counseling assignments included; market studies, feasibility analysis, developer portfolios, golf course valuations, condemnation, and agricultural land appraisals.

Employed by Glaxo-SmithKline from 1996-1998 as a Business Systems Analyst and CIGNA Insurance from 1991 to 1996 as a Senior System Analyst. Duties included developing requirements, specifications, and enhancements to computer operating systems.

Boards and Associations

Director - Southern New Jersey Chapter of the Appraisal Institute 2020-2023
 Member - Ocean City Board of Realtors

Education

Masters Information Science, M.S., Penn State University, Malvern, Pennsylvania
 Bachelors Business Administration, B.S., Penn State University, University Park, Pennsylvania

Professional Related Courses and Seminars

Course	Year
Uniform Standards of Professional Appraisal Practice (USPAP)	2007-2020
Valuation of Income Producing Properties	2007
Valuation of Residential Properties	2007
Residential Construction	2007
Appraisal Valuation Applications	2007
Real Estate Finance	2007
Appraising the Complex Residential Property	2007
September Symposium	2012-2014
Business Practices and Ethics	2012-2020
Advanced Income Approach, Appraisal Institute	2013
Advanced Market Analysis and Highest and Best Use, Appraisal Institute	2013
Advanced Concepts and Case Studies, Appraisal Institute	2013
Land and Site Valuation	2013
Marina Valuation	2013
Report Writing and Case Studies	2014
New Jersey, Regulations and Board Policies	2016-2020
Pennsylvania Appraisal Statutes, Regulations and Board Policies	2013-20121
Delaware Laws and Regulations for Appraisers	2012-2021
New Jersey NAIFA Conference	2014-2016
New Jersey ASA Conference	2018-2019
Farmland Assessment	2015
Valuing Net Zero Energy Buildings	2015
Hot Topics in Appraiser Law	2015
Contamination and the Valuation Process	2015
Detailed Look at Tax Issues View from the Bench	2016
Land Use Seminar	2016
Weird and Unusual Appraisal Assignments	2016
Financial Basics - HP12c	2016
Roadmap System to Income Capitalization	2016
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2016
Yellow Book Changes	2017
Recognized Methods & Techniques for Adjusting Comparable Sales	2017
Green Home Valuation in South Jersey/Philadelphia Market & View from the Bench	2017
Appraisal versus an Evaluation	2017
State of the Industry and Beyond	2017
Waterfront Property Valuation	2017
Income & Expenses, Their Effect on Commercial and Residential Appraisals	2018

Course	Year
The Art of Depositions	2018
Trends Affecting South Jersey Appraisal/Assessing	2018
The Unexpected During Appeals	2018
Digital Billboards	2018
Contract or Effective Rent: Finding the Real Rent	2018
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2018
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2018
Assessor Refresher & Power Pad/Comp	2019
Complex Industrial & Commercial Valuation Issues	2019
Hybrid Appraisals	2019
The Appraiser and Antitrust, Phil Crawford – Voice of Appraiser	2019
NJDEP Valuation of Riparian Land Seminar	2019
Valuation Impacts of COVID-19	2020
Energy Valuation Conference	2020

Appraiser License

THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER, WITH A MULTI-COLORED BACKGROUND AND MULTIPLE SECURITY FEATURES. PLEASE VERIFY AUTHENTICITY.

**State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs**



THIS IS TO CERTIFY THAT THE
Real Estate Appraisers Board

HAS CERTIFIED

LeeAnn Kampf
42 W. 15th Street
Ocean City NJ 08226

FOR PRACTICE IN NEW JERSEY AS A(N): **Certified General Appraiser**

11/22/2019 TO 12/31/2021
VALID

42RG00238100
LICENSE/REGISTRATION/CERTIFICATION #



Signature of Licensee/Registrant/Certificate Holder



ACTING DIRECTOR

Appraisal Report

Ocean City Beach Lots

3500-02 Wesley Avenue (Block 611.11, Lot 145)
3501-03 Wesley Avenue (Block 611.11, Lot 137)
Portion of 3507 Wesley Avenue (Block 3500, Lot 1)
Ocean City, Cape May County, New Jersey 08226

Prepared For:

CW Solutions
409 Joyce Kilmer Avenue, Suite 120
New Brunswick, NJ 08901

Prepared By:

Lee Ann Kampf, MAI, ASA, IFAS, CTA
42 W 15th Street
Ocean City, NJ 08226

Date of Valuation:

November 15, 2021

Lee Ann Kampf & Associates Real Estate Appraisal
42 W. 15th Street Real Estate Consulting
Ocean City, NJ 08226 Commercial & Residential
609.736.0695
leeann@leeannkampf.com



Lee Ann Kampf & Associates

Real Estate Appraisal & Consulting

December 22, 2021

Mr. Robert Weible
Vice President
CW Solutions
409 Joyce Kilmer Avenue, Suite 120
New Brunswick, NJ 08901
Via email: rweible@cwcsi.com

Re: Appraisal Report
Ocean City Sand Dune Lots
3500-02 Wesley Avenue (Block 611.11, Lot 145)
3501-03 Wesley Avenue (Block 611.11, Lot 137)
Portion of 3507 Wesley Avenue (Block 3500, Lot 1)
Ocean City, Cape May County, New Jersey

Dear Mr. Weible:

I am transmitting this appraisal report pursuant to your request on the above referenced lots presented in narrative format. The subject includes the aforementioned lots containing beach and protective sand dunes.

The purpose of the appraisal is to determine the market value of the permanent subsurface easement to be acquired on properties owned by the City of Ocean City. The easement consists of 0.77 acres. The client is CW Solutions. The intended users are Orsted and their legal representatives and New Jersey Department of Environmental Protection, Green Acres Program. The intended use of the appraisal is to assist the client and intended users in negotiating the potential terms of the easement for the subject lots.

Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection.

This appraisal report has been prepared in accordance with current NJDEP Green Acres Appraisal Requirements (GAAR), all professional appraisal standards Rule 2-2(a) and guidelines including the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Standards of Professional Practice (SPP) of the Appraisal Institute. A physical inspection of the subject property, its market area, and comparable property information, to the extent practicable, was made by the appraiser.

Page 2

It is important to note, a significant factor in the market as of the effective date of this report is the prevalence of the current COVID-19 pandemic. On March 21, 2020, the governor of New Jersey, Phil Murphy, issued a Statewide Stay at Home Order directing all residents to stay at home until further notice. The Stay at Home Order was lifted in June 2020 and businesses reopened, however, the pandemic is dynamic, constantly changing, and has created uncertainty in the market. The indicated market value developed in this report is based upon the market conditions and trends available as of the Effective Date of this appraisal and may be subject to change after this date.

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lots (Block 611.11, Lots 137 & 145 and a portion of Block 3500, Lot 1) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$141,000
Final Value Opinion After: (Fee Simple Estate subject to Easement)	\$121,000
Value of Part Taken and Damages to Remainder	\$20,000

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owners. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Twenty Thousand Dollars
(\$20,000)

This letter of transmittal should only be used in conjunction with the entire, accompanying appraisal report. The value conclusion may not be presented without the attached report in its entirety. Attached is a report with my findings. I hope you find the details of this report relevant to your decisions and I will be happy to answer any questions.

Very truly yours,



Lee Ann Kampf, MAI, ASA, IFAS, CTA
State Certified General Real Estate Appraiser
#42RG00238100

Enclosures

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Standard Assumptions and Limiting Conditions

This report and the value conclusions contained in this report were predicated upon the following assumptions and limiting conditions:

1. By reason of this report, we cannot be required to give testimony with reference to the property appraised, unless arrangements have been previously made. If the appraiser(s) are subpoenaed pursuant to court order, the client will be required to compensate said appraiser(s) for their then regular hourly rates plus expenses.
2. No responsibility was assumed by us for matters of a legal nature, nor was any opinion on the title rendered. Good title was assumed. Management was assumed to be competent and the ownership to be in responsible hands. We assumed that there were no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. We assumed no responsibility for such conditions or for engineering which might be required to discover such factors.
3. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.
4. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local state, or national government or private entity or organization have been obtained or renewed for any use on which the value estimate contained in this report is based.
5. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated in the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field.
6. Exhibits such as plot plans and illustrative material, if any, were included to assist the reader in visualizing the property, and all engineering is assumed to be correct. We did not make a survey of the property.
7. Economic conditions are generally assumed to be consistent with the current state of the economy including interest rates on mortgages that were available as of the date of this report. We assume no responsibility for changes in market conditions or for the inability of the client or any other party to achieve their desired results based upon the appraised value.
8. All information has been furnished by sources deemed to be reliable, but no warranty or representation is made as to the accuracy thereof and is subject to corrections, errors, omissions, and withdrawal without notice.

9. This report was not prepared for syndication or income tax purposes and shall not be used, in whole or in part, in regards to any matter involving limited partnership offerings or the Internal Revenue Service.
10. The appraisal is to be used in whole and not in part. No part of the Appraisal Report shall be used in conjunction with any other appraisal. Publication of the Appraisal Report or any portion thereof, without the express written consent of the appraiser, is prohibited. Except as may be otherwise stated in the engagement letter, the Appraisal Report may not be used by any person or other than the party to whom it is addressed or for purposes other than which it was prepared. No part of the Appraisal Report shall be conveyed to the public through advertising or used in any sales or promotional material without the appraiser's prior written consent.
11. Unless otherwise noted, all maps are pointing north.
12. Unless otherwise noted, definitions in the report are from the Appraisal Institute's, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analysis, opinion and conclusion.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The appraisal was developed and the appraisal report was prepared in conformity with the *Green Acres Program Appraisal Requirements*.
- The appraisal was developed and the appraisal report prepared in conformance with the Appraisal Standards Board's *Uniform Standards for Professional Appraisal Practices*.
- Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection.
- No one provided significant professional assistance to the persons signing this report.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Lee Ann Kampf has completed the continuing education program for Designated Members of the Appraisal Institute.

- As of the date of this report, Lee Ann Kampf upholds the Bylaws and abides by the Code of Ethics and Professional Standards of the American Society of Appraisers (ASA).

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lots (Block 611.11, Lots 137 & 145 and a portion of Block 3500, Lot 1) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$141,000
Final Value Opinion After: (Fee Simple Estate subject to Easement)	\$121,000
Value of Part Taken and Damages to Remainder	\$20,000

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owners. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

**Twenty Thousand Dollars
(\$20,000)**



Lee Ann Kampf, MAI, IFAS, CTA, SCGREA
NJ Certified General Appraiser #: 42RG00238100

December 22, 2021

Summary of Salient Facts and Conclusions

Identification:	Beach and Protective Sand Dune Lots 3500-02 Wesley Avenue (B 611.11, L 145) 3501-03 Wesley Avenue (B 611.11, L 137) Portion of 3507 Wesley Avenue (B 3500, L 1) Ocean City, Cape May County, NJ 08226
Site Description:	Overall rectangular shaped, 0.77± acres (33,541 square feet) (larger parcel); 30'± road frontage SE/S 35 th Street; primarily protective sand dunes and public beach access path; flood zone VE, high risk and within 100-year flood event
Improvement Description:	None
Zoning:	Beach-Dune (BD)
Highest and Best Use:	Recreation
Ownership:	City of Ocean City
Interest Appraised:	Fee Simple Estate
Acquisition:	0.77 acres permanent subsurface easement under Block 611.11, Lots 137 & 145 and portion of Block 3500, Lot 1 (riparian grant area)
Inspection Date:	November 15, 2021
Valuation Date:	November 15, 2021

Extraordinary Assumption & Hypothetical Condition:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Value Indicators:

Value Indicators		
	Before	After
Sales Comparison	\$141,000	\$121,000
Income Approach	N/A	N/A
Cost Approach	N/A	N/A
Conclusion	\$141,000	\$121,000

Summary of Salient Facts and Conclusions Continued

Final Value Conclusion

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lots (Block 611.11, Lots 137 & 145 and a portion of Block 3500, Lot 1) as of November 15, 2021, was:

Final Value Opinion Before: (Fee Simple Estate)	\$141,000
Final Value Opinion After: (Fee Simple Estate subject to Easement)	\$121,000
Value of Part Taken and Damages to Remainder	\$20,000

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owners. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Twenty Thousand Dollars
(\$20,000)

Appraisal Assignment

This appraisal report has been prepared in accordance with current NJDEP Green Acres Appraisal Requirements (GAAR), all professional appraisal standards Rule 2-2(a) and guidelines including the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Standards of Professional Practice (SPP) of the Appraisal Institute.

The valuation process used generally accepted market-derived methods appropriate to the assignment. For a detailed description of the Scope of Work Rule see the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Foundation beginning on Page U-13, and Advisory Opinions 22, 28 and 29.

Identification of Property

The subject includes lots identified as 3500-02 Wesley Avenue (Block 611.11, Lot 145), 3501-03 Wesley Avenue (Block 611.11, Lot 137), a portion of 3507 Wesley Avenue (Block 3500, Lot 1) Ocean City, Cape May County, New Jersey. The subject includes the aforementioned lots containing beach and protective sand dunes with a riparian grant area totaling 0.77± acres known as the larger parcel. A further description of the property is presented in the "Property Analysis" section of this report.

Property Ownership

According to the Cape May County Clerk's Office, the owner of record for the subject lots is the City of Ocean City. See the "Ownership" section of the report for additional information.

Dates of Inspection and Valuation

Representatives of the property owner, the City of Ocean City, were notified of the appraisal assignment and the appraiser's anticipated inspection. The appraiser inspected the subject on November 15, 2021, accompanied by Kay Sangster of NJDEP. Representatives of Ocean City did not accompany the appraiser on the inspection. The valuation date is as of the inspection date, November 15, 2021. Market research was conducted from September 14, 2021 to December 22, 2021. The issuance date of this report is indicated on the transmittal letter.

Appraisal Purpose, Client, Intended User and Intended Use

The purpose of the appraisal is to determine the as is, fee simple value subject to any and all rights, privileges and easements of record. The client is CW Solutions. The intended users are Orsted and their legal representatives and New Jersey Department of Environmental Protection Green Acres Program. The intended use of the appraisal is to assist the client and intended users in negotiating the potential terms of the easement on the subject lots.

Legal Interest Appraised

The real property valued in this appraisal consists of the **Fee Simple Estate**. Title is assumed to be free and clear of encumbrances including special financing and restrictions such as deed restrictions and easements of record. It is only subject to the four governmental powers of taxation, eminent domain, police power, and escheat.

The **Fee Simple Estate** is defined as:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”¹

Value Definition

The appraiser was engaged to provide a credible market value estimate for the fee simple interest of the Project and any damages to the remainder.

Market Value is further defined as:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and Seller are typically motivated;
- Both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

Exposure Time

Exposure Time is defined as:

“The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; an opinion based on an analysis of past events assuming a competitive and open market.”³

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*. Chicago, IL: Appraisal Institute, 2015, p. 90.

² Appraisal Institute, *The Appraisal of Real Estate, 15th Edition*. Chicago, IL: Appraisal Institute, 2020.

³ *Uniform Standards of Professional Appraisal Practice* as promulgated by the Appraisal Standards Board of the Appraisal Foundation, 2020-2022.

Based upon the market analysis as detailed in this report, the appraiser estimates a reasonable exposure time to have been 1 to 6 months for a property like the subject at the concluded opinion of value.

Extraordinary Assumptions and Hypothetical Conditions:⁴

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

- There are no hypothetical conditions used in the development of the appraisal report.

⁴ *Uniform Standards of Professional Appraisal Practice*, 2020-2022 Edition (Washington, D.C.: The Appraisal Foundation).

Scope of Work

In order to determine the value for the subject, data was collected and analyzed. The results of our analysis were then reported in conformance with USPAP, UASFLA and client requirements. The actual scope of work is embodied throughout the report.

The scope of this appraisal required collecting primary and secondary data relevant to the subject property including: an inspection of the subject lot and its environs; review of tax assessment and public records; investigation of sales in the subject's marketplace; and an analysis of inventory and availabilities. Following is a summary of that scope of work.

Property Research

1. Reviewed provided "Preliminary Plans, by HDR Engineering, Inc., for "Permanent Easement Across the Property of Ocean City Block 611.11, Lots 137 & 145, Cape May County, New Jersey, dated 09/03/21.
2. Identified the subject using public records via the Cape May County Clerk's Office and Ocean City Tax Assessment Office
3. Examined tax assessment map and aerial maps
4. Researched NJ Geo-Web mapping system
5. Reviewed USDA Web Soil Survey
6. Reviewed FEMA Flood Insurance Rate Map
7. Reviewed zoning and land use regulations
8. Reviewed public record for easements and encumbrances
9. Inspected the subject property
10. Investigated and inspected the subject's location/neighborhood
11. Analyzed real estate tax assessment
12. Reviewed current listings and all historic transfers of property up to three years prior to the valuation date

Market Research

1. Reviewed the subject within its market context
2. Reviewed both public and private resources for information on economic and demographic trends that will influence competitive market performance
3. Identified, inspected and surveyed comparable properties in the market and extended market

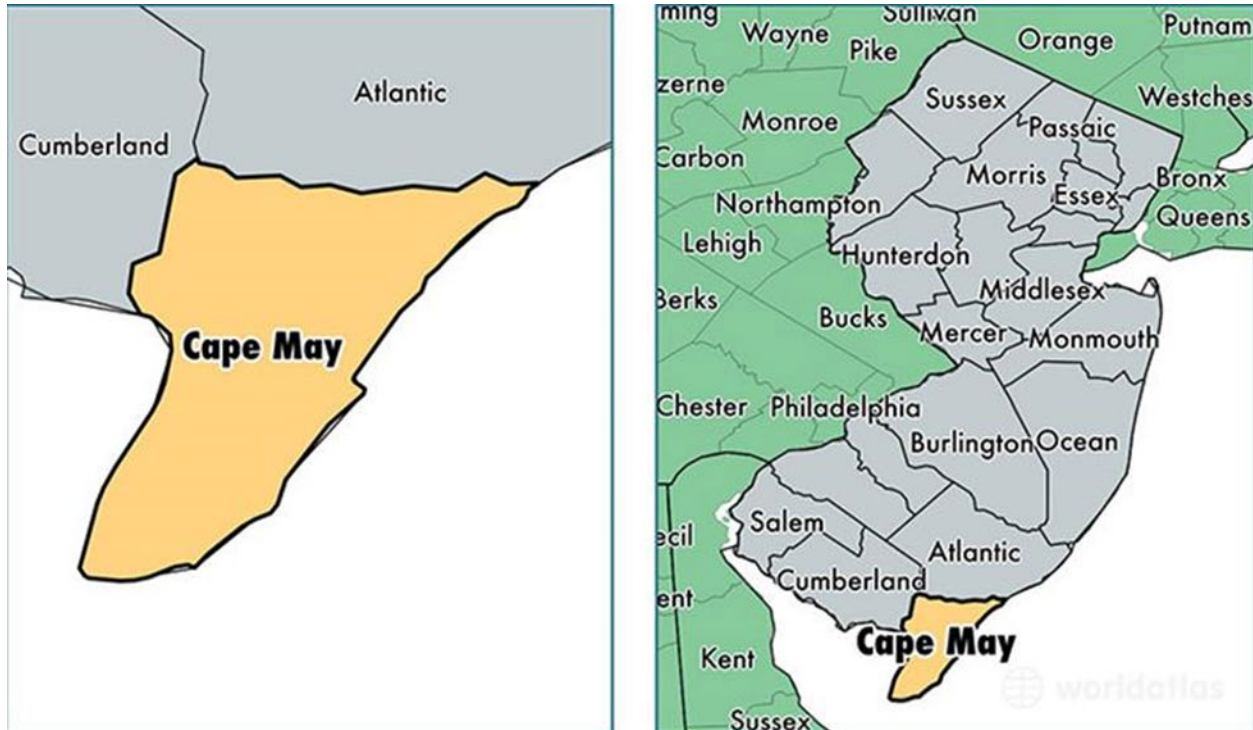
Analyses Considered

1. Determined Highest and Best Use based on inferred methods
2. Considered each of the three value approaches, Sales Comparison, Cost and Income Capitalization Approaches
3. Sales Comparison Approach - Applied
 - a. Identified comparable sales
 - b. Made adjustments to sales based on drive-by inspection and data gathering
4. Cost and Income Approaches – Not Applied as these methods are not typically considered by potential buyers of vacant land in the market

Regional and Local Market Description

The objective of this section is to identify and analyze trends and opportunities that may have a bearing on the economics and marketability of the property as described in the previous section. Since real estate is an integral part of its neighborhood and it cannot be treated as an entity apart from its environment, in this section, those attributes that may influence the highest and best use and market value of the property are explored in detail.

Regional- Cape May County



Source: World Atlas

Cape May County is the southernmost county within the State of New Jersey. Cape May County is bordered on the north by Atlantic County and on the west by Cumberland County with the remainder bordered by the Delaware Bay and the Atlantic Ocean. Much of the economic activity in the county is centered around tourism to the beach destinations. There is also a thriving agricultural business in Cape May County.

Population

According to the 2010 census, the population of New Jersey has increased by 4.5% since the 2000 census and at a higher rate of 5.7% from 2010 to 2020. From 2000 to 2010, the population of Cape May County has decreased by 4.9%. Furthermore, the population has declined by 6.1% from 2010 to 2020 as the following chart indicates:

U.S. Census Population					
Area	2000	2010	Est. 2020	Change 2000-2010	Change 2010-2020
New Jersey	8,414,350	8,791,894	9,288,994	4.5%	5.7%
Cape May County	102,326	97,265	91,312	-4.9%	-6.1%

Source: U.S. Census Bureau

From the Site To Do Business, the population is projected to continue to decline for Cape May County and increase for New Jersey as the following charts shows:

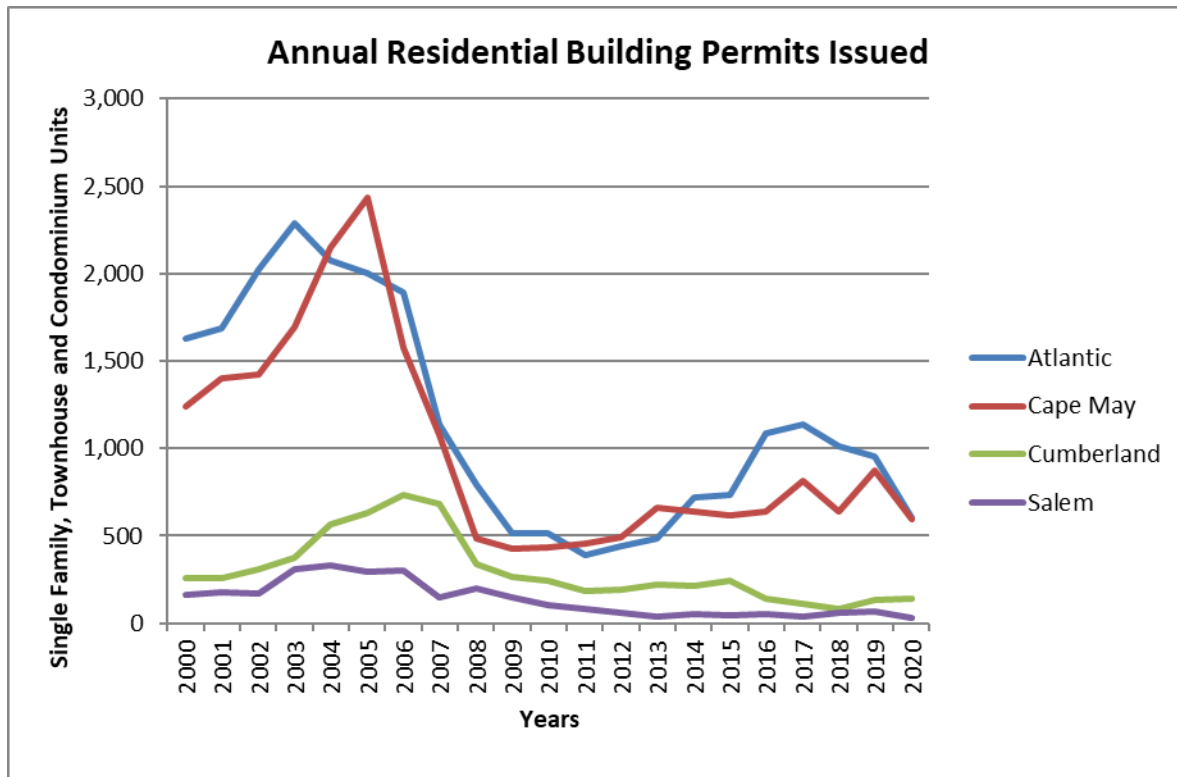
Population	New Jersey	Cape May County
2010 Total Population	8,791,894	97,265
2020 Total Population	9,288,994	91,312
2025 Total Population	9,233,247	91,818
2010 - 2020 Annual Growth Rate	5.7%	-6.1%
2020 - 2025 Annual Growth Rate	-0.6%	0.6%
	New Jersey	Cape May County
Median Home Value		
2020	\$348,500	\$333,161
2025	\$382,774	\$382,961
Median Age		
2010	38.9	47.1
2020	40.3	50.1
2025	41.2	50.8
2020 Population by Sex	9,100,978	94,393
Males	48.75%	48.82%
Females	51.25%	51.18%
2025 Population by Sex	9,233,247	91,818
Males	48.87%	48.95%
Females	51.13%	51.05%
	New Jersey	Cape May County
Per Capita Income		
2020	\$43,560	\$41,500
2025	\$47,830	\$45,749

Source: Site To Do Business

The median home value and the per capita income for the county are below state levels.

Housing Trends

The new housing market provides insights into the local economy. The following chart provides annual construction statistics by county on new residential housing units authorized by building permits. Residential housing permits include single-family houses, townhouse and condominiums units.



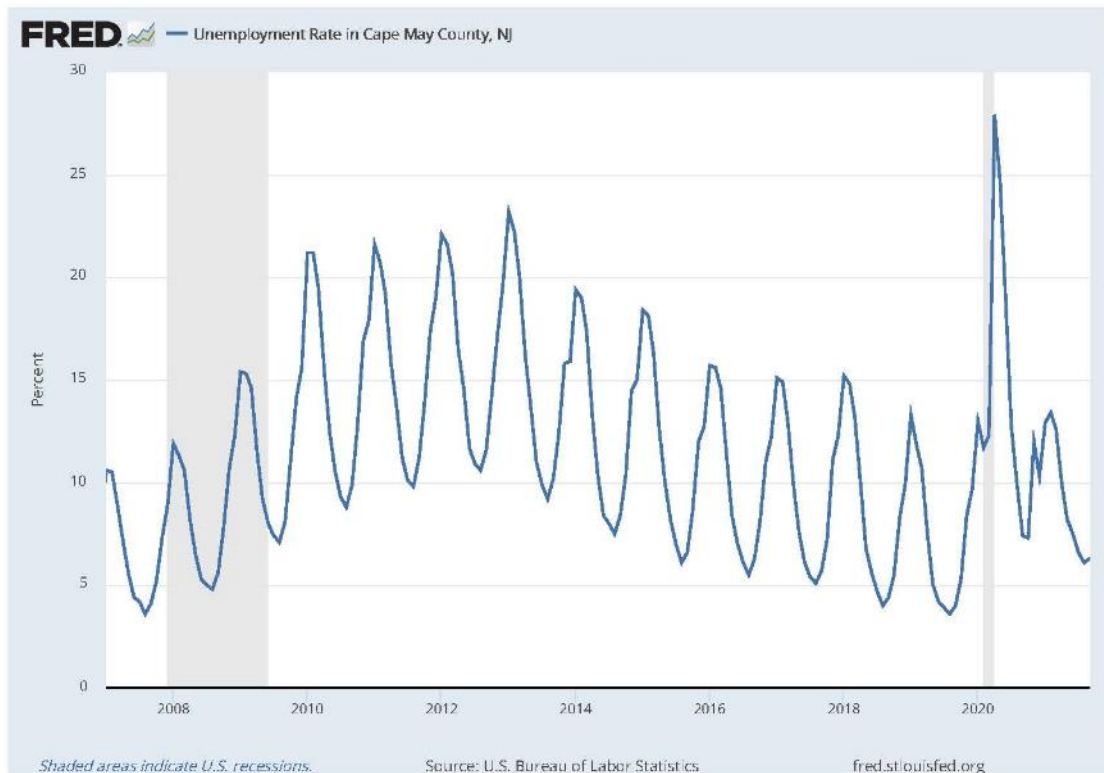
Source: HUD State of Cities Data System (SOCDS)

Building permits across the four southern counties of New Jersey increased annually until peaking in 2005. From 2005 to 2009 the number of building permits continued to decline for all three counties. The number of building permits for Cumberland and Salem Counties has remained relatively level since 2009. Atlantic County began to show signs of improvement with the number of building permits trending upward until 2017 mainly due much of the new development being subsidized; however, the numbers have trended downward since that time. For the Cape May County market, the number of permits increased from 2009 to 2013 and most recently, permits increased 35% from 641 building permits in 2018 to 870 permits in 2019. However, estimated building permits for 2020 show a decline of 31% from 870 building permits in 2019 to 598 permits in 2020.

Employment

Some of the largest private employers in Cape May County include: Cape Regional Medical Center, Wawa, Acme Markets and Walmart. There is also a thriving agricultural business in Cape May County. According to the Cape May County Tourism office, approximately ten years ago less than 10 percent of the County's tourism revenue came from eco-tourism and agricultural tourism, including tours and tastings at breweries and wineries.

When the Governor of New Jersey announced the *Stay-at-Home Order* in March 2020 (see “Market Participant” section of the report) the unemployment rate for Cape May County was 10.9% and more than doubled to 26.9% in May 2020. As of September 2021, the unemployment rate has declined to 6.3%. This unemployment rate is slightly higher than the statewide unemployment rate of 6.2% in September 2021. The following chart shows the annual unemployment rate for Cape May County since 2007.



Given the Covid-19 pandemic, the projected unemployment rate is uncertain.

Linkages

Cape May County is easily accessible from major nearby metropolitan areas including New York, Philadelphia, Newark and Wilmington through a network of federal and state highways. To the north, the Garden State Parkway connects Cape May to Newark as well as to the New Jersey Turnpike (I-95) with access to New York City. The Garden State Parkway connects to the Atlantic City Expressway with access to Atlantic City to the east and Philadelphia and Wilmington to the west. Philadelphia and Wilmington are located approximately 50 miles from Cape May County while Newark and New York are located approximately 100 miles. Linkages include Routes 55 and 9, Routes 47, 49, and 50. The Cape May-Lewes Ferry, operated by the Delaware River and Bay Authority (DRBA), provides connection between New Jersey and Delaware. Visitor Centers at the DRBA Cape May and Lewes Terminals provides amenities for tourists.

Retail

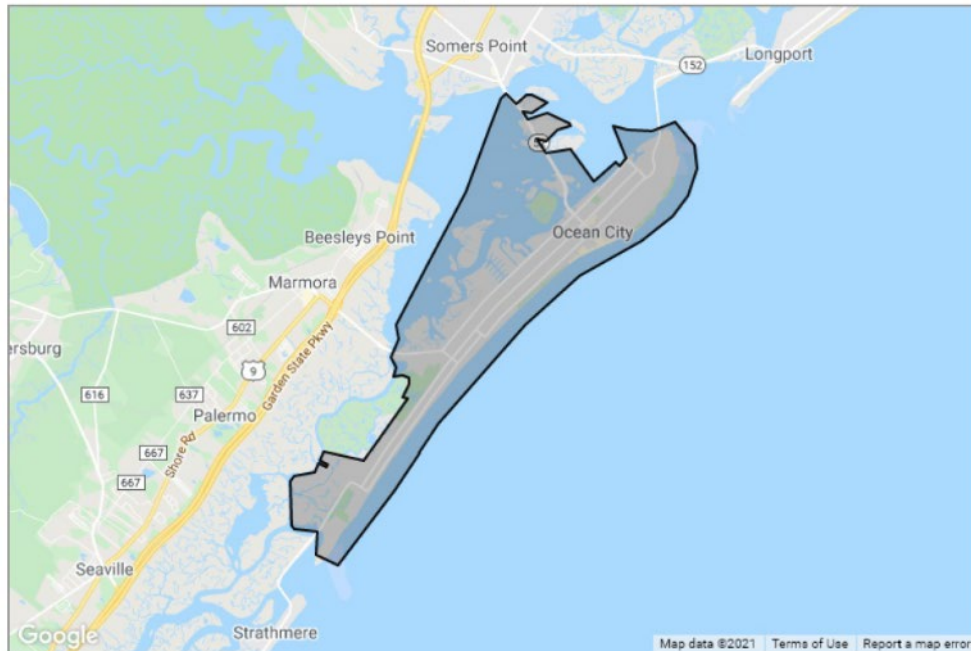
Retail shopping in Cape May County is primarily via neighborhood shopping centers on the mainland and downtown shopping districts on the barrier islands and historic Cape May. The nearest regional shopping mall is the Hamilton Mall located in Mays Landing, Atlantic County. Several big box stores are located throughout Cape May County such as Home Depot, Staples, Michaels, Wal-Mart, and TJ Maxx/Home Goods.

Tourism Activity

Tourism is the driving force of the local economy attracting visitors from primarily Pennsylvania, New Jersey and New York. The main attractions in Cape May County are the beaches from Ocean City to Cape May. According to the Cape May County Department of Tourism, the Cape May market is considered a traditional and secure visitor base with a high visitor return rate. From the most recent report, the Cape May County Planning Department indicates approximately 80% of the visitors in 2013 were return visitors. Year after year generations continue to visit the southern New Jersey beach destinations. Visitor attractions include the boardwalks in Ocean City and Wildwood and the Promenade in Sea Isle City. Cape May County offers diverse number of attractions and activities from golf courses and vineyards to fishing and tour boats to natural reserves for bird watching. Additional cultural and historic attractions include the Cape May Zoo, Cape May Lighthouse, Aviation Museum and tours of the Historic District of Cape May.

In summary, Cape May County's location along the Atlantic Ocean and Delaware Bay is desirable. Much of the economic activity in the county is centered around tourism to the beach destinations. On a positive note, tourism remains relatively strong in Cape May County; however, the COVID-19 pandemic continues to create uncertainty in the market.

Municipal Data – Ocean City



Ocean City is located in northern Cape May County. According to the 2010 census, Ocean City had a year-round population of 11,701, a 24% decline since 2000. The year-round population has remained level with an estimated 2020 population of 11,738. Ocean City is primarily a seasonal market in which during the summer months the population increases dramatically to 120,000 to 130,000± residents. Ocean City is a “dry town” and does not permit the sale of alcohol.

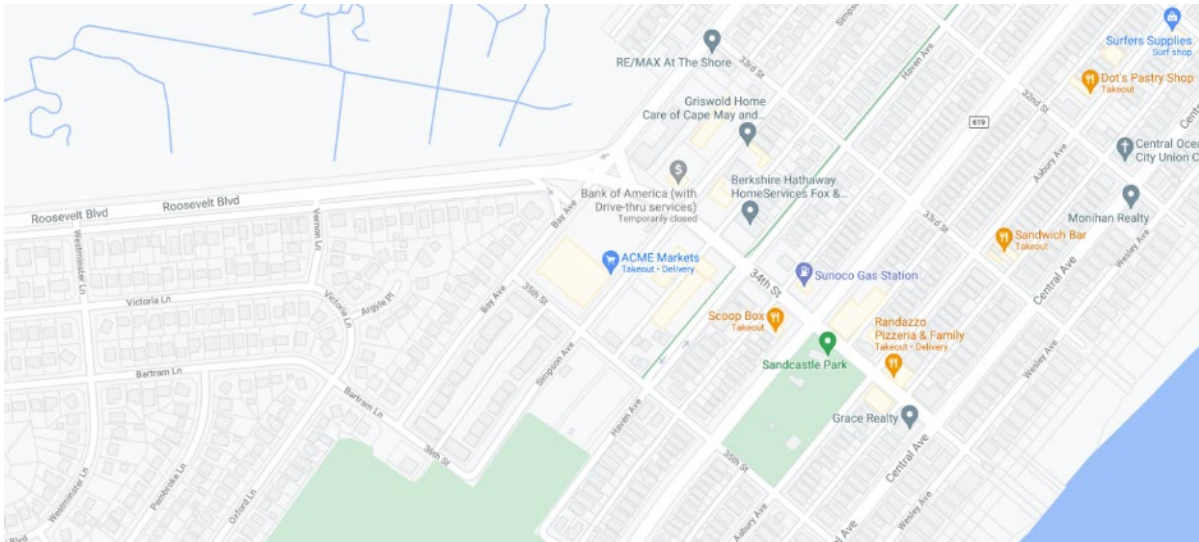
Ocean City is known as “America’s Greatest Family Resort” with the main tourist attractions surrounding the beach and the bay. On the beach side is the Boardwalk with amusement piers, arcades, shops and restaurants overlooking the Atlantic Ocean. On the bay side are marina and water related activities. The tourist season is from Memorial Day Weekend through Labor Day Weekend, with most businesses beginning weekend operations mid-March and extending through mid-October.

According to the Realtors Property Resource (RPR) Neighborhood Report, in Ocean City the median household income is \$77,527 and the median home price is \$880,000. Sale prices have increased significantly over the last year at 24.9%. The recent increase in home sale prices is a result of employees who have the option to work from home during the Covid-19 pandemic are choosing to work from the shore community. From the RPR Market Activity Report sale prices of land and lots have increased 5.23% over the last 12-months, but not included in the report are the “tear down” lots. A copy of the report is in the addenda of the report.

Ocean City is served by the Ocean City police and fire departments. Students attend Ocean City School District for Kindergarten through High School.

In summary, Ocean City is an established area in which every year thousands of tourists return for the seaside vacation experience.

Neighborhood Analysis



Source: Google Maps

The subject is conveniently located just southeast of the main roadway (34th Street/Roosevelt Blvd) in the south end of Ocean City. As shown on the map above, greatest, restaurants and shopping in the south end is located proximate to the subject.

The subject's neighborhood is primarily built-out with residential uses including a mix of condos, duplexes and single family homes. The neighborhood includes Ocean City Sandcastle Park with playground, basketball courts and tennis courts. Commercial uses include, but are not limited to, Randazzo's, Hoys Five & Ten, Sunoco Gas Station, Wawa, CVS, Acme, Topsail Steamer, Fractured Prune, Ocean Cigars, Elizabeth Eve Salon, Blitz's Market, real estate offices, etc.

Market Impacts and Participants Survey

The prevalence of the current Coronavirus (COVID-19) pandemic has taken center stage in the lives of everyone in the world and unprecedented steps have been taken to contain the virus. A review of the facts includes:

- The World Health Organization (WHO) shows that "illness due to COVID-19 infection is generally mild, especially for children and young adults. However, it can cause serious illness".⁵
- As of March 25, 2020, in the United States there were 17-state orders in effect, and more than 50% of the US population are officially urged to stay-at-home and practice social distancing in an effort to slow the number of patients requiring treatment and lessen the load on the health care system.⁶
- Pfizer and Moderna vaccines were approved and commenced vaccinating first responders in December 2020. Johnson and Johnson was approved in March 2021. As of the valuation date over eleven-million doses in New Jersey have been administered.

⁵ <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>

⁶ <https://www.cnn.com/2020/03/23/us/coronavirus-which-states-stay-at-home-order-trnd/index.html>

- Experts from the Centers for Disease Control (CDC) and the U.S. National Institute of Allergy and Infectious Diseases, feels it could take several months for the vast population to be vaccinated and life return to normal.

On March 4, 2020, New Jersey had its first case of COVID-19. On March 19, 2020, the governor of New Jersey, Phil Murphy, issued a *Statewide Stay at Home Order* directing all residents to stay at home until further notice. On April 30, 2020, there were 458 deaths due to COVID-19, with most lives lost in a single day and as of June 2020 there were over 12,000 confirmed COVID-19 deaths in New Jersey. The Stay-at-Home Order was lifted on June 9, 2020, as the number of cases declined; however, a second wave resulted in further restrictions. As the number of people who were vaccinated increase, the percentage of people contracting COVID-19 declined. One May 24, 2021, Governor Murphy lifted the indoor mask and social distancing restrictions. During the first and second waves, the pandemic was dynamic and constantly changing.

As of November 2021, there are 28,000 confirmed deaths in New Jersey due to COVID-19. Although life is has returned to a new normal, many businesses were impacted by the pandemic, such as restaurants and retail stores, many of whom continue to receive assistance in the form of grants and loans. Many employees have not returned to the office and continue to work from home. The apartment market was impacted by the eviction moratorium. All of these factors continue to create noticeable uncertainty in the market. The appraiser interviewed market participants to determine the current and anticipated market conditions.

In an interview with Lee Jerome of Levin Commercial Real Estate, the market was slow during the *Stay-at-Home Order* but has since picked up. According to Mr. Jerome, overall, there is a lack of supply of available properties in the market. Low interest rates are the driving forces behind many investment buyers pivoting to real estate.

According to a local broker, since May 2020, the real estate market has been a seller's market with buyers competing for a limited supply of available properties.

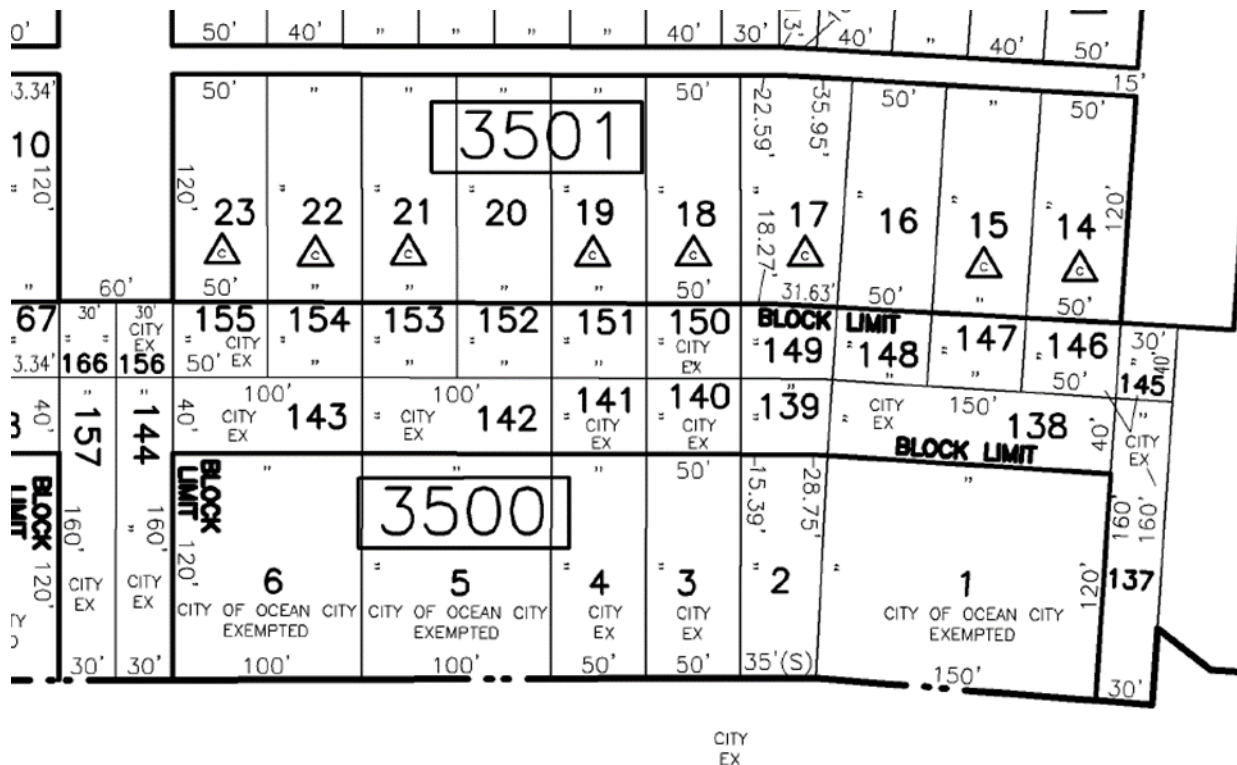
As of April 28, 2021, Anne Klein, Executive Managing Director at Newmark Knight Frank commercial real estate, indicated that the Philadelphia MSA office market has an average vacancy rate of 15%. Remote work or work-from-home prior to the pandemic was approximately 12%. In March 2020, remote work increased to 36%. As of May 2021, remote work has remained at 36%.

Overall, the impacts from the Coronavirus are uncertain. If history is indicative of future occurrences, then New Jersey shore communities have proven to be resilient, from managing rainy summer seasons, to recovering from Superstorm Sandy. The subject's market may initially feel the impacts of COVID-19, but would likely recover as it has in the past.

Property Analysis

For the site and improvement analysis the appraiser relied upon several sources of information including, but not limited to the provided Preliminary Plans, by HDR Engineering, Inc., for “Permanent Easement Across the Property of Ocean City Block 611.11, Lots 137 & 145, Cape May County, New Jersey, dated 09/03/21; recorded deed, tax assessor’s map and records; third party mapping data; appraiser’s aerial measurements and site inspection.

The appraiser was provided with a copy of the plans showing the easement area on Block 611.11, Lots 137 & 145 and a portion of Block 3500, Lot 1. The appraiser valued the three lots as one entity. The following tax map and aerial map shows the lots:



The following chart provides a summary from the tax records:

Subject Lots			
Address	3500-02 Wesley	3501-03 Wesley	Portion of 3501-07 Wesley
Block	611.11	611.11	3500
Lot	145	137	1
Square Feet	1,200	4,800	18,000
Acres	0.03	0.11	0.41
Width	30	30	150
Length	40	160	120

The following aerial map shows the subject lots including the beach area to the mean high water line (MHL).



Source: Bright MLS - The area outlined in red is not an exact measurement of the subject area and is illustrated as an aid to the reader. For a more accurate depiction of the subject site and easement area see the Property Parcel Map.

The lots are located southeast of the 3500 block of Wesley Avenue. The lot contains non-usable protective sand dunes, beach and riparian grant area (water). There is a public pedestrian access path from the 35th Street terminus which runs from northwest to southeast. Southeast of the dunes is usable beach and further southeast is the Atlantic Ocean. Along the subject's northwest border are detached residential homes along Wesley Avenue. The remaining borders abut protective sand dunes.

Access and Visibility

Street access and visibility is considered good. The site benefits from its access at the terminus of 35th Street. Lot 145 has 30-feet of street frontage along southeasterly side of the 35th Street terminus. 35th Street is a two-lane, 60' wide paved right-of-way with curbside parking on both sides of the roadway. To the west, 35th Street provides access to the roadways across the island including Wesley, Central, Asbury, West, Haven and Bay Avenues which provide access to the north to downtown Ocean City and to the south to Strathmere and Sea Isle (Ocean Drive). One block to the northwest is 34th Street/Roosevelt Blvd connecting the south end of Ocean City to Marmora in Upper Township. From the east access is via the Atlantic Ocean.

Topography and Soil Conditions

The site is characterized as protective sand dunes approximately 15-20 feet above sea level. Site soils have been identified via the United States Department of Agriculture's Web Soil Survey. The subject tract consists of Hooksan sand with 2 to 15 percent slopes and classified as rarely flooded. The confirmation of the soil conditions is beyond the scope of this report and professional soil tests were not conducted on the subject property. Should there be any questions regarding the aforementioned items, it is recommended a professional in the applicable field be contacted.

Vegetation

The vegetation on the subject site is primarily dune grass and shrubbery.

Mineral Deposits

The appraiser was not aware of any recognized mineral development or mineral valuation issues on the subject property. The appraiser is not an expert in the field, but there appear to be no mining activities in the area so it is unlikely there are any commercially valuable mineral deposits on the subject parcels.

Environmental Hazards

The site visit for did not reveal any stressed vegetation or surface staining that would indicate environmental hazards on the site. The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

Any investigation exceeding casual observation is beyond the scope of this report. The appraiser is not an expert in the field of environmental remediation. It is recommended a professional in the applicable field be contacted should there be any questions regarding potential hazardous conditions.

Easements and Encumbrances

Through a review of the public record and from information provided by the client, there are a number of recorded easements and encumbrances. The following provides a summary:

- The appraiser was provided with a Tideland Search Certificate for 3501-03 Wesley Avenue (Block 611.11, Lot 137 and Lot 3500, Lot 1) indicating there is a Shoreline Claim by the State of New Jersey. Moreover, there are two Tideland Grants, dated December 22, 1910 (Book T, Page 184) and October 24, 1912 (Book T, Page 549). A portion of the Tidelands Claim Search, with a map depicting the grant area, is in the addenda of the report.
- For the subject lots, Ocean City was granted a riparian grant for the land under water, as per a grant dated November 28, 1911, as recorded in Book 273, Page 8.
- As per Ordinance No. 1121, dated December 22, 1973, Ocean City agreed that certain streets and parts of streets are to remain vacant, including “35th Street 60’ right-of-way from the Southeasterly line of Wesley Ave. to the high-water line” as recorded in Deed Book 2, Page 341
- A Deed of Dedication and Perpetual Storm Damage Reduction Easement, dated September 4, 2013, between the City of Ocean City and the State of New Jersey was recorded in Deed Book 3562, Page 201. The Easement indicates Ocean City’s desire to participate in the US Army Corps of Engineers Great Egg Harbor Inlet to Townsends Inlet Project and to continue participation in the Project in perpetuity.

- The lots are subject to a Declaration of Encumbrance made by the City of Ocean City, Cape May County, as contained in Book 3698 Page 504 dated September 16, 2016, and recorded October 17, 2016. The declaration is from the local government (Ocean City) in consideration of NJDEP Green Acres Program agreement for funding of the 19th Street Beachfront Project (#0508-12-029), as approved on September 18, 2012. The Declaration is labeled, "Recreation and Open Space Inventory" which states the subject is held for recreation and conservation purposes.

The appraiser was not made aware of any other easements or encumbrances to the subject site. Copies of the other aforementioned documents are in the appraiser's workfile.

Flood Map and Wetlands

According to the FEMA Flood Insurance Rate Map (FIRM) No. 34009C0176F, dated October 5, 2017, the site is within the Velocity-VE zone. Areas within the VE zone are areas of high flood hazard subject to the 100-year and 500-year flooding events. Barrier islands are generally located in the AE or VE zone with BFE between eight to ten feet. The subject's location in the flood area does not appear to affect the marketability of the property since the VE zone is typical for beach lots. Buyers in the market are aware of potential impacts in the flood zone. A copy of the flood map is in the addenda of the report.

The appraiser researched the wetlands delineation with the New Jersey GeoWeb. The site is 100% encumbered by wetlands. The following map show the wetlands delineation:



Should there be any questions regarding the wetlands, it is recommended that a professional in the applicable field be contacted.

Utilities

The lot does not have utilities. There is access to public water and sewer, electric, gas, cable and telephone at the street.

Site Improvements

Dune fencing and split rail wooden fencing on easement lots. Mobi-mat beach access mat on lots to the south of the easement lots.

Improvements

None noted.

Ownership

According to the title search, the owner of the subject lots is the City of Ocean City. As previously noted, for the subject lots, Ocean City was granted a riparian grant for the land under water, as per a grant dated November 28, 1911, as recorded in Book 273, Page 8.

There have been no known listings or sales transactions for the three years prior to this assignment.

Assessment and Taxes

The Ocean City tax assessor's records indicate the lots designated as Property Class 15C-Public Property and are tax exempt. The tax assessment records are as follows:

Tax Assessment				
Address	3500-02 Wesley Ave	3501-03 Wesley Ave	3501-07 Wesley Ave	Total
Block	611.11	611.11	3500	
Lot	145	137	1	
Land	\$3,500	\$7,100	\$21,600	\$32,200
Improvements	\$0	\$0	\$0	\$0
Total	\$3,500	\$7,100	\$21,600	\$32,200
Tax (2021)	Exempt	Exempt	Exempt	Exempt
Equalization Rate	79.56%	79.56%	79.56%	79.56%
Equalized Value	\$4,399	\$8,924	\$27,149	\$40,473

The total tax assessment for the subject lots is \$32,200. The 2021 tax equalization rate for Ocean City is 79.56%. The tax equalization rate indicates assessments are below market value and the subject's equalized value of \$40,473.

Land Use Control and Zoning

New Jersey Land Use Regulation

The subject property is subject to Coastal Area Facility Review Act (CAFRA) regulated by the New Jersey Department of Environmental Protection (NJDEP). Under the NJDEP Division of Land Use Regulation, there are several regulations applicable to the subject's location along the ocean. For future development of the site or mitigation of the wetlands, an application process to obtain permits is required to adhere to the coastal laws and rules. Timeframes vary depending on the nature of the application. Property owners must demonstrate compliance with applicable standards to be approved. Any question in regard to CAFRA should be referred to NJDEP

Ocean City Zoning Ordinance

The subject is located in the Ocean City Beach-Dune ("BD") Zoning District. As per the zoning ordinance, permitted uses in the BD zone include the following:

"Open space, beach and water recreation, protective sand dunes and related improvements including snow fencing and dune stabilization plantings, stairs and walkways for beach access and dune preservation, necessary municipal buildings and structures for public safety and convenience including first aid stations, life guard stations, comfort stations, boardwalks, pavilions, piers, and related facilities, necessary shore protection and stabilization improvements including jettys, groins, bulkheads and related structures."

"All structures which are deemed necessary by local, State or Federal governments to enhance the flood prevention capability of these land forms, provided that they shall not involve the construction of buildings or signs."

Based on the zoning ordinance, the lots are non-buildable and future development would not be permitted. A change of zoning is not anticipated. Therefore, the highest and best use of the lots is for recreational use.

The appraiser recommends an expert in the field be consulted with regard to any question as to the legal status of the subject. A portion of the zoning map and ordinance are located in the addenda of the report.

Market Analysis

The first step is to identify and analyze trends and opportunities that may have a bearing on the economics and marketability of the subject property. The appraiser considered beach/dune sales located in Ocean, Atlantic and Cape May Counties. For the market data analysis, the appraiser surveyed the South Jersey Shore Regional MLS, South Jersey MLS, Cape May County MLS and Bright MLS for recent arm's length sales of comparable vacant land in the aforementioned counties. In addition, the appraiser interviewed real estate broker and agents as well as state, county and local representatives for recent sales considered comparable to the subject. There were a limited number of sales. There were no recent, arm's length sales (< 10 years) located in Ocean City. However, there were arm's length sales considered comparable to the subject in Ocean and Cape May Counties. The sales were analyzed by sale price, price per front foot and price per square foot. The unit of measurement with the lowest deviation was price per square foot, which was utilized in the sales comparison approach. The following chart lists the sales sorted by price per square foot:

Comparable Land Sales							
	Address	Municipality	County	Sale Date	Price	Sq Ft Land	\$/SF
A	231 Beach Rd	Ocean City	Cape May	7/14/2008	\$5,000	4,820	\$1.04
B	14-A E. Burlington Ave	Harvey Cedars	Ocean	9/4/2015	\$12,000	6,000	\$2.00
C	910 Beach Ave	Cape May	Cape May	10/4/2010	\$150,000	54,014	\$2.78
D	22 80th St	Harvey Cedars	Ocean	11/23/2015	\$45,000	8,500	\$5.29

The sales occurred between July 2008 and November 2015. The sales ranged from 4,820± to 54,014± square feet and \$1.04 to \$5.29 per square foot of land. These sales were utilized in the sales comparison approach. Additional information on these sales is presented in data sheets in the addenda section of the report.

As previously noted, sale prices in Ocean City over the last year increased 24.9% due to increased demand related to the pandemic and lack of supply. The increase is primarily associated with residential sales which is typical of residential sales along barrier islands in Southern New Jersey. A market analysis of buildable land sales shows an increase in sale prices of 5.23% over the last 12-months, but not included in the report are the "tear down" lots. From the recent sales, the days on market ranged from 2 to 184 days. The estimated exposure time is 1 to 6 months.

Highest and Best Use – Before the Project

Highest and best use is defined as that reasonable and probable use that will support the highest present value, as defined, as of the effective date of this report. The four tests of highest and best use are. 1) legally permissible; 2) physically possible; 3) financially feasible; 4) maximally productive.

- 1) To be **legally permissible** the use must be allowed under public land use controls such as zoning and land use laws with the additional consideration of private covenants and deed restrictions.

Legal restrictions affecting the property include the local municipal land use ordinance along with state regulations. The site lies within the Beach-Dune (BD) zoning district. Permitted uses in the BD district include the subject's use as protective sand dunes.

Based on the zoning ordinance, the lots are non-buildable and future development would not be permitted. A change of zoning is not anticipated. Overall, the subject is a legal, conforming. As-is, legal restrictions affecting the property appear to allow for the use.

- 2) **Physical possibility** is affected by the characteristics of the site such as size, shape, topography and other physical aspects of the site. The consideration of a use as physically possible must be tempered by analysis of its financial feasibility.

The overall subject site is 33,541 square feet (0.77 acres). The site is rectangular shaped with 30' of frontage along the southeasterly side of the 35th Street terminus. Ingress/egress is 35th Street. The lots are non-usable protective sand dune, a public pedestrian access path, beach area and riparian area (water). According to the NJ GeoMap, the subject contains 100% wetlands. The lots are primarily sand, dune grass and shrubbery with 5% 15% slopes. The dune is estimated to be between 15-20-feet in height. The use as beach and protective sand dunes are physically possible. However, the physical characteristics prohibit future development.

To be **financially feasible** there must be demand for the use and the perceived potential for a level of compensation commensurate with the level of risk assumed for a selected course of action.

A review of land sales in the market shows buyer demand for beach and sand dunes in Ocean and Cape May Counties. The most likely buyer of the subject site is an adjacent landowner or outdoor enthusiast. The land sales indicate buyer demand and the financial feasibility of the subject.

- 3) The **maximally productive** use is the financially feasible use that will produce the highest net return.

Of the financially feasible uses, the highest and best use is the use that produces the highest residual land value consistent with the market's acceptance of risk and with the rate of return warranted by the market for that use. Maximally productive use and the economic use of the lot is for recreational use, including, but not limited to, sunbathing, swimming, fishing, hiking, birdwatching, etc.

Highest and Best Use

The highest and best use as-if vacant is defined as that use from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported and financially feasible that results in the highest ***land*** value. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

The most probable buyer of the subject would be an adjacent landowner or outdoor enthusiast. The highest and best use of the subject and the economic use is for recreational use, including, but not limited to, sunbathing, swimming, fishing, hiking, birdwatching, etc.

Valuation Before the Project

Appraisal Process – Before the Project

In arriving at the estimated value of the subject property as of the effective date of this report, customary valuation practice required an assemblage of as much information as was available and a utilization of the data in three approaches to value: Income Capitalization Approach, Cost Approach and Sales Comparison Approach.

The approaches considered most applicable to the appraisal of the subject property are presented on the following pages. The approaches presented considered the positive and negative physical attributes, the immediate linkages of the location, the effects of specific financial/economic variables of the subject and those elements highlighted earlier in this report.

The sales comparison approach utilizes a process of comparing the most recent sales of similar lots to the subject in arriving at an opinion of value.

The income capitalization approach involves an estimate of the net income which a property is capable of producing. This is converted into an indication of value utilizing any of several capitalization techniques.

The cost approach involves estimating the market value of the land independently of the improvements as though vacant and available for its most probable profitable use. This involves utilization of the same process used in the sales comparison approach. Next, the reproduction or replacement cost is estimated as though the improvements were new on the effective date of the appraisal from which accrued depreciation from all sources is deducted to arrive at a depreciated improvement value. This is added to the estimated land value for a total opinion of value.

The sales comparison approach was utilized since lots with comparable use have been transferred, giving an indication of buyer actions.

The cost and income approaches were not applied as this method is not typically considered by potential buyers in the local market for land.

Sales Comparison Approach– Before the Project

The Sales Comparison Approach is based upon the assumption that potential purchasers would be willing to substitute the opportunities afforded by the subject property for the opportunity related to each of the specified comparable properties. Comparable sales are a manifestation of the thought process typical buyers and sellers in the marketplace are utilizing at any particular point in time. When there are an adequate number of sales of truly comparable properties with sufficient information for comparison, a range of values for the subject property can be developed.

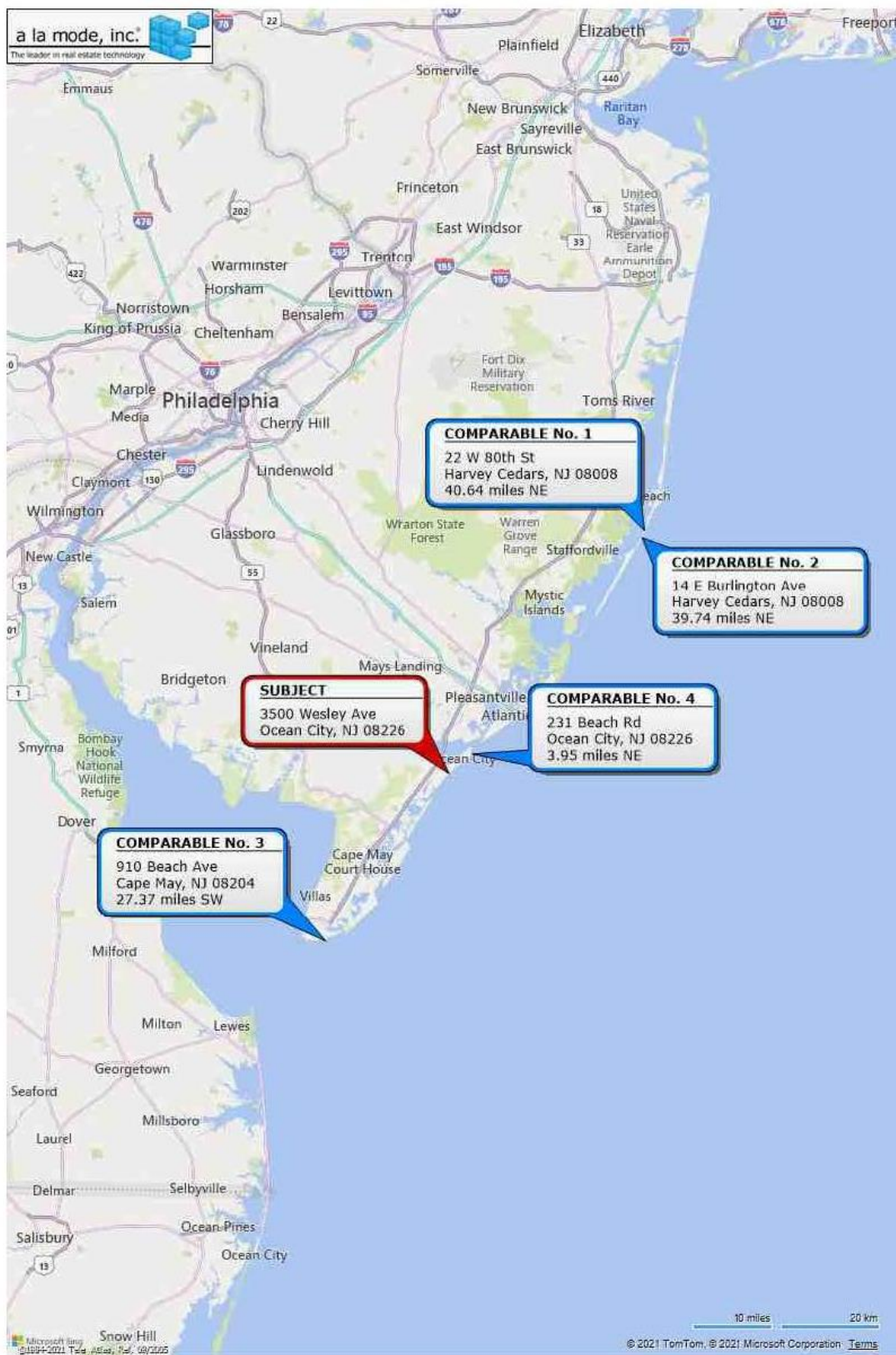
The range of value developed using units of comparison such as sales price per acre, or any of several other units that the marketplace has indicated are relevant, can be studied and necessary adjustments made to provide for the differences between all the comparables and the subject. An analysis of the adjusted units of comparison can then form a basis for the market value of the subject property. Only unit factors considered by the subject's marketplace are relevant. For the subject lot, the value is based on a price per square foot of land.

The degree to which the appraiser can rely on the Sales Comparison Approach depends upon an adequate number and similarity of the circumstances involved in the comparable sales. Differences always exist between properties even though they may provide a buyer with similar levels of functional utility. Adjustments for these differences serve to define more clearly the price that could reasonably be expected, subject to the limitations of the definition of market value.

There were a limited number of comparable sales to determine an opinion of value. Due to the limited number of sales, paired sales analysis and quantitative adjustments could not be determined for location, size, physical characteristics and zoning/use; therefore, the appraiser applied qualitative adjustments by indicating whether the sales were inferior or superior to the subject.

On the following pages is a sales comparison analysis for non-buildable beach/dune lots were identified to determine the value.

Comparable Sale Map



Comparable Sale No. 1**Property Identification**

Property Type Beach Parcel
Address 22 E 80th St., Harvey Cedars Borough, Ocean County, NJ
Tax ID Block 79, Lot 5

Sale Data

Grantor AJT Realty, LLC
Grantee Kenneth and Susan Margulies
Sale Date November 23, 2015
Document #: Book: 16253, Page: 1333
Property Rights Fee Simple Estate with Storm Damage Reduction Easement
Financing Cash
Verification Seller's Attorney

Sale Price \$45,000

Land Data

Usable Beach Size: **8,500± sq. ft. (0.195± acres)** of which 5,300 sq. ft. is estimated usable land or 63% useable beach area and 37% dunes
Ocean Frontage: No ocean frontage; 50' beach frontage
Street Frontage: None
Zoning R-A, Residential district; site is a legal use with zoning changes unlikely; non-buildable
Topography, Shape "L" shaped, level, interior lot
Utilities At street

Improvement Description

Improvements None

Indicators

Sale Price Per Square Foot **\$5.29 per sq. ft.**

Remarks

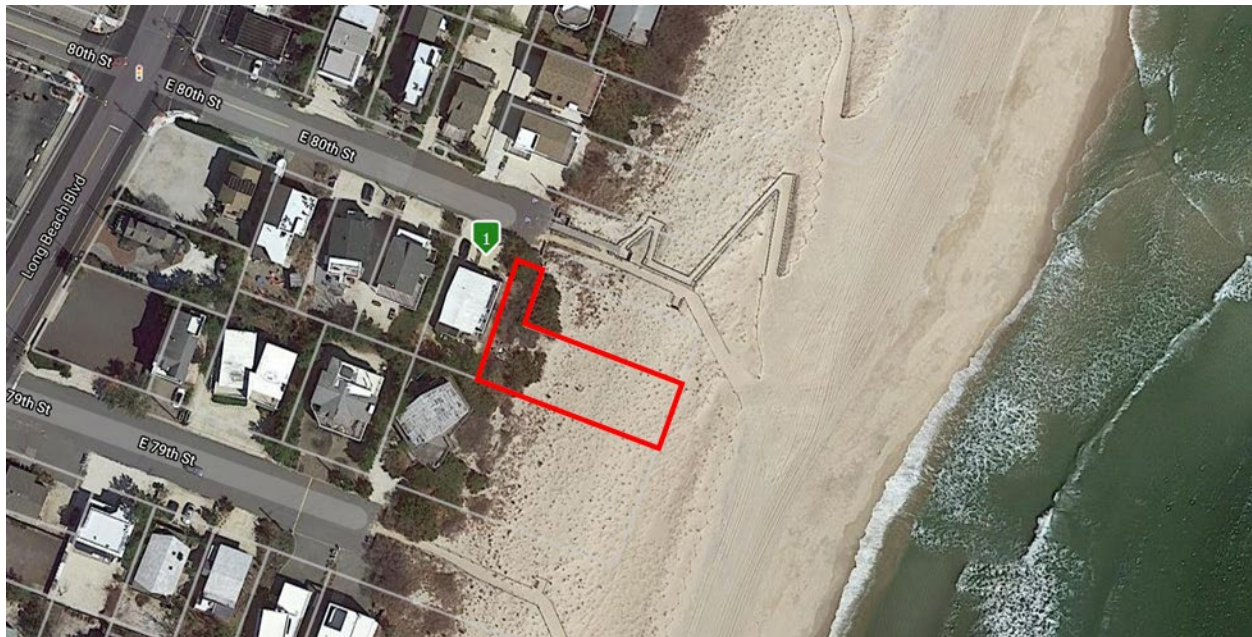
This is a beach sale situated in the Borough of Harvey Cedars. The lot was purchased by the adjoining property owner to the west, thus it was an assemblage. This sale was verified by the seller's attorney. This lot is not developable as per zoning and CAFRA regulations. The lot sold with a 4,216 s.f. storm damage reduction easement on the site. Previous sale on June 25, 2006 was for \$10,150 (Deed Book 13230, Page 1828).



Tax Map



Photo 12/1/2021 by Lee Ann Kampf



Comparable Sale No. 2**Property Identification**

Property Type Beach Parcel
Address 14-A E. Burlington Avenue, Harvey Cedars Borough,
 Ocean County, NJ
Tax ID Block 24, Lot 9

Sale Data

Grantor Mary Ellen Ellenberg, Executrix for the Estate of Henry
 Clay Schwartz, Jr.
Grantee William C. Scheffield
Sale Date September 4, 2015
Document #: Book: 16187, Page: 1725
Property Rights Fee Simple Estate
Financing Cash
Verification Seller's Attorney

Sale Price \$12,000

Land Data

Usable Beach Size: 6,000± sq. ft. (0.138± acres); 100% non-useable dune area
Ocean Frontage: No ocean frontage; 60' beach frontage
Street Frontage: None
Zoning R-A, Residential district; site is a legal use with zoning
 changes unlikely; non-buildable
Topography, Shape Rectangular shaped, level, corner lot
Utilities At street

Improvement Description

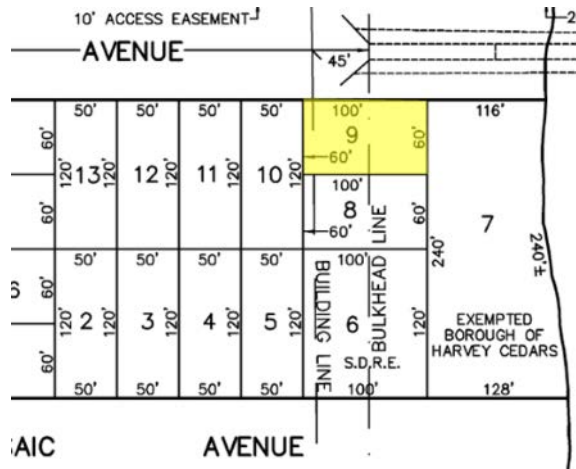
Improvements None

Indicators

Sale Price Per Square Foot **\$2.00 per sq. ft.**

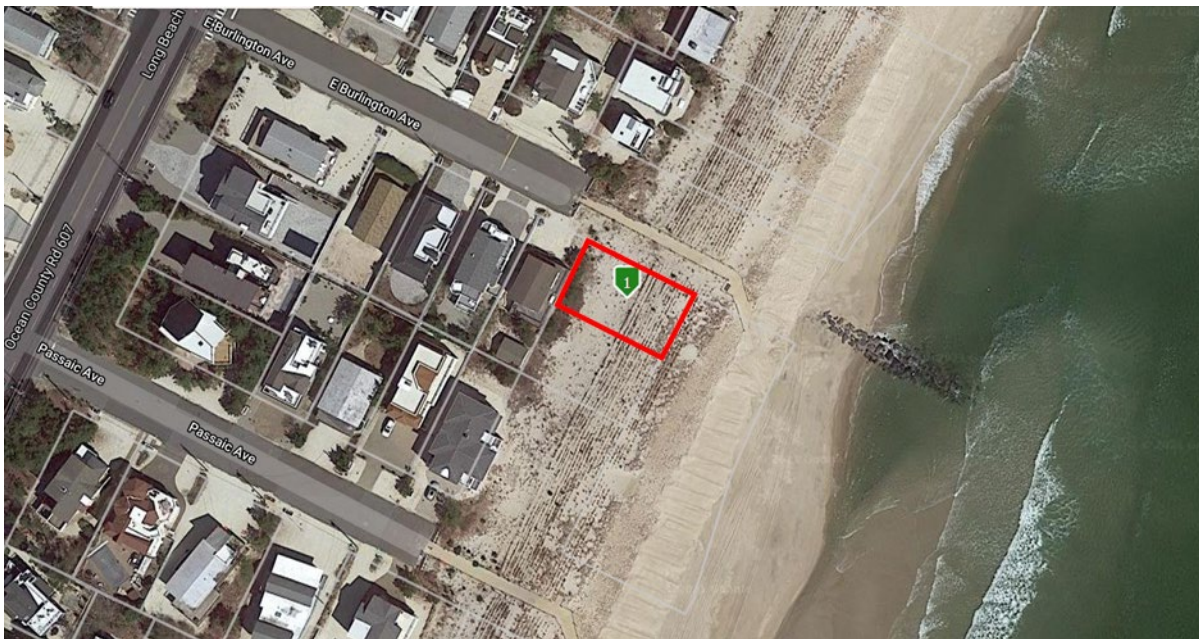
Remarks

This is a beach sale situated in the Borough of Harvey Cedars. The lot was purchased by the adjoining property owner to the west, thus it was an assemblage. This sale was verified by the seller's attorney. This lot is not developable as per zoning and CAFRA regulations. The lot was purchased for parking use, but a storm damage reduction easement on the site constructed a dune, after the sale and parking is no longer permitted.



Tax Map

Photo 12/1/2021 by Lee Ann Kampf



Comparable Sale No. 3**Property Identification**

Property Type Beach Parcel
Address 910 Beach Avenue City of Cape May, Cape May
County, NJ
Tax ID Block 1000, Lot 50 and 50.01

Sale Data

Grantor Richard and Maude Decker & Ann Townsend
Grantee Robert W. Kennedy
Sale Date October 4, 2010
Document #: Book: 3434, Page: 485
Property Rights Fee Simple Estate
Financing Cash or Equivalent
Verification Appraiser sources

Sale Price \$150,000

Land Data

Usable Beach Size: 54,014 sq. ft. (1.24± acres) of which
9,185 sq. ft. is estimated usable land or 17% useable
beach area and 83% dunes and water
Ocean Frontage: 54.35 feet
Street Frontage: 54.35 feet south side Beach Avenue
Zoning S-1, Beach Strand district; site is a legal use with
zoning changes unlikely; non-buildable.
Topography, Shape Generally rectangular shaped, level, interior lot
Utilities At street

Improvement Description

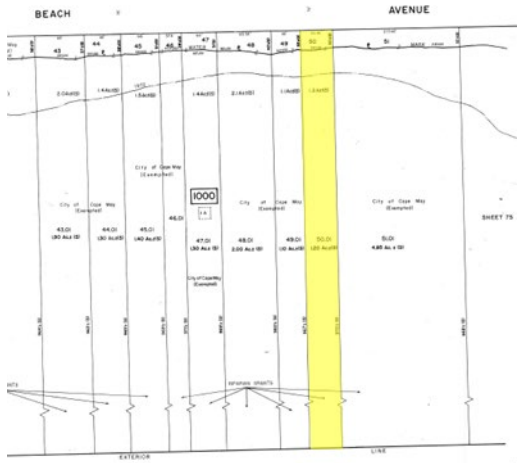
Improvements None

Indicators

Sale Price Per Square Foot \$2.78 per sq. ft.

Remarks

This is an oceanfront sale situated in the Borough of Cape May. The lot was purchased by someone who did not own an adjoining parcel. The buyer purchased the lot with the intention of renting beach gear. This sale was verified by the buyer's attorney. This lot is not developable as per zoning and CAFRA regulations.



Tax Map



Photo 11/27/2021 by Lee Ann Kampf



Comparable Sale No. 4**Property Identification**

Property Type Beach Parcel
Address 231 Beach Road City of Ocean City, Cape May County, NJ
Tax ID Block 70.42, Lot 4

Sale Data

Grantor Raymond J. & Marjorie Broderick
Grantee Mack Associates, LLC
Sale Date July 14, 2008
Document #: Book: 3350, Page: 863
Property Rights Fee Simple Estate
Financing Cash or Equivalent
Verification Appraiser sources

Sale Price \$5,000

Land Data

Usable Beach Size: 4,820 sq. ft. (0.111± acres); 100% non-useable dune area
Ocean Frontage: No ocean frontage; 41' beach frontage
Street Frontage: 40-feet west side Beach Road
Zoning D, Dune district; site is a legal use with zoning changes unlikely.
Topography, Shape Generally rectangular shaped, level, interior lot
Utilities At street

Improvement Description

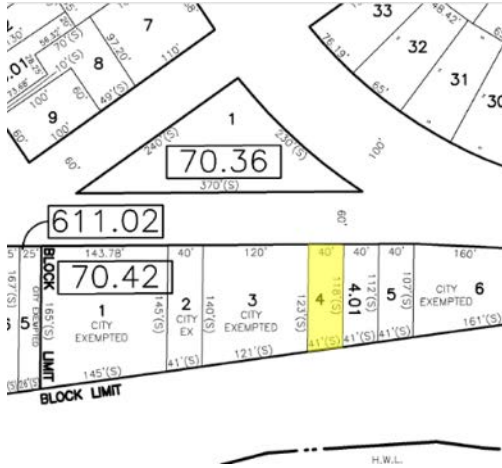
Improvements None

Indicators

Sale Price Per Square Foot \$1.04 per sq. ft.

Remarks

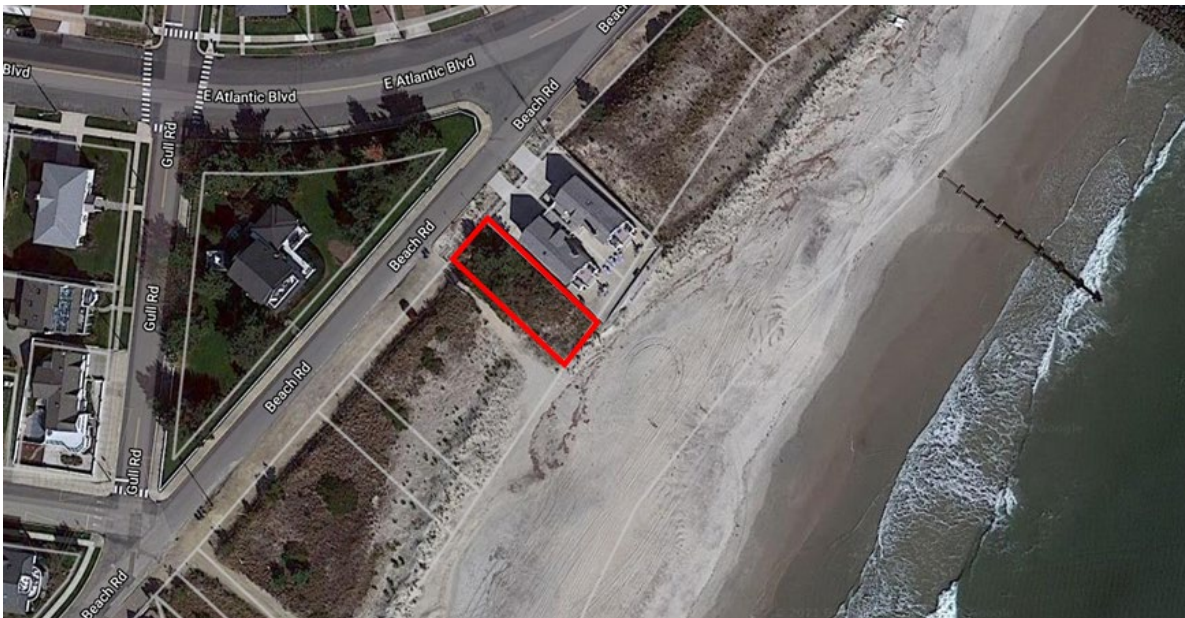
This is a beach sale situated in Ocean City. The lot was purchased by the property owner to the north. This sale was verified by the seller. This lot is not developable as per zoning and CAFRA regulations.



Tax Map



Photo 11/27/2021 by Lee Ann Kampf



Comparable Land Sales Adjustment Analysis "Before the Project"									
	Subject	Comparable Sale #1		Comparable Sale #2		Comparable Sale #3		Comparable Sale #4	
Address		22 E 80th Street		14-A E Burlington Ave		910 Beach Ave		231 Beach Rd	
Municipality	Ocean City	Harvey Cedars Boro		Harvey Cedars Boro		Cape May City		Ocean City	
County, State	Cape May County	Ocean County, NJ		Ocean County, NJ		Cape May County, NJ		Cape May County, NJ	
Date	-	11/23/2015		9/4/2015		10/4/2010		7/14/2008	
Sale Price	-	\$45,000		\$12,000		\$150,000		\$5,000	
Site Area (acres)	0.77	0.195		0.138		1.240		0.111	
Price Per acre		\$230,612		\$87,120		\$120,969		\$45,187	
Site Area (SF)	33,541	8,500		6,000		54,014		4,820	
Price Per SF	-	\$5.29		\$2.00		\$2.78		\$1.04	
Ocean/Beach Frontage (FF)	30.00	50.00		60.00		54.35		41.00	
Price /FF		\$900		\$200		\$2,760		\$122	
Property Rights Conveyed	Fee Simple	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%
Financing	Cash Equivalent	Cash	0%	Cash	0%	Cash	0%	Cash	0%
Conditions of Sale	Typical	Comparable	0%	Comparable	0%	Comparable	0%	Comparable	0%
Market Conditions	11/15/2021	11/23/2015	24%	9/4/2015	25%	10/4/2010	45%	7/14/2008	54%
Adjusted Unit Price		\$6.58		\$2.50		\$4.03		\$1.60	
Location/Access	Good	Superior		Superior		Inferior		Comparable	
% Adjustment		-10.0%		-10.0%		10.0%		0.0%	
\$ Adjustment		-\$0.66		-\$0.25		\$0		\$0.00	
Access	30' Street Frontage	Inferior		Inferior		Comparable		Comparable	
% Adjustment		10.0%		10.0%		0.0%		0.0%	
\$ Adjustment		\$0.66		\$0.25		\$0		\$0.00	
Size (SF)	33,541	Comparable		Comparable		Comparable		Comparable	
% Adjustment		0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Site Characteristics	Beach, Dune, Access Path & Riparian Area	Comparable		Comparable		Comparable		Comparable	
% Adjustment		0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Zoning/Use	BD	Comparable		Comparable		Comparable		Comparable	
% Adjustment	Recreation	0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Net Adjustment		0%		0%		10%		0%	
Adjusted Unit Price		\$6.58		\$2.50		\$4.43		\$1.60	
Mean	\$3.78								
Median	\$3.47								
Weighted	\$4.19	20%		20%		50%		10%	
Concluded	\$4.20								
Square Feet	33,541								
SCA	\$140,873								
Rounded	\$141,000								

The chosen comparable sales reflected the following ranges:

Summary of Comparable Land Sales		
Sale Date	Sale Price	Sale Price/ Square Foot Land
7/2008 – 11/2015	\$5,000 - \$150,000	\$1.04 - \$5.29

Due to the limited number of sales in the market, and the lack of reliable quantitative market support, qualitative consideration was given to each the sales.

The estimated market adjustments made to each comparable sale are as follows:

Property Rights Conveyed: Each comparable sale reflected the purchase of the fee simple estate. The market value of the fee simple estate is being estimated for the subject, so no adjustment appeared to be warranted.

Financing: No sale concessions or atypical financing were reported during the verification of the sales. Thus, no adjustment was required.

Conditions of Sale: No atypical conditions of sale were reported during our verification of the sales. Thus, no adjustment was required.

Market Conditions (Time): An adjustment for market conditions is made if, since the time the comparable sales were transacted, general property values have appreciated or depreciated due to inflation or deflation or investors' perceptions of the market have changed. The appraiser considered market conditions since the sales occurred. The comparable sales presented sale dates from July 2008 to November 2015. As previously noted in the report, sale prices of land for development have trended upward approximately 5% over the last year. A review of overall sale prices in New Jersey, Cape May County and Ocean City have increase an average of 4% per year. As such the sales were adjusted 4% per year since the sales occurred.

Location: The subject lots are located in Ocean City. The comparable sales were located on barrier islands in Ocean and Cape May Counties. To determine a location adjustment, the appraiser considered the median household income and median home price from RPR reports. The following chart provides a summary.

Location					
	Subject	Sale 1	Sale 2	Sale 3	Sale 5
Location	Ocean City	Harvey Cedars	Harvey Cedars	Cape May	Ocean City
Median HH Income	\$77,527	\$92,209	\$92,209	\$71,908	\$77,527
Median Home Price	\$879,730	\$1,189,990	\$1,189,990	\$487,720	\$879,730

Sales 1 and 2 were superior and adjusted downward. Sale 3 was inferior and adjusted upward. Sale 4 was comparable with no adjustments warranted.

Access: Access to the subject is via 30' of street frontage at the terminus of 35th Street. Sales 1 and 2 had inferior access and were adjusted upward. Sales 3 and 4 were similar with no adjustments warranted.

Size: The subject site measures 0.77 square feet (0.77 acres) of beach, protective dunes and riparian grant area. The adjustment is based on economies of scale. Due to the limited number of sales and the lack of market information, no measurable per unit adjustment for land size was determined.

Site Characteristics: The physical characteristics such as usable and non-usable beach area of the subject lots and each comparable were considered. Due to the limited number of sales and the lack of market information, no measurable per unit adjustment for site characteristics was determined.

Zoning: The subject is located in the Beach Dune BD zoning district and highest and best use is recreational use. All of the sales were similar zoning and highest and best uses, thus no adjustments were required.

Conclusions: Each comparable sale used in the analysis provides a reasonable indication of the subject's market value and was considered the best available as of the valuation date. Greater weight was given to Sale #3 located in Cape May County and containing beach, dune and riparian area.

Based on this information and other data found within the market, the market value for the subject is estimated at **\$4.20 per square foot or \$141,000, rounded.**

Summary of Value Indications:

Summary of Value Indications	
Sales Comparison Approach	\$ 141,000
Income Capitalization Approach	N/A
Cost Approach	N/A

Correlation and Final Value Estimate – Before Project

During the analysis, it was found that the Sales Comparison Approach to value provided the best and most reliable indication of the subject site's market value. It was developed, since land is often purchased on this basis. After making the appropriate adjustments to each comparable sale, a reliable market value estimate for the site resulted.

The Income Capitalization Approach was also considered but was not developed, since an adequate supply of comparable lease information was not found for land zoned for this type of use. In addition, this approach to value does not reflect the typical motivations of land purchasers within the market.

The Cost Approach was also considered, but not developed, since only the value of the land has been estimated.

After considering all of the facts and circumstances in connection with the subject property, I conclude that the estimated Market Value Before the Project for the Fee Simple Interest, as of November 15, 2021, was **\$141,000 or \$183,117 per acre.**

Nature of Project

Description of the Project

The Project involves the acquisition of a permanent subsurface easement. The area is summarized and described as follows:

Permanent Subsurface Easement	
Interests Acquired:	Fee Simple with a Permanent Subsurface Easement for Lots 137 and 145 and a portion of Block 3500, Lot 1 as well as in the riparian grant area of Block 3500, Lot 1.
Land Area/Dimensions:	0.77 acres (33,541 square feet)
Description/Location:	The easement area is generally rectangular in shape extending easterly from the 35 th Street terminus, along the dunes and the beach to the mean high water line (MHL) and into the water (riparian area).
Site Improvements Affected:	None. The easement is subsurface and will be drilled laterally from the ocean at a depth of approximately 50-feet.
Property Owner's Future Right of Use:	The owner will continue to have access and utilize the beach and ocean for beach activities such as sunbathing and swimming. The owner will continue to have the ability to replenish the beach and dune area. The easement area will be below the surface and unseen and will have a nominal effect on use and utility.

Property Parcel Map is on the following page. The blue area shows the easement area.

Just Compensation

Just compensation provides for compensation of any taking, as well as damages to the remainder property. Just Compensation is defined as:

“the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position as he or she would be if the property had not been taken.”⁷

The “Before and After Rule” is the methodology used in this report to estimate the value of the part taken and any damages to the remainder. Simply put, just compensation to the property owner is estimated as follows:

Value of Property Before the Project
Minus Value of Property After the Project
The Difference is the Just Compensation

The first part of this report concluded to a market value of the property Before the Project. The second part of this report describes the property After the Project and estimates the market value of the land under the hypothetical condition that the “After the Project” description of the property represents the property as of November 15, 2021. In effect, the property is analyzed as if the Project has been completed and any acquisition has physically occurred.

The Before and After methodology generally shows the effect of a fee simple taking on a property and may include some damages. Compensation for easement areas generally need to be estimated separately.

Damages

In condemnation, the loss in value to the remainder in a partial taking of property. Generally, the difference between the value of the whole property before the taking and the value of the remainder after the taking is the measure of the value of the part taken and the damages to the remainder.⁸

Damages value any improvements or portions of improvements which are within easements, or otherwise damaged by the Project and to be purchased; together with the value of any easements; plus any severance damages and the amount of any rounding differences.

⁷ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*, Chicago, IL, 2015

⁸ Appraisal Institute, *The Dictionary of Real Estate Appraisal, 6th Edition*. Chicago, IL: Appraisal Institute, 2015, p. 59.

Description of Remainder

The property will continue to offer many of the same physical characteristics as Before the Project including frontage, topography and visibility. After the Project, the site's physical characteristics are shown as follows:

Physical Characteristics of the Site (After the Project)	
Land Area:	0.77 acres (33,541 SF), Same as Before the Project
Easement:	0.77 acres (33,541 SF), Subsurface Easement
Shape:	Rectangular Shaped, Same as Before the Project
Topography:	Same as Before the Project
Frontage:	30' SE/S 35 th Street, Same as Before the Project
Access:	Street access is via 30' street frontage 35 th Street, Same as Before the Project
Easements/Encumbrances:	<p>Permanent easement of subsurface area extending easterly from the 35th Street terminus, along the dunes and the beach to the mean high water line (MHL) and to the ocean (riparian area). The easement area will be below the surface and unseen and will have a nominal effect on use and utility.</p> <p>All other easements are the Same as Before the Project.</p>
Site Improvements:	<p>Site improvements will not be disturbed in the easement area as the easement will be subsurface and will be drilled laterally from the ocean at a depth of approximately 50-feet.</p> <p>The appraiser notes, the client indicated that there will not be markers or monuments on the subject site to mark the easement area. Markers will be along the right-of-way at 35th Street.</p>

Highest and Best Use – After the Project

Highest and best use is defined as that reasonable and probable use that will support the highest present value, as defined, as of the effective date of this report. The four tests of highest and best use are. 1) legally permissible; 2) physically possible; 3) economically feasible; 4) maximally productive.

- 1) To be **legally permissible** the use must be allowed under public land use controls such as zoning and land use laws with the additional consideration of private covenants and deed restrictions.

Legal restrictions affecting the property include the local municipal land use ordinance along with all other county and state regulations. The site lies within the Beach-Dune (BD) zoning district. Permitted uses in the BD district include the subject's use as protective sand dunes. Based on the zoning ordinance, the lots are non-buildable and future development would not be permitted. A change of zoning is not anticipated. Overall, the subject is a legal, conforming. As-is, legal restrictions affecting the property appear to allow for the use.

- 2) **Physical possibility** is affected by the characteristics of the site such as size, shape, topography and other physical aspects of the site. The consideration of a use as physically possible must be tempered by analysis of its financial feasibility.

The overall subject site is 0.77 acres (33,541 square feet). After the Project there will be a subsurface easement area of 0.77 acres (33,541 square feet).

The site is rectangular shaped with 30' of frontage along the southeasterly side of the 35th Street terminus. Ingress/egress is 35th Street. Additionally, ingress and egress from the beach is from the Atlantic Ocean. The lots are non-usable protective sand dune, a public pedestrian access path, beach area and riparian area (water). According to the NJ GeoMap, the subject contains 100% wetlands. The lots are primarily sand, dune grass and shrubbery with 5% 15% slopes. The dune is estimated to be between 15-20-feet in height. The use as protective sand dunes is physically possible. However, the physical characteristics prohibit future development.

Overall, the physical characteristics of the property continue to limit future development and is considered non-buildable. The permanent easement will be below the surface and unseen and will have a nominal effect on use and utility.

- 3) To be **financially feasible** there must be demand for the use and the perceived potential for a level of compensation commensurate with the level of risk assumed for a selected course of action.

A review of land sales in the market shows buyer demand for beach and sand dunes in Ocean and Cape May Counties. The most likely buyer of the subject site is an adjacent landowner or outdoor enthusiast. The land sales indicate buyer demand and the financial feasibility of the subject.

- 4) The **maximally productive** use is the financially feasible use that will produce the highest net return.

Of the financially feasible uses, the highest and best use is the use that produces the highest residual land value consistent with the market's acceptance of risk and with the rate of return warranted by the market for that use. Maximally productive use and the economic use of the lot is for recreational use, including, but not limited to, sunbathing, swimming, fishing, hiking, birdwatching, etc.

Highest and Best Use

The highest and best use as-if vacant is defined as that use from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported and financially feasible that results in the highest **land** value. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

The most probable buyer of the subject would be an adjacent landowner or outdoor enthusiast. The highest and best use of the subject and the economic use is for recreational use, including, but not limited to, sunbathing, swimming, fishing, hiking, birdwatching, etc.

Valuation - After the Project

Appraisal Process - After the Project

Again, the appraisal report considered the value of the land. Each of the three traditional approaches to value has been considered in estimating the market value of the site. The market value indication was developed via the Sales Comparison Approach for the same reason that it was developed “Before the Project.”

Sales Comparison Approach - After the Project

A market value estimate has been developed through the Sales Comparison Approach for the subject site. The same sales have been utilized as in the Before the Project and the same adjustments have been made, with the exception is the adjustments to the Property Rights Conveyed. The appraiser considered the impacts of the subsurface easement with reference made to the “Valuation of Easements” by Donnie Sherwood, MAI as of November 2014. The publication provides an Easement Valuation Matrix which is utilized by appraisers who appraise easements. The following is a copy of the matrix.

Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none"> Severe impact on surface use Conveyance of future uses 	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none"> Major impact on surface use Conveyance of future uses 	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none"> Some impact on surface use Conveyance of ingress/egress rights 	Pipelines, scenic easements
50%	<ul style="list-style-type: none"> Balanced use by both owner and easement holder 	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none"> Location along a property line location across non-usable land area 	Water or sewer line, cable lines
11% - 25%	<ul style="list-style-type: none"> Subsurface or air rights with minimal effect on use and utility Location with a setback 	Air rights, water or sewer line
0% - 10%	<ul style="list-style-type: none"> Nominal effect on use and utility 	Small subsurface easement

Source: Valuation of Easements by Donnie Sherwood, MAI, November 2014

The matrix applies a Percentage Impact of the Fee Estate for the various types of easements from a small subsurface easement (0-10% impact) to a severe impact such as an overhead electric or railroad right-of-way (90-100% impact). Based on the matrix, the subject’s subsurface easement will have a minimal effect of 11% to 25% of the Fee Simple Estate and as such a 20% downward adjustment was made to each of the sales.

Comparable Land Sales Adjustment Analysis "After the Project"									
	Subject	Comparable Sale #1		Comparable Sale #2		Comparable Sale #3		Comparable Sale #4	
Address		22 E 80th Street		14-A E. Burlington Ave		910 Beach Ave		231 Beach Rd	
Municipality	Ocean City	Harvey Cedars Boro		Harvey Cedars Boro		Cape May City		Ocean City	
County, State	Cape May County	Ocean County, NJ		Ocean County, NJ		Cape May County, NJ		Cape May County, NJ	
Date	-	11/23/2015		9/4/2015		10/4/2010		7/14/2008	
Sale Price	-	\$45,000		\$12,000		\$150,000		\$5,000	
Site Area (acres)	0.77	0.195		0.138		1.240		0.111	
Price Per acre		\$230,612		\$87,120		\$120,969		\$45,187	
Site Area (SF)	33,541	8,500		6,000		54,014		4,820	
Price Per SF	-	\$5.29		\$2.00		\$2.78		\$1.04	
Ocean/Beach Frontage (FF)	30.00	50.00		60.00		54.35		41.00	
Price /FF		\$900		\$200		\$2,760		\$122	
Property Rights Conveyed	Fee Simple/Subsurface Easement	Fee Simple	-20%	Fee Simple	-20%	Fee Simple	-20%	Fee Simple	-20%
Financing	Cash Equivalent	Cash	0%	Cash	0%	Cash	0%	Cash	0%
Conditions of Sale	Typical	Comparable	0%	Comparable	0%	Comparable	0%	Comparable	0%
Market Conditions	11/15/2021	11/23/2015	24%	9/4/2015	25%	10/4/2010	45%	7/14/2008	54%
Adjusted Unit Price		\$5.52		\$2.10		\$3.47		\$1.39	
Location/Access	Good	Superior		Superior		Inferior		Comparable	
% Adjustment		-10.0%		-10.0%		10.0%		0.0%	
\$ Adjustment		-\$0.55		-\$0.21		\$0		\$0.00	
Access	30' Street Frontage	Inferior		Inferior		Comparable		Comparable	
% Adjustment		10.0%		10.0%		0.0%		0.0%	
\$ Adjustment		\$0.55		\$0.21		\$0		\$0.00	
Size (SF)	33,541	Comparable		Comparable		Comparable		Comparable	
% Adjustment		0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Site Characteristics	Beach, Dune, Access Path & Riparian Area	Comparable		Comparable		Comparable		Comparable	
% Adjustment		0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Zoning/Use	BD	Comparable		Comparable		Comparable		Comparable	
% Adjustment	Recreation	0.0%		0.0%		0.0%		0.0%	
\$ Adjustment		\$0.00		\$0.00		\$0		\$0.00	
Net Adjustment		0%		0%		10%		0%	
Adjusted Unit Price		\$5.52		\$2.10		\$3.82		\$1.39	
Mean	\$3.21								
Median	\$2.96								
Weighted	\$3.57	20%		20%		50%		10%	
Concluded	\$3.60								
Square Feet	33,541								
SCA	\$120,748								
Rounded	\$121,000								

Conclusions After the Project

Again, each comparable sale used in the analysis provided a reasonable indication of the subject's land value and was considered the best available as of the valuation date. Greater weight was given to Sale #3 located in Cape May County and containing beach, dune and riparian area.

Based on this information and other data found within the market, the market value for the subject After the Project is estimated at **\$3.60 per square foot or \$121,000, rounded.**

Damages to the Remainder

As previously discussed, Before the Project the subject is 0.77 acres (33,541 SF). After the Project the subject will be 0.77 acres (33,541 SF) with a permanent subsurface easement. There are damages anticipated due to the permanent subsurface easement.

Compensation for Easements/Encumbrances

The market value of the subject property, through the Sales Comparison Approach, Before the Project is \$141,000. The market value of the subject After the Project, with a permanent subsurface easement is \$121,000. Therefore, the compensation for permanent easement area is \$20,000.

Before the Project:	\$141,000
After the Project:	<u>\$121,000</u>
Value of the Easement:	\$ 20,000

Correlation and Final Value Estimate - After the Project

Summary of Value Indications	
Sales Comparison Approach	\$121,000
Income Capitalization Approach	N/A
Cost Approach	N/A

After considering all of the facts and circumstances in connection with the subject property, I conclude that the estimated Market Value After the Project for the Fee Simple Interest, as of November 15, 2021, was **\$121,000 or \$157,143 per acre.**

Reconciliation

In the final reconciliation, the appraiser must ensure that the approaches and methods used relate to the real property interest being appraised, the definition of value under consideration, and the purpose and use of the appraisal. In the analysis of the subject, only the Sales Comparison Approach to value has been considered in estimating value for the subject property. The following value estimates were derived by each approach employed:

Value Indicators		
	Before	After
Sales Comparison Approach	\$141,000	\$121,000
Income Approach	N/A	N/A
Cost Approach	N/A	N/A

Conclusion and Justification

The appraisal is based on the following extraordinary assumption:

- The appraisal is based on the extraordinary assumption that the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected.

After a complete study and analysis of all relevant data in this assignment, the market value of the subject lots (Block 611.11, Lots 137 & 145 and a portion of Block 3500, Lot 1) as of November 15, 2021, was:

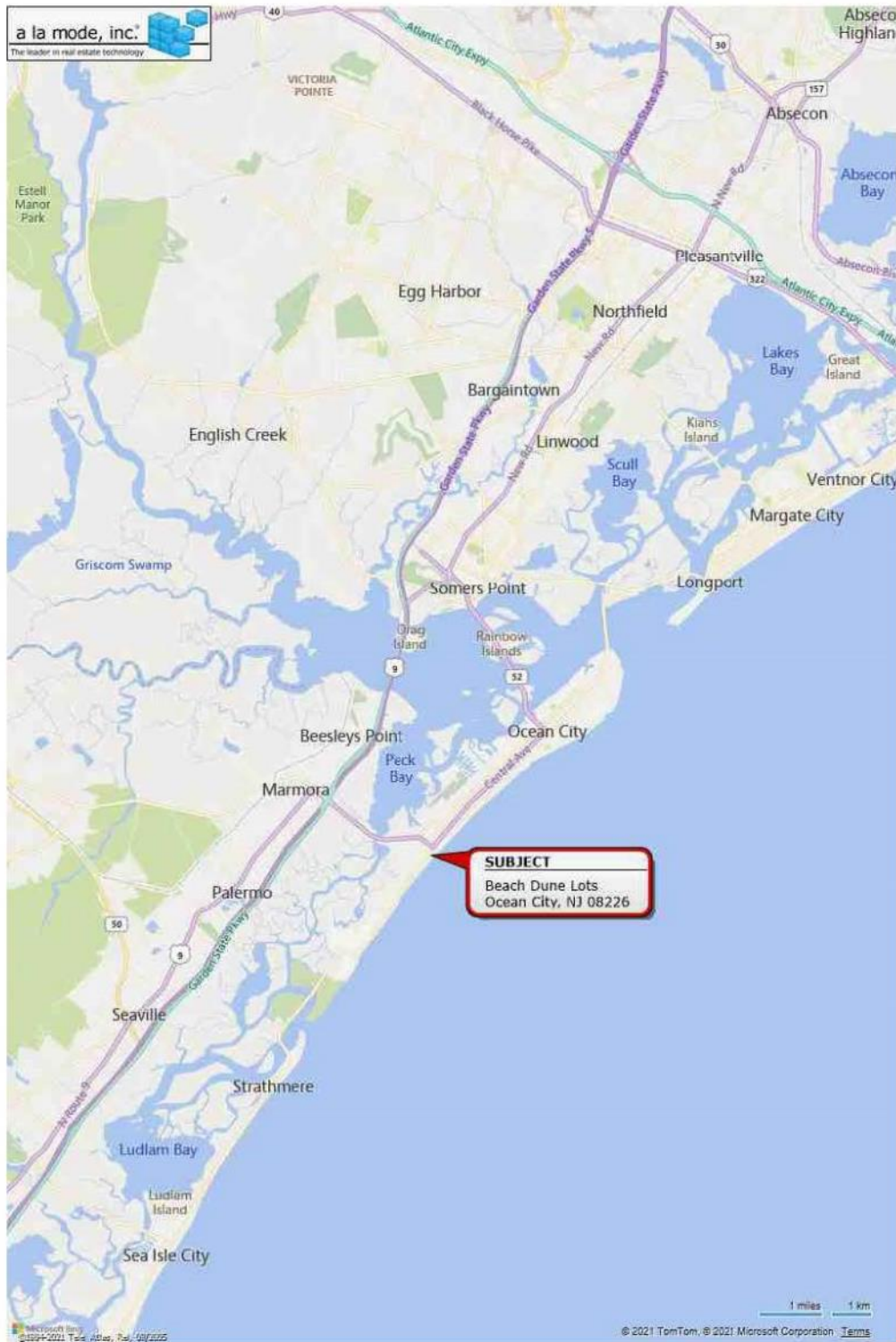
Final Value Opinion Before: (Fee Simple Estate)	\$141,000
Final Value Opinion After: (Fee Simple Estate subject to Easement)	\$121,000
Value of Part Taken and Damages to Remainder	\$20,000

The After valuation shows a decrease in value due to the Easement. As a result, compensation is due to the property owners. It is my opinion the consideration for the acquisition of the easement, as of the effective date, November 15, 2021, is:

Twenty Thousand Dollars
(\$20,000)

Addenda

Location Map



Form MAP.LOC - *TOTAL* appraisal software by a la mode, inc. - 1-800-ALAMODE

Subject Photographs



1. View of Easement Lot (Lots 145) facing Northwesterly



2. View of Easement Lot (Lots 145) facing Northeasterly



3. View of Easement Lot (Lots 137) from 35th Street Terminus facing Southeasterly



4. View of 35th Street facing Northwesterly

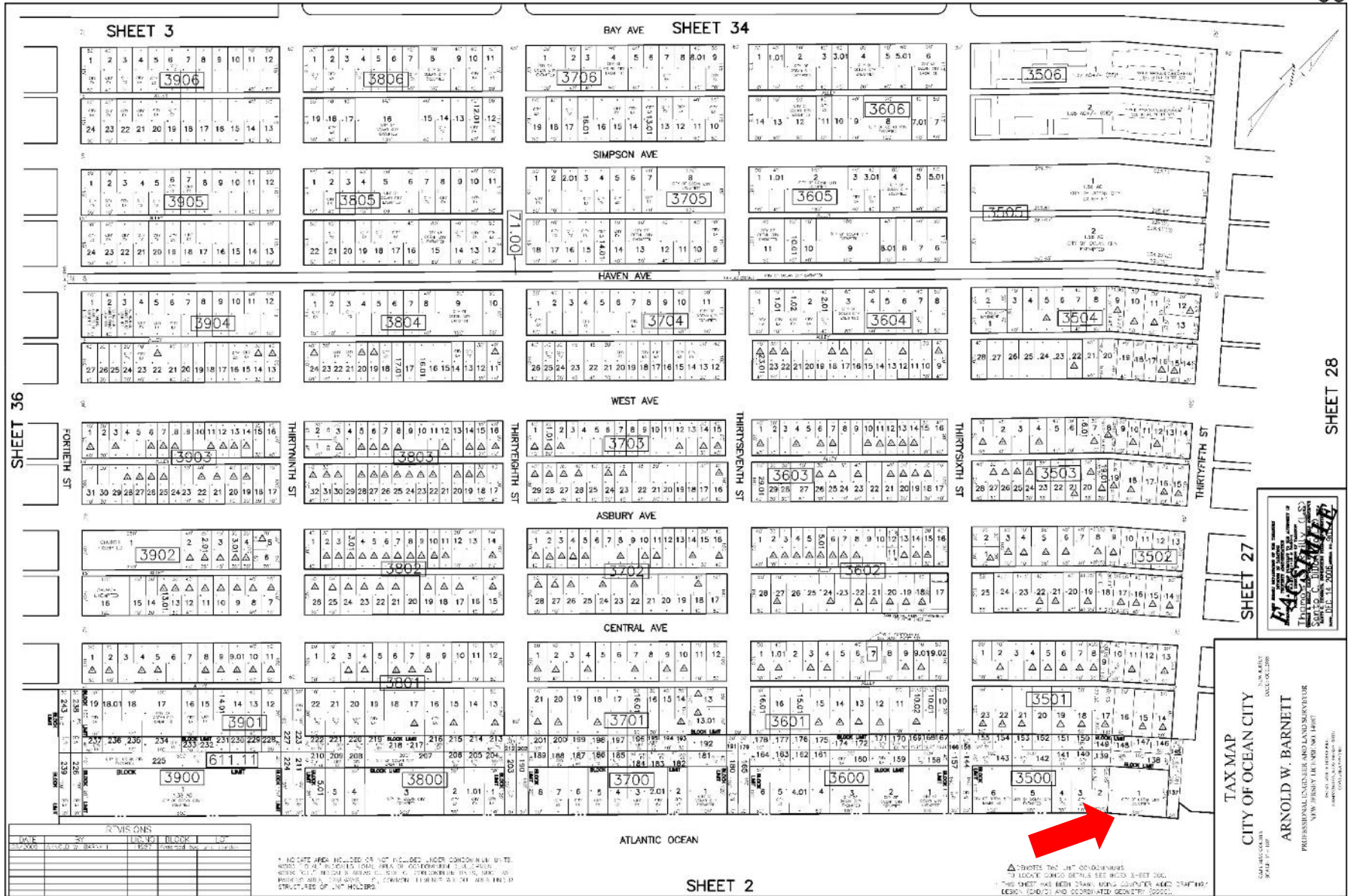


5. - View of Public Pedestrian Access Path facing Southeasterly



6. View of Beach and Atlantic Ocean from Subject Lots facing Southeasterly

Subject Tax Map



REVISIONS			
NO.	DATE	BY	DESCRIPTION

* NO DATE AREA INCLUDED OR NOT INCLUDED UNDER CONDOMINIUM UNIT NUMBER TO BE REPRODUCED TOTAL AREA OF OCCUPYABLE BUILDING AREA. BLOCK AND LOT NUMBERS ARE SHOWN IN BLOCK AND LOT NUMBERS. BLOCK AND LOT NUMBERS ARE SHOWN IN BLOCK AND LOT NUMBERS. BLOCK AND LOT NUMBERS ARE SHOWN IN BLOCK AND LOT NUMBERS.

△ SHOWS THE LOT DEVELOPMENT
 ① LOCATE CORNER DETAILS SEE INDEX SHEET ONLY
 * THIS SHEET HAS BEEN REPRODUCED USING COMPUTER AIDED DRAFTING DESIGN (CAD) AND COORDINATED GEOMETRY (GEOCAD)

TAX MAP
CITY OF OCEAN CITY
 PREPARED BY
ARNOLD W. BARNETT
 PROFESSIONAL LAND SURVEYOR
 NEW JERSEY LICENSE NO. 14802
 DATE: 11-15-2006

Flood Map

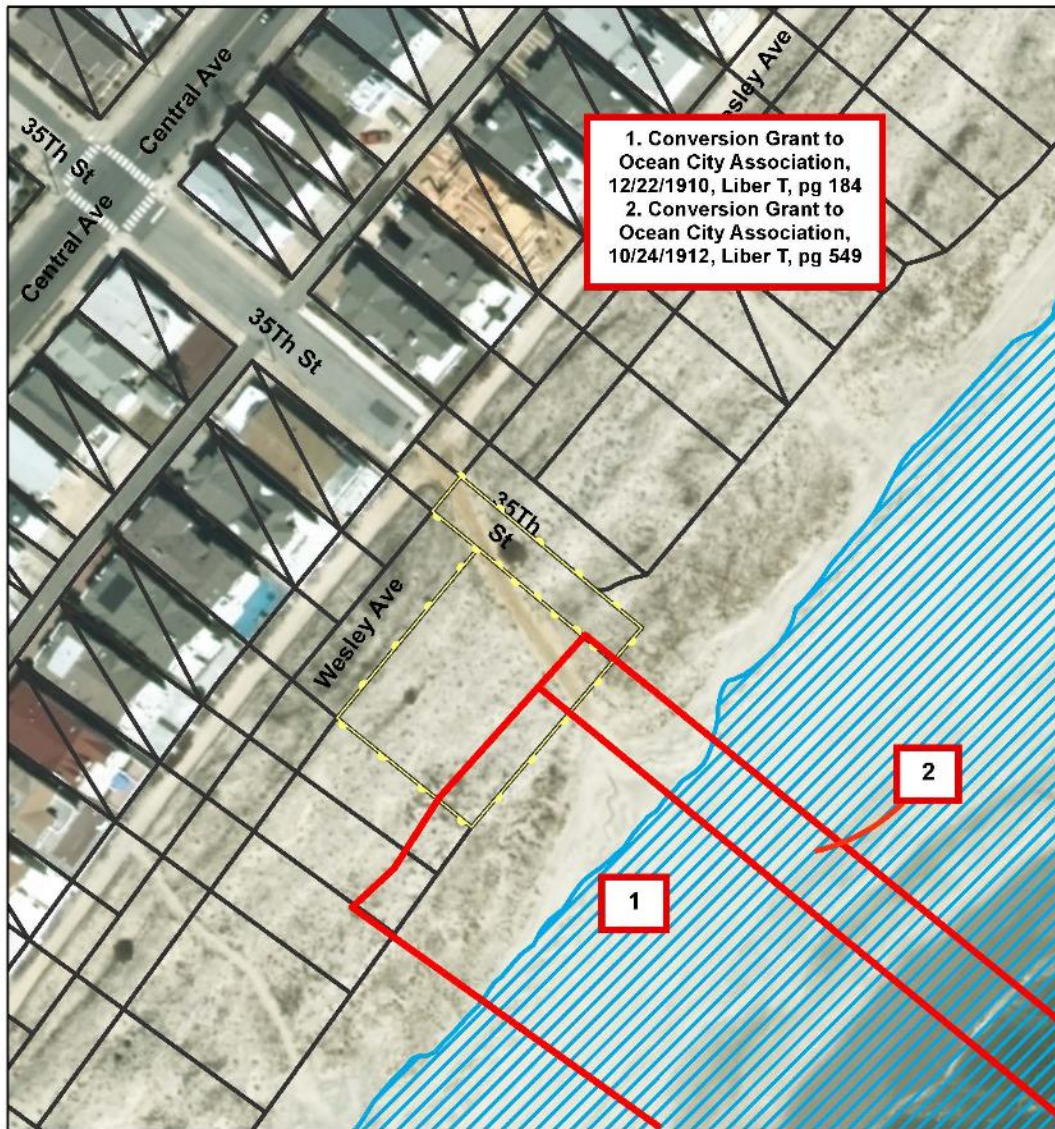


Form MAP LT.FLOOD - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

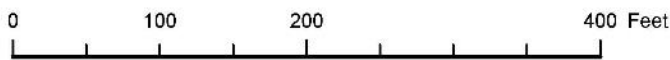
Tideland Map



Tidelands Claim Search



1. Conversion Grant to Ocean City Association, 12/22/1910, Liber T, pg 184
2. Conversion Grant to Ocean City Association, 10/24/1912, Liber T, pg 549



Tidelands Legend									
	PIQ		Claimed		TimeBarred		Instruments		Gore

The claim and property lines depicted are a scaled representation and are for informational purposes only. Results are based on the NJ State Tidelands Conveyance Maps and are subject to the Tidelands Reservation Statement. Signature is not responsible for errors or omissions in the State's data.

Neighborhood Analysis

Neighborhood Report

Ocean City, NJ 08226

Neighborhood: Housing Stats and Charts

	08226	Cape May County	New Jersey	USA
Median Estimated Home Value	\$880K	\$521K	\$435K	\$293K
Estimated Home Value 12-Month Change	+24.9%	+19.4%	+12.8%	+15.3%
Median List Price	\$900K	\$639K	\$400K	\$149K
List Price 1-Month Change	+1.2%	+6.5%	-0.1%	-0.6%
List Price 12-Month Change	+28.9%	+20.6%	+5.2%	+6.4%
Median Home Age	42	45	55	41
Own	69%	78%	64%	64%
Rent	31%	22%	36%	36%
\$ Value of All Buildings for which Permits Were Issued	-	\$243M	\$4.8B	\$307B
% Change in Permits for All Buildings	-	-15%	+5%	+13%
% Change in \$ Value for All Buildings	-	-10%	+8%	+10%

Median Sales Price vs. Sales Volume

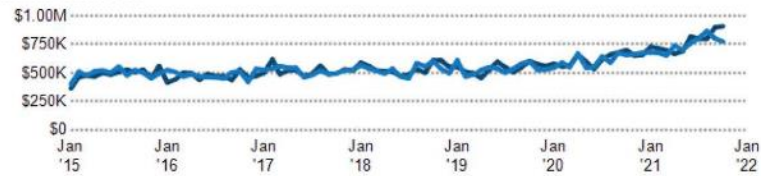
This chart compares the price trend and sales volume for homes in an area. Home prices typically follow sales volume, with a time lag, since sales activity is the driver behind price movements.

Data Source: Public records and listings data

Update Frequency: Monthly

- Median Sales Price Public Records
- Median Sales Price Listings
- Sales Volume Public Records
- Sales Volume Listings

Median Sales Price



Sales Volume



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11/15/2021

Neighborhood Report

Ocean City, NJ 08226

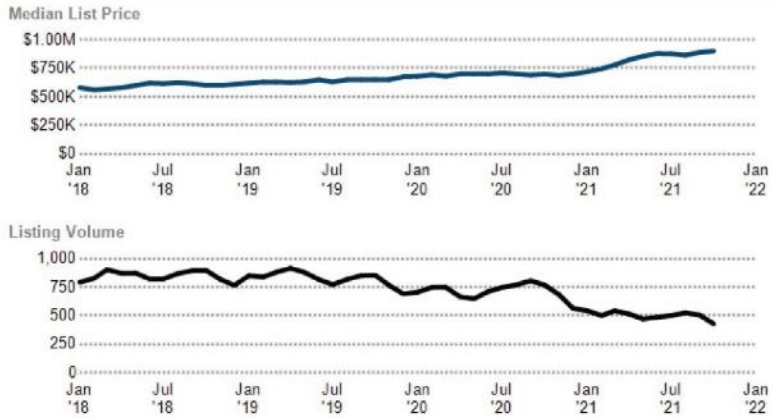
Median Listing Price vs. Listing Volume

This chart compares the listing price and listing volume for homes in an area. Listing prices often follow listing volume, with a time lag, because supply can drive price movements.

Data Source: On- and off-market listings sources

Update Frequency: Monthly

- Median List Price
- Listing Volume



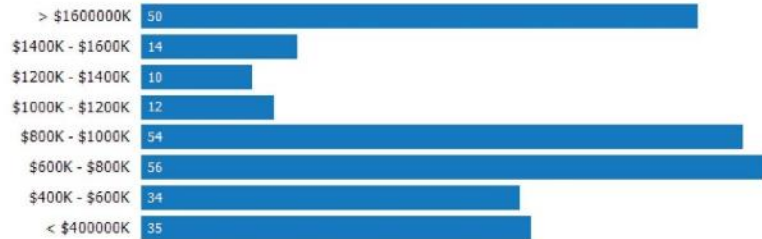
Price Range of Homes Sold

This chart shows the distribution of homes reported sold in the past six months within different price ranges in the area of your search. The amount shown for the subject property is sold data where available, or the property's estimated value when sales data are unavailable (such as a non-disclosure state) or provided in range format.

Data Source: Public records data

Update Frequency: Monthly

- Sales Count By Price Range



Price per Square Foot of Homes Sold

This chart shows the distribution of homes reported sold in the past six months at different prices per square foot (living area sourced from public records).

Data Source: Public records data

Update Frequency: Monthly

- Sales Count By Price Per Sq Ft



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11/15/2021

Neighborhood Report

Ocean City, NJ 08226

Neighborhood: People Stats and Charts

	08226	Cape May County	New Jersey	USA
Population	10.1K	93.1K	8.88M	325M
Population Density per Sq MI	2.12K	370	1.21K	—
Population Change since 2010	+0.3%	-3.3%	+3.8%	+7.7%
Median Age	55	50	40	38
Male / Female Ratio	47%	49%	49%	49%



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11/15/2021

Neighborhood Report

Ocean City, NJ 08226

Neighborhood: Economic Stats and Charts

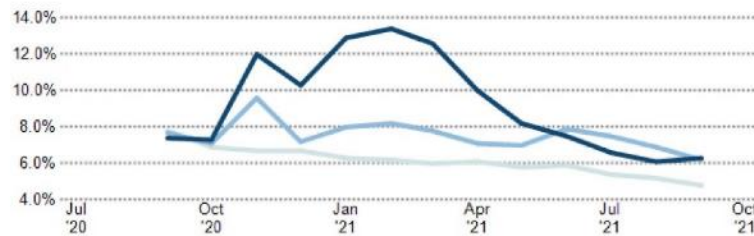
	08226	Cape May County	New Jersey	USA
Income Per Capita	\$53,108	\$40,389	\$42,745	\$34,103
Median Household Income	\$77,527	\$67,074	\$82,545	\$62,843
Unemployment Rate	-	6.3%	6.2%	4.8%
Unemployment Number	-	3.17K	273K	-
Employment Number	-	47.2K	4.11M	-
Labor Force Number	-	50.4K	4.39M	-

Unemployment Rate

This chart shows the unemployment trend in the area of your search. The unemployment rate is an important driver behind the housing market.

Data Source: Bureau of Labor Statistics
Update Frequency: Monthly

- Cape May County
- New Jersey
- USA

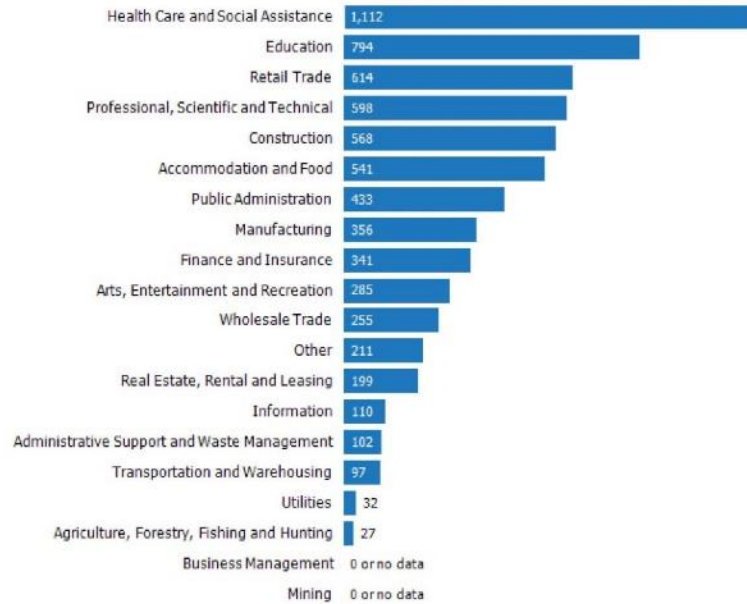


Occupational Categories

This chart shows categories of employment within an area.

Data Source: U.S. Census
Update Frequency: Annually

- 08226

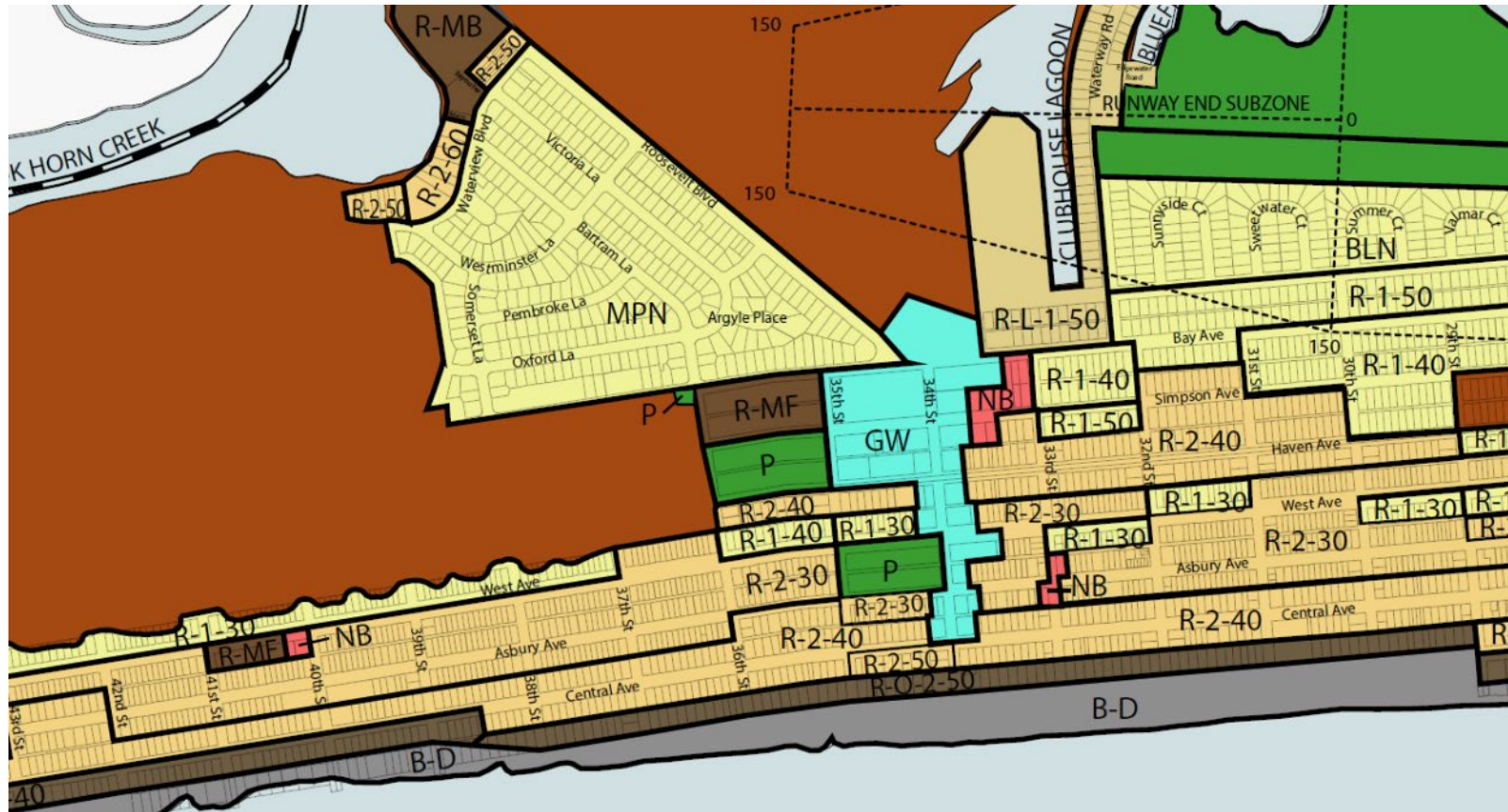


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11/15/2021

Portion of Zoning Map and Ordinance



Ocean City, NJ
Tuesday, August 17, 2021

Chapter 25. Zoning and Land Development

Article 200. Zoning District Regulations

§ 25-206.2. BD, Beach and Dune Zone.

§ 25-206.2.1. Purpose.

[Ord. #02-19]

The Beach and Dune Zone established in § 25-201.3 of this Ordinance delineates areas in Ocean City where beaches and dunes have developed and are deemed to be part of those land forms which provided a natural protection from flooding. The purpose of establishing the Beach and Dune Zone is to regulate the use of this flood preventative land form in ways that will not destroy its flood preventative function, in accordance with N.J.S.A. 40:55D-2(a),(b),(g) and (j), in order to secure safety from flood and other natural disasters; to provide sufficient space for recreational uses in order to meet the needs of all New Jersey citizens; and to promote the conservation of a valuable natural resource.

§ 25-206.2.2. Permitted Uses.

[Ord. #02-19; Ord. #02-29, § 17]

Open space, beach and water recreation, protective sand dunes and related improvements including snow fencing and dune stabilization plantings, stairs and walkways for beach access and dune preservation, necessary municipal buildings and structures for public safety and convenience including first aid stations, life guard stations, comfort stations, boardwalks, pavilions, piers, and related facilities, necessary shore protection and stabilization improvements including jettys, groins, bulkheads and related structures.

- a. All structures which are deemed necessary by local, State or Federal governments to enhance the flood prevention capability of these land forms, provided that they shall not involve the construction of buildings or signs.

§ 25-206.2.3. Conditional Uses.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.4. Permitted Accessory Uses.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.5. Building Height.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.6. Lot Area.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.7. Lot Width.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.8. Front Yard.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.9. Rear Yard.

[Ord. #02-19]

Not applicable in this zone.

§ 25-206.2.10. Side Yards.

[Ord. #02-19]
Not applicable in this zone.

§ 25-206.2.11. Floor Area.

[Ord. #02-19]
Not applicable in this zone.

§ 25-206.2.12. Lot Coverage.

[Ord. #02-19]
Not applicable in this zone.

§ 25-206.2.13. Off-Street Parking.

[Ord. #02-19]
No parking shall be permitted on the beaches and dunes. All parking shall be off site.

§ 25-206.2.14. Signs.

[Ord. #02-19]
No signs shall be permitted on the beaches and dunes except for municipal direction, safety or related type signs.

§ 25-206.2.15. Dwelling Unit Density.

[Ord. #02-19]
Not applicable in this zone.

Select Language | ▼

Owner Notification Letter

Lee Ann Kampf & Associates Real Estate Appraisal
 42 W. 15th Street Real Estate Consulting
 Ocean City, NJ 08226 Commercial & Residential
 609.736.0695
 leeann@leeannkampf.com



Lee Ann Kampf & Associates
 Real Estate Appraisal & Consulting

November 2, 2021

Via Certified Mail

Melissa Rasner
 Municipal Clerk
 City of Ocean City
 861 Asbury Avenue
 Ocean City, NJ 08226

Re: Property Acquisition Appraisal - Easement
 3500-02 Wesley Avenue (Block 611.11, Lots 145 & 146)
 3501-03 Wesley Avenue (Block 611.11, Lots 137 & 138)
 3507 Wesley Avenue (Block 3500, Lot 1)
 Ocean City, Cape May County, New Jersey 08226
 LAK File #: 90145.04

Dear Ms. Rasner:

Our firm has been engaged by CW Solutions, on behalf of Orsted, for the Ocean Wind Project. We have been tasked with determining the fair market value of the referenced beach properties for a partial acquisition. The appraisal will be used to provide just compensation for the partial acquisition of your properties.

We would like to offer you the opportunity to accompany us during our inspection, so that you can disclose any important information about the properties. Please let us know which date is preferred, Monday, November 15th at 2:00pm or Tuesday, November 16th at 10:30am. In addition, we would like to request that you provide any of the applicable items detailed on the enclosed list.

Please contact me at (609)736-0695 to coordinate the inspection appointment as soon as possible.

Very sincerely yours,

Lee Ann Kampf, MAI, ASA, IFAS, CTA
 New Jersey State Certified General Real Estate Appraiser
 #42RG00238100

<p>Cc: Mayor Jay A. Gillian Dottie McCrosson, Solicitor George Savastano, Business Administrator Frank Donato III, Chief Financial Officer Joseph Elliott, Tax Assessor</p>	<p>Kevin Appelget, NJDEP Green Acres, Project Manager Kay Sangster, NJDEP Green Acres, Review Appraiser</p>
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Property Appraisal Exhibit Request

Please provide the following:

1. A copy of surveys or any existing conditions plans.
2. Information on any easements encumbering the property.
3. A copy of any environmental conditions or wetlands delineation reports.
4. A copy of any recent appraisal reports prepared for the property.
5. Any other information you believe should be considered in the appraisal of your property.

Please forward a copy of any of the above applicable items to:

Lee Ann Kampf & Associates
42 W 15th Street
Ocean City, NJ 08226
leeann@leeannkampf.com

If you need to contact us:

Phone: (609)736-0695

7020 1290 0000 7851 9962

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
Ocean City, NJ 08226	
Certified Mail Fee	\$3.75
Extra Services & Fees (check box, add fee if applicable)	\$3.85
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.58
Total Postage and Fees	\$7.38
Sent To	Melissa Rasner, Municipal Clerk
Street and Apt. No., PO Box No.	861 Asbury Ave
City, State, ZIP+4®	Ocean City, NJ 08226
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

0226
07
Postmark
Here
11/02/2021

NJDEP Instructions



State of New Jersey
DEPARTMENT OF ENVIRONMENTAL PROTECTION
 GREEN ACRES PROGRAM

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

501 East State Street
 P.O. Box 420, Mail Code 501-01
 Trenton, New Jersey 08625-0420
 Tel. (609) 609-984-0599 • Fax (609) 984-0608
www.NJGreenAcres.org

SHAWN M. LATOURETTE
Commissioner

MEMORANDUM

DATE: October 28, 2021

TO: Kevin Appelget, Project Manager

FROM: Kay Sangster SCGRE, MRICS
 Review Appraiser, Green Acres Appraisal Section

RE: State House Commission: Project #: SHC 0508007-01D
 Owner/s:
 Parcels: Block 3350.01, Lot 17; Block 611.11, Lots 137 and 145
 Applicant: City of Ocean
 Parcel Address: Bay Ave and 34th Street; 3501-03 Wesley Ave; and 3500-02
 Wesley Ave Ocean City, NJ 08226.

Please advise our local partner to:

1. inform the appraiser(s) that NJDEP Green Acres is an intended user of this appraisal report, and that this appraisal assignment must be prepared according to current NJDEP Green Acres Appraisal Requirements (GAAR), current USPAP Standards, and the specific instructions described below;
2. provide the appraiser(s) with the owner's contact information, other intended user(s) information and the specific written instructions stated below at the start of the assignment; and,
3. inform the appraiser(s) that the instructions below **must** be included in the addendum of the appraisal report(s).
4. inform the appraiser(s) that the report will be reviewed for its conformance with USPAP and the GA-AR. Reports that do not conform may be rejected or subject to a lengthy review.

The Green Acres Appraisal Requirements (GAAR) are found on our website https://www.nj.gov/dep/greenacres/pdf/Green_Acres_Appraisal_Requirements_01-2019.pdf and is based in part on quality factors of "Complete, Accurate, Adequate, Relevant and Reasonable", and on current USPAP Requirements. As required by USPAP, appraisers must ask their Client whether there are any other Intended Users of the report other than the Client and NJ DEP Green Acres and ensure that the report conforms to any appraisal requirements required by the client and any intended users.

Description:

Acquisition of a permanent subsurface utility easement on lots identified on the municipal tax map as follows:

Block/Lot	Address	Size	Current use	Interest to be Acquired
3350.01/17	Bay Ave & 34 th St.	80.93 Ac.	Conservation	Permanent Utility Easement
611.11/137 & 145	Wesley Ave	0.1377 Ac.	Recreational	Permanent Utility Easement

October 28,
2021

The first part of the proposed acquisition will run diagonally across the southwesterly end of the subject property (Block 3350.01, Lot 17), towards Roosevelt Boulevard. Block 3350.01, Lot 17 is an eighty-acre vacant property zoned C- Conservation. According to the NJ-GeoWeb, the entire site is affected by freshwater wetlands. The easement is approximately 3,801 square feet.

The second part of the easement begins at the easterly end of 35th Street and will traverse Block 611.11, Lots 137 and 145 towards the Atlantic Ocean. The lots consist primarily of sand dunes and according to the NJ-GeoWeb, are covered by freshwater wetlands. The easement in this section will contain a total area of 5,998.212 square feet.

The sites will be purchased "As Is", with no contingencies or approvals based on its economic highest and best use as of the effective valuation date and subject to the EA below.

Instructions/Reminders:

1. Please note that GAAR requires a "Before" and "After" for partial acquisitions. If the appraiser has determined that there are no effects on the 'remainder', kindly explain in a section of the appraisal report. Please refer to Section E-2 GA-AR for additional guidance.
2. Please include the extraordinary assumption (EA) that 'the subject property is clean and free from environmental contamination and debris, and if this is not true, the assignment results may be affected'.
3. Please provide a total and per acre value.
4. Per GAAR, please analyze 5 comparable sales, preferably including private party sales. Please provide a fully conforming adjustment grid, relevant adjustments including sale contingencies, market conditions (time), property location, size, access, physical characteristics etc. If sales are not in the same municipality as the subject, relevant location adjustments are requested.
5. Improvements if any, are to be described as indicated in Section 4-D of the GA-AR.
6. Please provide available MLS sheets/Broker listings etc. for subject, comparables and any comparable listings to verify any conditions of sale.
7. Please take current "in person, on-site" subject and comparable sale photos. The subject and comparable sales are expected to be personally inspected by the appraiser.
8. Please contact Kaydiann.Sangster@dep.nj.gov in the Green Acres Appraisal Section if you have any questions, prior to completing the appraisal report.

Documents for Appraisers:

- A. Pre-Appraisal Fact Sheet
- B. Project Reference Map

PLEASE NOTE – Covid-19 must be acknowledged in the report. While COVID-19 precautions and regulations are in place, phone interviews may take the place of face-to-face owner-agent/appraiser meetings. A Certified confirmation letter to the owner must be placed in the report Addendum. This letter will contain the date of inspection, the time/date of phone interview(s), and names of persons who participated in the call(s). During COVID conditions, and if no in-person meeting is held, this letter will substitute for the certified notification letter. For the safety of all involved, social distancing, mask-wearing and all precautions should be exercised in any appraisal work performed by Green Acres Approved Appraisers. Updates on COVID-19 conditions may apply.

Thank you in advance for your interest in providing professional appraisal services to the NJ DEP Green Acres.



Appraiser Qualifications

Qualifications of Lee Ann Kampf, MAI, ASA, IFAS, CTA

Principal of Lee Ann Kampf and Associates specializing in real estate appraisal and consulting services for all property types. The firm provides valuation services for all types of properties throughout Southern New Jersey, Philadelphia and surrounding suburbs, and Delaware. Clients include lenders, attorneys, investors, government agencies, and property owners.

Professional Certification & Licenses

Member, (MAI), Appraisal Institute (565896)
 Certified General Appraiser (42RG00238100), State of New Jersey
 Certified General Appraiser (GA-003876), Commonwealth of Pennsylvania
 Certified General Appraiser (X1-0000574), State of Delaware
 Certified Tax Assessor (CTA-#2463), State of New Jersey
 Accredited Senior Appraiser Real Property, (ASA), American Society of Appraisers
 Member, (IFAS), National Association of Independent Fee Appraisers (110894)
 Licensed Real Estate Sales Agent, (#1540600), State of New Jersey

Professional Experience

Present valuation experience as Principal of Lee Ann Kampf and Associates includes a variety of appraisal assignments consisting of: office buildings; shopping centers; convenience and retail stores; restaurants and bars; hotels and motels; apartments; schools; marinas; amusement parks/piers; warehouses; industrial buildings; food processing facilities; self-storage facilities; single and multi-family properties; commercial and residential land; historic properties; and special-purpose properties.

Employed by Clarion/Samuels Associates from September 2007 to November 15012 as an Associate Appraiser specializing in income producing properties. Duties included the development of narrative appraisal reports and utilization of proprietary valuation software and Argus software. Appraisal assignments included; land valuation for residential and commercial development, conservation and preservation easements, impacts of externalities on property values, and commercial properties including retail shopping centers, hotels and office buildings. Varied appraisal and counseling assignments included; market studies, feasibility analysis, developer portfolios, golf course valuations, condemnation, and agricultural land appraisals.

Employed by Glaxo-SmithKline from 1996-1998 as a Business Systems Analyst and CIGNA Insurance from 1991 to 1996 as a Senior System Analyst. Duties included developing requirements, specifications, and enhancements to computer operating systems.

Boards and Associations

Director - Southern New Jersey Chapter of the Appraisal Institute 2020-2023
 Member - Ocean City Board of Realtors

Education

Masters Information Science, M.S., Penn State University, Malvern, Pennsylvania
 Bachelors Business Administration, B.S., Penn State University, University Park, Pennsylvania

Professional Related Courses and Seminars

Course	Year
Uniform Standards of Professional Appraisal Practice (USPAP)	2007-2020
Valuation of Income Producing Properties	2007
Valuation of Residential Properties	2007
Residential Construction	2007
Appraisal Valuation Applications	2007
Real Estate Finance	2007
Appraising the Complex Residential Property	2007
September Symposium	2012-2014
Business Practices and Ethics	2012-2020
Advanced Income Approach, Appraisal Institute	2013
Advanced Market Analysis and Highest and Best Use, Appraisal Institute	2013
Advanced Concepts and Case Studies, Appraisal Institute	2013
Land and Site Valuation	2013
Marina Valuation	2013
Report Writing and Case Studies	2014
New Jersey, Regulations and Board Policies	2016-2020
Pennsylvania Appraisal Statutes, Regulations and Board Policies	2013-2021
Delaware Laws and Regulations for Appraisers	2012-2021
New Jersey NAIFA Conference	2014-2016
New Jersey ASA Conference	2018-2019
Farmland Assessment	2015
Valuing Net Zero Energy Buildings	2015
Hot Topics in Appraiser Law	2015
Contamination and the Valuation Process	2015
Detailed Look at Tax Issues View from the Bench	2016
Land Use Seminar	2016
Weird and Unusual Appraisal Assignments	2016
Financial Basics - HP12c	2016
Roadmap System to Income Capitalization	2016
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2016
Yellow Book Changes	2017
Recognized Methods & Techniques for Adjusting Comparable Sales	2017
Green Home Valuation in South Jersey/Philadelphia Market & View from the Bench	2017
Appraisal versus an Evaluation	2017
State of the Industry and Beyond	2017
Waterfront Property Valuation	2017
Income & Expenses, Their Effect on Commercial and Residential Appraisals	2018

Course	Year
The Art of Depositions	2018
Trends Affecting South Jersey Appraisal/Assessing	2018
The Unexpected During Appeals	2018
Digital Billboards	2018
Contract or Effective Rent: Finding the Real Rent	2018
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2018
Uniform Appraisal Standards for Federal Land Acquisition (UASFLA)	2018
Assessor Refresher & Power Pad/Comp	2019
Complex Industrial & Commercial Valuation Issues	2019
Hybrid Appraisals	2019
The Appraiser and Antitrust, Phil Crawford – Voice of Appraiser	2019
NJDEP Valuation of Riparian Land Seminar	2019
Valuation Impacts of COVID-19	2020
Energy Valuation Conference	2020

Appraiser License

THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER, WITH A MULTI-COLORED BACKGROUND AND MULTIPLE SECURITY FEATURES. PLEASE VERIFY AUTHENTICITY.

**State Of New Jersey
New Jersey Office of the Attorney General
Division of Consumer Affairs**



THIS IS TO CERTIFY THAT THE
Real Estate Appraisers Board

HAS CERTIFIED

LeeAnn Kampf
42 W. 15th Street
Ocean City NJ 08226

FOR PRACTICE IN NEW JERSEY AS A(N): **Certified General Appraiser**

11/22/2019 TO 12/31/2021
VALID

42RG00238100
LICENSE/REGISTRATION/CERTIFICATION #



Signature of Licensee/Registrant/Certificate Holder



ACTING DIRECTOR