

# FARMLAND PRESERVATION



*Permanently preserving privately owned productive agricultural land ensures a stable land base for the future of the agricultural industry. Farmland preservation, the foundation of the Agricultural Smart Growth Plan, is an important investment in our economy, our farming heritage and the overall quality of life for each and every New Jerseyan for generations to come.*

## Overview

Agriculture's very existence is dependent upon a stable land base. Even with new innovations in greenhouse and hydroponics production, open and available land is essential for the vast majority of agricultural production. Without farmland, where would farmers grow their crops? Or raise their livestock? What would happen to our local food supply? How would we recharge the aquifers that provide us our fresh drinking water?

These are serious questions as New Jersey's farmland faces an imminent threat of permanent conversion to non-farm uses. The state's citizens have already made it clear that the retention and development of an economically viable agricultural industry is a high priority, voting time and again to approve bond issues and dedicated property taxes for the preservation of farmland and open space.

By year's end, New Jersey will have permanently preserved 120,000 acres of agricultural land since the establishment of the Farmland Preservation Program in 1983.

In November 1998, New Jersey citizens voted overwhelmingly to amend the State Constitution to dedicate a portion of existing sales tax revenues to farmland, open space and historic preservation.

The Garden State Preservation Trust Act, signed in 1999, further boosted the Farmland Preservation Program by establishing, for the first time in history, a stable source of funding for farmland preservation efforts.

Because of this public commitment, New Jersey continues to be a national leader in preserving farmland, with more than 14 percent of its agricultural land base preserved by the end of 2003. Clearly, New Jersey recognizes the important benefits of preserving farmland.

Preserved farmland often has a positive environmental impact locally and statewide; as well-managed, productive farmland provides a portion of the land base necessary to manage watersheds, recharge aquifers, manage wildlife and protect stream corridors. This is especially true when proper conservation practices are implemented.

### A Unique Landscape

New Jersey's diverse agricultural industry has adapted to the **unique landscapes** of the Garden State.

The **rugged terrain** of the northwest is home to grain, livestock and dairy operations.

The **vast, well-drained sandy soils** of the south provide for an abundant vegetable and nursery industry.

The **rolling pasture lands** of central Jersey provide fruit, grain, hay and bucolic horse farms, while the **acidic soils and bogs** of the Pinelands produce beautiful blueberries and cranberries.

Preserved farmland also preserves a way of life for farmers and non-farmers alike. Where else could families go to pick their own strawberries in the spring and hunt for pumpkins in the fall? Who hasn't slowed at least once to marvel at cows in a pasture or horses in a field as they drove along the state's more scenic byways?

Many hard-working farmers who sell their rights to develop their land reinvest the capital back into their farm operations, retire debt, or use the income to acquire land and expand their existing agricultural operation. The easement purchase program also enables farmers to plan for retirement while still maintaining their land and deriving income from it.

The State Agriculture Development Committee administers the Farmland Preservation Program. The voluntary program offers a variety of options for landowners that provide for the preservation of land in perpetuity or for a limited term of eight years. The Farmland Preservation Program is one of the most fiscally responsible methods of preserving land for several reasons: Once the land is preserved there are no additional maintenance costs to the taxpayer; the land remains on the tax rolls, stabilizing the local tax burden, and because only easements are purchased, the state is able to stretch its funds to preserve many more farms than if the land were purchased outright. Inarguably, preserved farmland helps offset the high cost of providing government services to residential developments. A September 2001 American Farmland Trust study found that, on average, for every dollar in tax revenue, farms require just 36 cents in government services. Residential property, however, requires \$1.15 in government services.

The New Jersey State Agriculture Development Committee recognizes the importance of focusing preservation efforts in viable agricultural areas and primarily preserves farms in Agricultural Development Areas. Agricultural Development Areas

## Farmland Preservation Programs

- **County Easement Purchase:** Landowners sell the development rights to their county. Landowners retain ownership of the land, but agree to permanent deed restrictions that prohibit nonagricultural development. The state provides grants to counties to fund between 60 to 80 percent of the cost to purchase the development rights on approved farms. The county, municipality, or both come up with the difference of 20 to 40 percent.
- **Direct Easement:** The state purchases the development rights on farmland directly from the landowner, and the landowner retains ownership of the land.
- **Fee Simple:** Farms are purchased outright from willing sellers, permanently preserved for agricultural use and resold or leased with deed restrictions attached.
- **Grants to Nonprofits:** The state provides cost-sharing grants of up to 50 percent to assist nonprofit organizations in permanently preserving farms.
- **Planning Incentive Grants:** These are grants to municipalities or counties that have identified specific project areas where they intend to permanently protect large blocks of reasonably contiguous farmland. Municipalities must have an agricultural advisory committee and their master plan must contain a farmland preservation plan.
- **Eight Year Program:** An eight-year program allows landowners to voluntarily restrict nonagricultural development on their property for eight years in exchange for selected easement

are defined as regions of productive agricultural lands that have a strong potential for future production.

In keeping with the New Jersey State Development and Redevelopment Plan, the State Agriculture Development Committee, through its Strategic Targeting Project, is working with counties to develop a more strategic approach to prioritizing farmland preservation investments among all levels of government. This coordinated planning approach will improve preservation efforts and guide decision making across all programs within the State Agriculture Development Committee and ultimately enhance the agricultural industry.

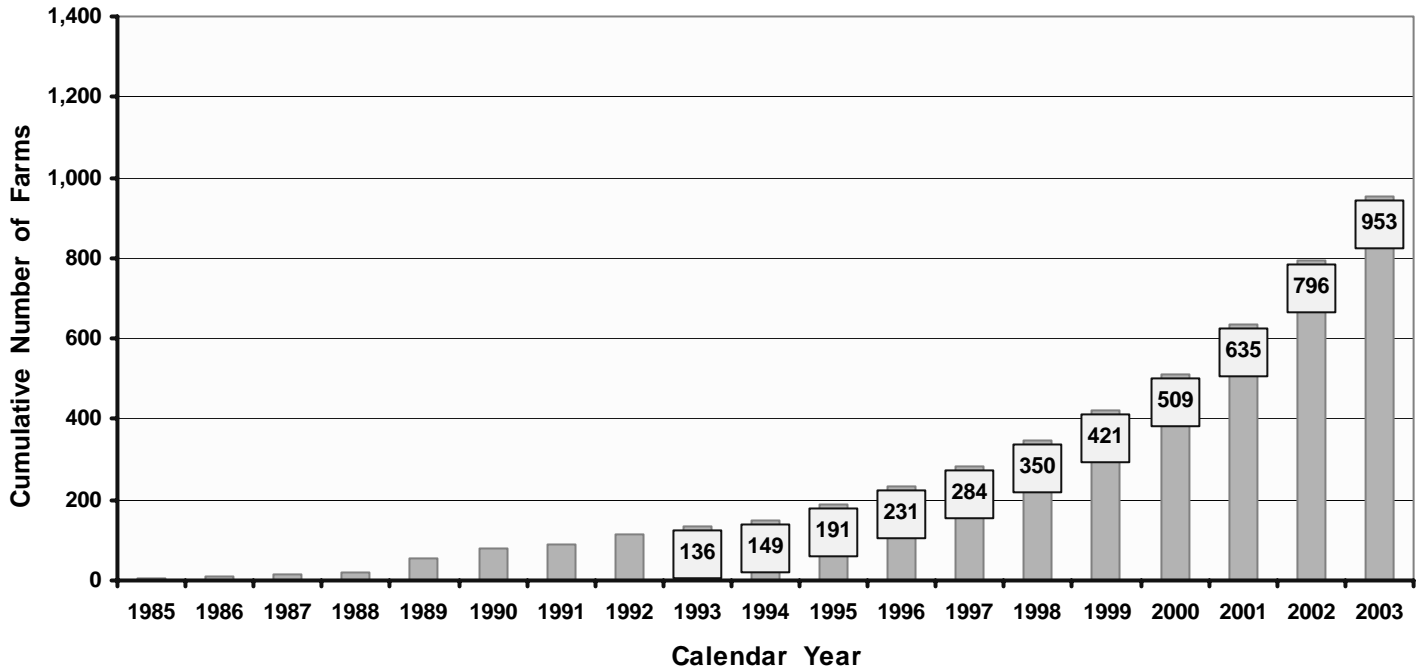
The Strategic Targeting Project has three primary goals:

- Coordinate farmland preservation/agricultural retention efforts with proactive planning initiatives;
- Update and when necessary create maps to more accurately target preservation efforts in areas of important agricultural land;
- Coordinate farmland preservation efforts with open space, recreation and historic preservation investments.

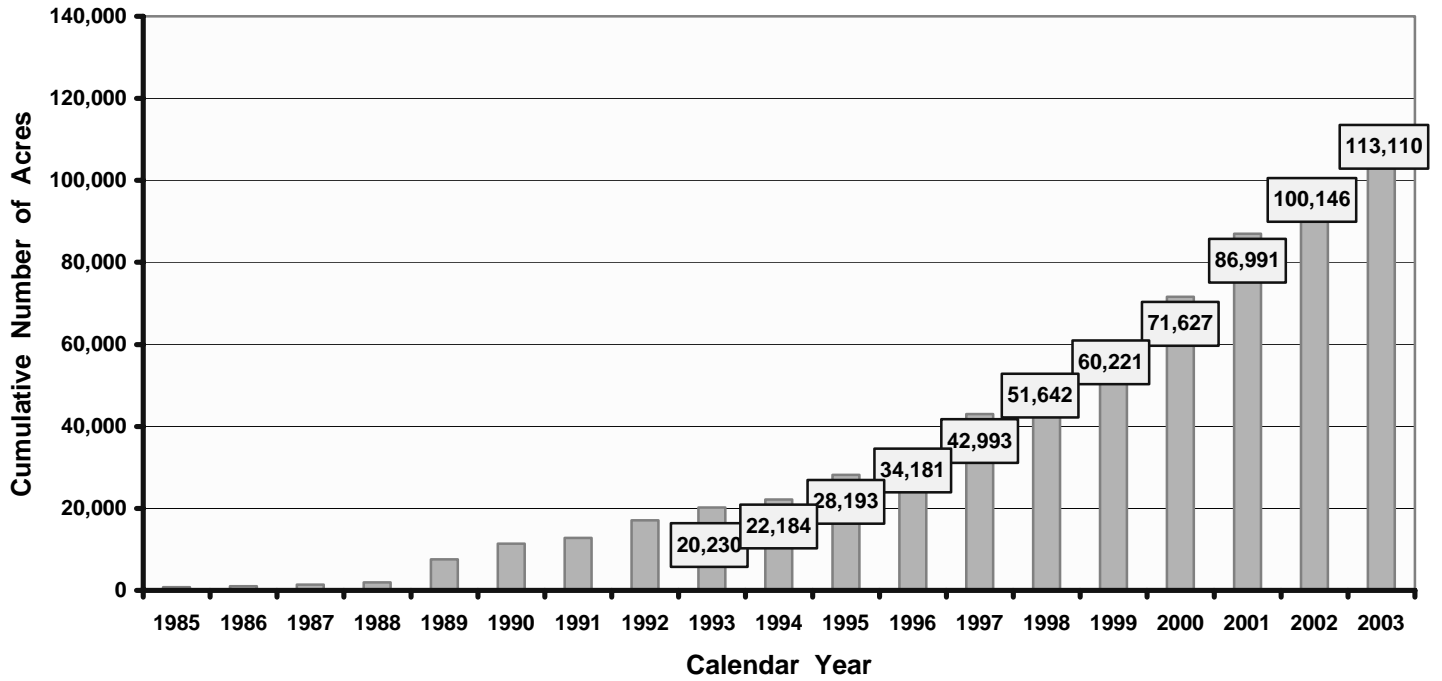
As of November 2003, a draft Strategic Targeting Map had been developed by identifying the location and quality of agricultural soils, the location of land in agricultural production and the location of existing sewer service areas. The next phase of analysis will incorporate the latest land-use information from counties, municipalities and other state agencies. Data will include current county agriculture development area maps, Planning Incentive Grant project areas and information contained in County Comprehensive Farmland Preservation Plans. This targeting effort will also consider other preservation and growth initiatives to determine how best to prioritize farmland preservation activities.

A landowner's decision to permanently preserve land is a serious commitment. Therefore, it is imperative that efforts to preserve productive agricultural land are efficient, coordinated and manageable, and serve to encourage greater participation in the program.

### Permanently Preserved Farms by Calendar Year



### Permanently Preserved Acres by Calendar Year



## Objectives & Strategies

- Accelerate the preservation of important agricultural land in order to secure the maximum land base possible to maintain and enhance a viable agricultural industry.
  - Permanently preserve a minimum of 20,000 acres of farmland per year.
  - Incorporate the concepts and objectives of the Agricultural Smart Growth Plan into the criteria for ranking applications to the Farmland Preservation Program.
  - Share and coordinate the data of the Strategic Targeting Project to ensure consistency among municipal, county and state preservation goals.
  - Develop a proactive outreach strategy to coordinate and streamline local, regional and state farmland preservation efforts, and effectively communicate among all levels.
  - Encourage counties and municipalities to participate in the Farmland Preservation Program and promote the establishment of dedicated funding sources as a tool for leveraging state funds.
- Use the Farmland Preservation Program as a strategic tool to support the agricultural industry while meeting local planning goals.
  - Continue collaborating with counties regarding the preparation of Comprehensive Farmland Preservation Plans in conjunction with their municipalities.
  - Establish criteria to evaluate regional Comprehensive Farmland Preservation Plans in conjunction with the Agricultural Smart Growth Plan.
  - Assist municipalities in preparing and adopting a farmland preservation element to incorporate into their master plans.
  - Assist municipal planning boards in establishing agricultural advisory committees to consider the impact of their actions on the local agricultural industry.
  - Develop partnerships and coordinate program activities with various environmental, historic, scenic and agricultural organizations to minimize potential conflicts and ensure the preservation of land that best serves the surrounding region.

- Improve and streamline the Farmland Preservation Program.
  - Streamline the process of application review, value certification and closing review at all levels.
  - Create additional incentives and tools that will facilitate farmland transfers to beginning and expanding farmers.
  - Develop a landowner guide that summarizes the Farmland Preservation Program and helps landowners make informed decisions and better understand the process.
  - Develop additional easement options to provide greater incentive for keeping preserved agricultural land in active production.
  - Continue to use the most recent comparable assessments available when conducting appraisals, thereby ensuring land value and encouraging landowners to participate in the program.

By targeting the preservation of important agricultural land, New Jersey is ensuring there will always be land available for agriculture production. Yet, just because the land is available doesn't guarantee the viability of the agricultural industry. Farmland preservation efforts must consider and incorporate the next four components of the Agricultural Smart Growth Plan if New Jersey's agricultural industry is truly going to thrive.