

**STATE AGRICULTURE DEVELOPMENT COMMITTEE (SADC)
REGULAR MEETING**

February 23, 2023

Secretary Fisher called the meeting to order at 9:11a.m.

Ms. Payne read the notice stating that the meeting was being held in compliance with the Open Public Meetings Act, N.J.S.A. 10:4-6, et seq.

Roll call indicated the following:

Members Present

Chairman Fisher
Martin Bullock
Scott Ellis
Pete Johnson
Richard Norz
Charles Rosen
James Waltman
Gina Fischetti
Renee Jones
Julie Krause

Members Absent

Brian Schilling

Susan E. Payne, Executive Director
Jason Stypinski, Esq., Deputy Attorney General

Minutes

SADC Regular Meeting of January 26, 2023 (Open and Closed Session)

It was moved by Mr. Norz and seconded by Mr. Bullock to approve the Open and Closed Session minutes of the SADC regular meeting of January 26, 2023. Mr. Ellis and Mr. Rosen abstained from the vote. The motion was approved.

Report of the Chairman

Secretary Fisher welcomed Mr. Charles Rosen, the new public member of the SADC. Secretary Fisher stated that Mr. Rosen has had an extraordinary career and asked Mr. Rosen to share his background.

Mr. Rosen thanked Secretary Fisher and stated that he is happy to be on the committee. He explained that he began farming later in his career while working in local food systems and commented that there are few other agencies like the SADC that can find the balance between farmer viability and soil and land conservation. Mr. Rosen is the owner of Ironbound Farm, in Hunterdon County, which is a fully regenerative organic farm and cider house. His goal as a farmer and as an SADC member is to think about how to build a closed food system that supports growers, value added producers and retailers in NJ, creating viability and resiliency for farmers, and incentivizing them to engage in farming practices that the SADC supports. Chairman Fisher thanked Mr. Rosen and stated that he will be bringing a great perspective to the SADC.

Chairman Fisher announced that Denis Germano, who had been with the SADC since 2008 as a public member, was leaving the committee. Mr. Fisher commented that Denis brought an extraordinary depth of knowledge to the SADC, and he is thankful for all of Mr. Germano's contributions to the board.

Report of the Executive Director

Ms. Payne announced that Mr. Dave Clapp has been promoted to the position of Resource Conservation Program Manager as part of the restructuring of the stewardship section to consolidate the management of issues related to soil and water resources and to help preserved farm landowners implement good farming practices. Mr. Clapp has worked for the SADC for the past 9 years and is well qualified. Ms. Payne stated that she is very glad to have Mr. Clapp in this position and appreciates his contributions to the organization.

Ms. Payne stated that stewardship staff held a public education workshop for South Jersey municipal officials aimed at making farmers' experience in dealing with issues involving both the SADC and municipalities more coordinated so that they can quickly resolve issues. There was a lot of positive feedback from the workshop and the hope is to host more of these events in the near future.

Ms. Payne stated that Special Occasion Events (SOEs) law has passed and is in effect. Emails were sent out to all partners explaining important points of the law, and staff is working on drafting a guidance document with sample application forms and a checklist to help the partners. The law creates a locally driven application program, and the SADC will continue to do all it can to provide support to its partners and landowners alike.

Communications

Ms. Payne encouraged the committee to read the communications packet as it has a lot of important information. Chairman Fisher stated that Ms. Winzinger works very hard on this communication report and the articles are excellent.

Public Comment

Ms. Rebekah Alstede addressed the committee and stated that she owns and operates a farming operation in Morris County, NJ with over 800 acres of fruits and vegetables. She will be graduating from Delaware Valley University with a dual degree in agricultural business and sustainable agriculture and is currently the Vice Chairman of the NJ Young Farmers and Ranchers agricultural professionals committee. She stated that she is present today to share her thoughts on the future of her family's operation and to ensure the future profitability of Alstede Farm. Ms. Alstede stated that the farm started with one pickup truck and now has over 800 acres of fruits and vegetables, and her family has been able to do that because of the flexibility it has had in using the land and being able to acquire and preserve more land throughout the county.

She stated that successful and viable business in NJ need to have the option to be flexible and to prepare for risk and crisis. She stated that her family has navigated through this personally with the loss of her mother, as her passing could have easily destroyed the family and the farm, but succeeded because of business flexibility, and of key managers and key operations. This story also applies to the proposed Soil Protection Standards (SPS), because her family and many other families in NJ have made long term commitments to farming in the state. She stated that having the flexibility and resources to appropriately respond and adapt to the unexpected is critical to success and SPS can either become a huge hindrance or a great tool for the future.

Ms. Alstede stated that as she plans for the future ownership of her family farm, it is essential that she can have the confidence that 20 years from now she can grow her business and keep it profitable as the market changes, as consumer demands change, and as the land itself is changed. Ms. Alstede recommended some changes to the SPS.

The first was allowing farmers a site-specific review given the unique nature of each farm property. The second was to set reasonable agricultural development limits to allow for farm operations to grow in and adapt to future market conditions. The third was to allow the transfer of agriculture development limits between commonly owned properties. The fourth was to allow the purchase of agricultural development rights from different farm properties similar to the TDR program. The fifth was appropriate recognition of the incorporation of stewardship practices into agricultural development, such as soil and water management and NRCS practices. Sixth was the repurchase of nonagricultural development rights on farms that were preserved before these rules are imposed.

Ms. Alstede asked that farmers be able to see the soil disturbance mapping tools to understand how the farm operations are potentially impacted before the SPS rules are finalized, and to be able to give feedback. Ms. Alstede stated that her family has a successful farm business today, but she and her siblings want to know what is possible in the future and be able to adapt to whatever changes may occur.

Chairman Fisher stated that Ms. Alstede made a lot of important points, and that the SADC has also thought about those issues and understands their importance. He stated that he has visited Alstede Farms and met Mrs. Alstede, who was an extraordinary woman and who will be missed. Chairman Fisher stated that it was very courageous for Ms. Alstede to speak at the meeting today and that he appreciates her work as a farmer.

Old Business

A. Soil Protection Standards (SPS) (Part 1)

Ms. Payne thanked the subcommittee members, Mr. Johnson, Mr. Ellis, Mr. Waltman and Mr. Germano for their hard work and time in bringing this issue to a place where it could move forward in a positive fashion. She stated that staff recognizes the significance of SPS to the conservation community, the public and particularly to the agricultural community. It is understood that these are not just farms but families and businesses with intergenerational traditions, and the rules drafted by staff are designed to keep farmers profitable, successful, and resilient, especially with changes in the economy and the climate. Ms. Payne emphasized that the SADC does not take lightly the effects of any SADC regulations on preserved farm owners and on the agricultural industry.

A third of farms in the state have an SADC easement on them, so when the SADC acts it has an impact and a responsibility to balance the needs of the ag community and that of the public's investment in the program. The SADC subcommittee heard the suggestions and concerns made by the ag community, including the State Board of Agriculture, Farm Bureau, and county boards of agriculture, and all have been consistent in their messages. The main concern expressed is about "retroactivity", i.e., applying the SPS rules to farms that have already been preserved. Ms. Payne stated another concern is that some farmers are worried that imposing an upper limit on soil disturbance will hinder their operations. The ag community has also asked that a consideration be given to allowing a higher disturbance allocation if it were accompanied by stewardship practices that would conserve the natural resources on the property. Ms. Payne stated that, to the best extent possible, the subcommittee has taken these considerations into account in its drafting of the SPS regulations.

Ms. Payne stated that she believes the issue of retroactivity, as perceived by the ag community, is a misnomer because all preserved farms have a DOE recorded against them and the DOE contains the restrictions that were placed on the farm in exchange for the compensation that was paid to farmers for entering the farmland preservation program. The DOE generally limits the right to use or develop a farm for non-agricultural purposes. It also requires current owners of the farmland to maintain the farm in a condition that allows for use by both the current farmer and future owners of the land.

There are two provisions of the DOE most specifically related to this discussion. The first is paragraph 7 which states "no activity is permitted that would be detrimental to drainage, flood control, water conservation, erosion control or soil conservation, nor shall any other activity be permitted which would be detrimental to the continued agricultural use of the preserved farm." That language is a substantial conservation directive. However, paragraph 14 of the DOE states that "a landowner may construct any buildings for agricultural purposes" and paragraph 12 allows building roads for access to support the ag operation. These and other provisions of the DOE are potentially inconsistent with one other and cause a tension within the DOE that SPS aims to address. So, the question becomes how much of a preserved farm can be used for buildings, ag structures and roadways before that construction infringes on the obligation to conserve the soil and to protect the ability of future generations to use that farm for a variety of agricultural purposes. The Supreme Court ruled that all the provisions must be read together in a way that makes sense so that the land is usable and that this generation of farmers can pass on their soil resources to the next generation of farmers for their use. The SADC has a responsibility to interpret the DOE in a manner in which all provisions are read together.

Mr. Norz asked what “continued use of the land” means when talking about ag use, as he interprets it to mean agricultural practiced in whatever form it may be as opposed to just tilling the land. Ms. Payne stated that Mr. Norz is on the right track and gave the example of the Quaker Valley Farm (QVF) case where the soils were destroyed and are now unavailable for a variety of agricultural uses. The Supreme Court ruled that what was done on that scale to the property constrained the use of the property for future farmers. Mr. Norz asked if it wasn’t the scale to which the problem occurred but more as to how the disturbance was done. Ms. Payne stated that it was both the scale and the way the soil was handled that was the problem, as the Supreme Court said that 17% of the property was demolished in terms of the ag productivity and determined that to be too much. Mr. Norz stated he disagrees.

Mr. Johnson asked if QVF had managed the soil excavation properly and not mixed topsoil, subsoil and bedrock, would that have been acceptable. Ms. Payne stated that the committee would have had to review QVF’s proposal to determine that.

Ms. Payne summarized four important points taken directly from the language in the Supreme Court opinion which form the bases for the SADC’s SPS regulations. The first point was that Quaker Valley’s construction of hoop houses to protect its horticultural crops was an appropriate ag use for the preserved farmland, but QVF was required to carry out that activity in balance with soil conservation and the Ag Retention and Development Act’s (ARDA) overarching focus on preserving the agricultural use of farmland in perpetuity. Ms. Payne explained that the Supreme Court is saying all the laws that build upon to create and fund this program talk about supporting farming and protecting land now and in the future.

The second point from the Supreme Court decision was that ARDA and the SADC regulations have a dual purpose: to strengthen the ag industry and to preserve farmland, that both are important goals, that neither is subordinate to the other, and that those goals must balance farmland preservation and strengthen the ag industry.

The Supreme Court decision then goes on to caution that if the SADC fails to promulgate rules to establish guidance on the extent of soil disturbance that’s permissible on preserved land, administrative due process challenges can be expected from preserved farm landowners to SADC enforcement action. Ms. Payne stated that the court is saying that standards need to be in place when it used the words “administrative due process”. The Supreme Court is warning the SADC that if regulations are not adopted, the SADC may not be successful defending a deed of easement enforcement case on soil disturbance.

The Supreme Court also stated that, while owners of preserved farmlands are on notice of the requirement to conserve the soil, they’re left without adequate direction on the tangible constraints on their agricultural use of the land. Persons subject to regulation are entitled to something more than a general declaration of statutory purpose to guide their conduct. Farmers are entitled to sufficient and definite standards so that administrative decision making is fair and predictable. Ms. Payne stated that the extent of permissible soil disturbance on preserved farms cannot be determined on a case-by-case basis, and the SADC has to be clear on what the standards should be in order to balance the competing goals of the program. She noted that staff provided the committee with the 25-page Supreme Court decision, but the above parts of the opinion are the foundation of the SPS regulations.

Mr. Clapp reviewed the timeline for the SPS. Regulations were drafted in 2014 and the committee did not vote on those at the time. There were additional listening sessions in 2014 and 2015 with the CADBs, and then the Supreme Court issued its decision in 2018. From the listening sessions, staff developed the concept of best management practices (BMPs) which was presented to the committee in June 2019. A draft rule using BMPs and an 8% disturbance limit was presented in April 2021 and sent to the ag community and the public for comment. The comments staff received were that the BMPs, while a good concept, were confusing, complicated and would be difficult to implement.

The committee directed staff to develop a “bright line approach” in 2021, and in June 2022 staff presented the committee with a draft rule containing soil disturbance limits of 12% or 4 acres, whichever is less, with a waiver provision for up to 15% or 6 acres, whichever is less, and without a BMP requirement.

Mr. Clapp stated that the 2014 BMP model had a limited number of practices that were considered disturbance. There were a series of practices and uses of the land that were determined to still be disturbances, but the BMPs would allow for an increased amount of disturbance, and the disturbance limit would be higher. Mr. Clapp explained that practices that were in the yellow category could be considered disturbance, but they were de minimis and at a level where disturbance could be unlimited if landowners followed the drafted BMPs. These models were replaced with a bright line of red or green where things that were typically yellow went into the green category and things that were normally orange went to the red category. There were disturbances that could not fall within the bright line test, such as temporary parking and storage. Staff developed supplemental standards, like vegetative cover, to address such disturbances. If the vegetative cover on the affected areas of the farm was maintained at 70%, then those activities would not be considered disturbance, but if 70% coverage could not be maintained, then those activities would be counted as soil disturbance.

Mr. Clapp stated that soil protection mapping was done internally and with the assistance of Rutgers University. The mapping focused on farms that were highly disturbed and on developing a farmstead complex, an analytical model employed in ag statistics for quite some time. In 2013 staff contracted with Rowan University to map every farm in the program to identify different categories of land use which could then be used to determine disturbances and non-disturbances.

There were phases to the Rowan mapping project. Phase 3 mapping generated disturbance and compliance numbers forming the basis of both the BMP model and the most recent rule proposal. The Phase 4 data contains the most current data, based on 2020 imagery where there are now 31 different categories of land use. The Phase 4 mapping will be the basis for the final rule proposal with the minor amendments that will be discussed today.

Mr. Clapp stated that June 2022 was the last time the committee reviewed the rule proposal and that, since then, staff met with the soil protection subcommittee five times, with representatives of the State Board of Agriculture (SBA) participating in some of those meetings in order for the SBA to provide its input.

Mr. Clapp reviewed Rowan University’s mapping of the 2900 preserved farms to determine the percentage of farms that were in each of the land use categories and explained that SADC staff conducted an additional internal quality control review to see whether there were any data

limitations. Mr. Clapp reviewed the modifications made to the data based on staff's analysis.

The first modification was to map divided premises, because the rule contemplates treating divisions as individual parcels and not sharing disturbance allocations among farms that were already divided.

Another modification was for SADC staff to identify land uses for the areas labeled as "other/unclassifiable" by Rowan. Mr. Clapp and Ms. Doyle identified the actual land uses of 1500 "unclassified" acres.

The third modification was a manual review of each farm that had more than 6% or 2-acres of disturbance, or contained any features, such as a parking area, larger than an acre on any farm. Staff additionally reviewed gravel lanes and unimproved lanes; anything in the anthropogenic category such as cuts and fills; unpaved parking and storage areas and the percentage of its vegetative cover. Mr. Clapp reported that from staff perspective this data is as accurate as it can be.

Mr. Clapp reviewed the mapping of livestock confinement areas. He explained that these areas were considered disturbance and had an outsized impact on affected farms. Mr. Clapp explained that there are two issues with this category: first, some of these areas were under 1/10 of an acre, which was already contemplated in the rule; and second, the 70% vegetative cover requirement does not fit well when applied to livestock confinement areas, the conditions of which are weather-dependent; typically, when the livestock is removed, as these areas are not substantially compacted and were revegetating once the animals were removed. Mr. Clapp pointed out that areas where farmers are putting surface on top of the soil, such as gravel, where livestock are confined do count as disturbance because they have been surfaced. Chairman Fisher asked if those areas that are covered are being destroyed. Mr. Clapp stated that it depends on the situation and the operator. Mr. Clapp stated the 70% vegetative cover is still appropriate to be used for parking areas due to the much greater extent of subsoil compaction that occurs with constant heavy vehicle passage.

Mr. Clapp stated there were some farms removed from the analysis because their inclusion could potentially and improperly skew the disturbance numbers. The first category was prison farms that were donated to the state that have very atypical nonagricultural disturbance with no clearly defined exception areas. These properties have substantial disturbances that would increase the aggregate statistics and were inappropriate to include because they are not representative of normal agricultural operations. The next category to remove were farms with known or pending DOE violations involving soil disturbance such as excessive cuts and fills, areas of dumping, and non ag uses.

Mr. Clapp stated that Phase 3 imagery from 2015 mapped 2,700 farms totaling approximately 235,000 acres, and the average disturbance on a farm was approximately 1% of the property, or ½ acre. There were 41 farms that used more than 6% disturbance or 2 acres, and the average disturbance on waiver eligible farms (farms that used more than half of the allocation) was 12% disturbance and the average disturbance of farms that were waiver eligible was 6 acres.

When the 41 farms are broken out into 50% of the limit, 16 farms were still under the 12% limit, so they still had room to grow without requesting a waiver, 8 farms were between 12%

and 15%, so they would have room to grow with the waiver, and 7 farms exceeded the waiver cap with more than 15%, so those farms in the current rule proposal are limited to their existing disturbance.

Mr. Clapp stated that, to date, there are now 2,900 farms that were evaluated in the Phase 4 mapping totaling approximately 242,000 acres with average disturbance going from 1% to 1.35% and by acres it went from ½ acre to a little over an acre. The number of farms that were within 50% of their disturbance allocation increased from 41 farms to 103 farms. The average disturbance on waiver eligible farms increased from 12% to 15.4% and the average acreage of disturbance increased from 6 acres to 8.8 acres. Instead of 16 farms that were over 50% of their allocation and still have room to grow, there are now 54. Farms that were over 12% but under 15% and had room to grow with a waiver went from 8 to 20. Farms that were over the 15% cap that had no room to grow went from 7 to 29, representing 1% of the total amount of preserved farms.

Ms. Payne stated that this is very important because the prior standards were based on the data from 2015, so it's necessary to see how much the numbers moved in case the committee needs to rethink the limit.

Mr. Norz expressed concern about the large increase in the number of farms. Ms. Payne said that there are different factors that contributed to the increase, including the revisions made to the rule since the original mapping was done. Mr. Clapp explained that 28 farms were added due to multiple factors such as the revised rule, more accurate mapping and changes in use; 14 farms had new disturbances from the 2015 mapping; 10 farms were added due to more accurate mapping; 9 farms were included due to premises divisions adjusting acreage and disturbance on the new parcels; 4 farms were new acquisitions; and 2 farms added just based on refinement to the rules. Mr. Norz asked Mr. Clapp if he can produce a side-by-side data analysis of this increase from 2015 to today based on the revisions of the rules. Mr. Clapp said he would research that possibility.

Mr. Clapp reviewed the summary points of the data. Mr. Clapp stated the average disturbance on the average preserved farm is just over 1 acre or 1.35%, 96.4% of farms have used less than half of their disturbance, 103 farms have used over 50% of their allocation; 74 of those farms are eligible for a waiver and 29 farms are over the waiver allotment. Mr. Clapp showed a visual of what an average farm in the program looks like; approximately 88.4 acres with 1.39% disturbance, which represents about 75% of preserved farms at this time. Mr. Clapp stated 90% of farms have used less than 25% of their disturbance allocation, 95% of farms have used less than 4 acres of disturbance and 91% of farms are less than 4% disturbed.

Mr. Clapp stated that small farms needing more disturbance as a percentage of total farm size were given a minimum acreage of disturbance rather than a percent. These farms would be smaller than 33.3 acres, which is where 12% equals the 4-acre limit. He reviewed imagery and charts with the committee for clarification and reviewed the acres of disturbance for the small farms. The rule as drafted allows small farms between 2 and 4 acres of disturbance to increase their disturbance up to 4 acres and request a waiver to increase to 6 acres. Farms between 4 and 6 acres can increase their disturbance to 6 acres with a waiver, and there are 4 farms over the 6% disturbance limit with no additional disturbance allowed. There are 20 farms over 2 acres of disturbance, 10 farms over 4 acres of disturbance, and 4 farms that are over 6 acres of disturbance.

Mr. Clapp then reviewed the same data for large farms, that is, those that are larger than 33.3 acres, looking at acres instead of percentages. Mr. Clapp showed the committee a chart with 3 lines at 6%, 12% and 15%. Farms that are under 6% can grow up to 12%, farms between 12% and 15% can grow up to 15% with a waiver and farms above 15% are limited to their current disturbance. There are 2,200 farms that are under 6%; 69 farms that have used more than half of their allocation; and 25 farms have used more than 15%. Ms. Payne observed that the SPS analysis shows most farms having little disturbance and there is a small percentage of farms with a high level of disturbance.

Ms. Fischetti asked where the 12% and 15% allocation came about. Ms. Payne stated that it was based on all the analysis that was done on all farms in the program. It was initially at 8% when the suggestion of BMPs were in the proposed rule, but when the BMP concept was replaced with bright line tests, more kinds of disturbance count toward disturbance, so the total allowance was increased.

Mr. Waltman stated the DOEs contain language that prohibits activities that are detrimental to drainage, erosion control, and soil conservation. There's a general rule of thumb that at a certain point of disturbance, conservation starts to fail and there must be a limit that is scientific enough where the SADC can balance conservation with farmers' needs.

Ms. Payne stated that these percentages were established using US census data compared to what we see in NJ, in addition to the mapping performed on over 3000 NJ farms. Mr. Norz stated that the DOE states that there should be a continued agricultural use of the land and that agricultural structures can be built and that's what makes it difficult to come up with a hard number of what is allowed to be done to the land. There needs to be some way for agricultural practices performed pursuant to best management practices to be allowed if the farm is over 15%.

Ms. Payne stated one issue is setting a hard cap on an upper limit of disturbance or if there is always some sort of relief valve. Mr. Norz stated he believes it is important for the committee to remember the DOE states the land must be available for agricultural use. Ms. Payne stated it is also necessary to comply with the Supreme Court ruling which states the use needs to be balanced with soil protection and other conservation obligations.

Mr. Waltman stated the Supreme Court also ruled that the land must be available for a variety of agriculture uses for future generations and that excessive disturbance does not support a variety of operations. Mr. Norz stated that he disagrees with that statement. Mr. Bullock stated he recognizes the need for a balance, but the severity of some practices should be taken into consideration. A good conservation plan could be an option to allow farmers to go over the 15% limit. Ms. Payne stated that idea is similar to the BMP approach previously taken but that the ag community objected to that approach and that it constituted the SADC telling farmers how to farm their land.

Mr. Waltman noted that the Supreme Court states that an understandable limit must be set.

Mr. Rosen stated that we are all trying to find the balance between soil conservation and farmer economic viability and asked if there has been a similar analysis of where the 2,900 farms are in terms of economic viability. He wonders if the farmers are fighting for a right to

do more that may or may not be beneficial to their economic viability. Ms. Payne stated that the census data is not that specific, and the SADC does not have access to farm-specific census data.

Chairman Fisher stated that some forms of agriculture are so intense that those farmers would be ineligible for the preservation program because the land is not available for all forms of agriculture. Mr. Norz asked if the DOE specifies all forms of agriculture. Ms. Payne stated that the purpose of the program and ARDA is to stop non-agricultural development from occurring and to conserve the land so the next generations can continue using it. The question is whether we let one generation of farm operators destroy soil resources to the point that the land is not available to the next generation of farmers.

Mr. Norz stated that means there are certain forms of agriculture that the SADC does not deem as agriculture because those operations are not saving the land. Mr. Norz stated that this is the Ag Retention Act, not the soil retention act, and agriculture is more than just putting a seed in soil. Ms. Payne stated that she agrees with Mr. Norz and we're not saying that green houses are not agriculture. She stated that if a farmer's agricultural operation requires 40 acres of buildings with concrete floors, is it wise to use public funds to preserve that land if the soil quality will be extinguished in one generation. Mr. Norz stated that he doesn't think the public preserved the land for soil quality, but rather for agriculture.

Mr. Norz stated that he is not suggesting farmers should get a free run to do whatever they want to do with the land, such as building warehouses. Ms. Payne asked that if somebody wanted to build a warehouse that was used strictly for agriculture, what should be done? Mr. Norz stated that they should be able to build the warehouse on the preserved farm if they are doing ag practices.

Mr. Ellis stated that we need to figure out what is enough, and we've spent a lot of time and energy trying to do so. Ms. Jones stated that the staff is doing a great job at trying to find the balance between ag development and viability and protecting viable soils.

Mr. Rosen stated that Chairman Fisher wears different hats and as Secretary of Agriculture his purview goes from AeroFarms in Newark, NJ to Ironbound Farm, in Hunterdon County. Mr. Rosen asked Chairman Fisher to speak on his distinction between acting as the Secretary of Agriculture, who embraces all kinds of agriculture, and the Chairman of the SADC and the role of this specific program. Mr. Rosen stated that Mr. Norz said that it's not the soil conservation act, but a big part of farmland preservation is related to conserving soil resources, and that may not result in a factory farm.

Chairman Fisher stated that he has told some farmers they should not go into the program based on their intended practices. Chairman Fisher stated that he supports operations like AeroFarms but acknowledges that farmland preservation is not an appropriate fit for them. Chairman Fisher said that the public does think about conservation and has notions of ag tourism when they approve money for the preservation of farms, and they are not thinking of a factory building. It is a complicated task to find a balance of these two things in such a diverse state like New Jersey.

Mr. Waltman addressed Mr. Rosen and stated that they are the public members on this committee to represent the broad public of the state of NJ. Mr. Waltman went on to say that

the main distinction between this program and other agriculture is that the public has invested public funds to preserve this system of land. He stated that one of his great fears is the SADC will allow too much and when a preserved farm stops looking like a farm, the SADC will lose the public's support and the public will stop voting to fund this preservation program.

Mr. Waltman then addressed Mr. Norz and stated when preserved farms begin to have warehouses on them with crops grown inside, and it looks indistinguishable from the Amazon warehouse next door, the farmland program will be lost. Mr. Waltman stated that he will not support the farmland preservation program at that point, opposing future ballot initiatives for this program. He stated that he runs a nonprofit conservation organization which has an organic farm on it. Mr. Waltman stated that he is not a farmer, but he understands the struggles and the challenges that come with farming. Mr. Waltman stated that the farmland preservation program is a land and soil-based program that was put in place to make sure that there is agricultural land in the future. There is value to the business of agriculture, but conservation is important and that's why the public has supported this program over and over.

Mr. Bullock stated that Mr. Waltman brought up a good point of representing the public, as he represents farmers and most comments that he brings to the SADC comes from the county board and his counterparts.

Public Comment

Chairman Fisher opened public comment for Mr. Germano to address the committee as he has worked so hard with the SADC for the last 15 years. Mr. Germano stated that sitting on the SADC was a public service and he genuinely enjoyed his time as a committee member. He stated that he was honored to serve with great cohorts and the SADC staff is terrific, as they are a group of people who care about the program, and the agricultural industry, and the citizens of NJ are lucky to have people like this working for them.

Mr. Germano stated this committee is positioned so the various interests affected by this program have a voice, and he felt his role was to pursue the program goals which is to preserve and protect the land base while promoting the tough and risky business of agriculture. The job is to use your best judgment to find and strike an appropriate balance for those competing goals. Mr. Germano commented that in the last 15 years that he has served on the SADC, the committee has been successful in pursuing those goals, and he can walk away happy knowing that.

Soil Protection Standards (SPS) (Part 2)

Ms. Payne stated that she wanted to review recommendations for changes to the current rule proposal that incorporate today's discussion and what was heard from the ag community. The current rule proposal stated that one would qualify for a waiver to go up to 15% or 6 acres. The current rule says that only farms that have already used 50% of the proposed disturbance allocation are eligible for that waiver. The rule says that the waiver can only be passed on to family members and a conservation plan must be in place and approved.

The next idea for relief is reallocating disturbance among contiguous land under common ownership and subsequently connecting those parcels so they could not be separated from each other.

Ms. Payne directed the committee to graphics which showed the impact if eligible farms applied for a waiver under the current rule, which would have resulted in approximately an additional 235 acres of disturbance statewide. Ms. Payne discussed how the current rule dealt with farms that were over the waiver amount and explained that the rule provides the SADC is not going to enforce the rule as to those farms, but disturbance on farms over the waiver amount cannot be increased.

Ms. Payne stated there was further discussion on how farmers who were not at 50% could obtain additional relief in the future. A suggestion was presented for a noncontiguous cluster provision to allow farms not owned by the same person to transfer soil disturbance between farms. Ms. Payne stated it was a good concept but there are some serious concerns from the subcommittee and staff level about the mechanics of implementation. The “pros” to this idea are that there is a relief valve to support ag viability, it maintains the overall disturbance across the program and it's a free market approach. However, the “cons” for this approach is that it is extremely complex to monitor and determine comparability of soil quality. The biggest concern is how to establish and implement “no disturbance areas” on sending farms to preserve the soils that were the subject of transferring disturbance rights to another farm.

Ms. Payne stated that staff started looking at other options for the 29 farms in the program that were over the limit and proposed that every farm, regardless of how much disturbance it has, gets the option of taking an additional one (1) acre or 2% of disturbance across the entire farm. That translates to 31 farms being able to take advantage of an additional acre, and 19 farms would benefit from getting the additional 2%, so those who are already over the limit and didn't see the rule coming have some breathing room when the rules are adopted. This is the first new proposal to the current rule for the committee to consider.

The “pros” of this option is that all farms will have growth potential regardless of how much disturbance they have today and it's also consistent with Executive Order 2 instructing state agencies to provide waiver relief in rulemaking.

The second proposal is to allow all farms to be eligible for a waiver up to 15%, which translates into a potential of an additional 8,000 acres of disturbance across the state. Staff recognizes this is not a small increase of acreage but there will be more equity and consistency across the ag community. Ms. Payne stated that in order to get the waiver of up to 15%, there will need to be a committee approved stewardship plan to make sure that the resources on the farm are properly taken care of.

Mr. Clapp stated that all preserved farms would be eligible for this waiver and the eligibility would run with the land. In order to obtain a waiver, the farmer would need to be in compliance with the DOE and the soil protection standards. Additionally, stewardship criteria would have to be met to allow for additional disturbance and enhanced resource protections would be implemented on the entire farm.

The stewardship requirements for this waiver would be an agricultural justification for the requested disturbance to ensure DOE compliance, obtaining all appropriate permits, implementing BMPs to make sure disturbances are as reversible as possible, prioritizing disturbance on lesser quality soils when an alternative site is available, and addressing water quality, volume and runoff from those new disturbances.

For the remainder of the farm, staff is researching how to implement enhanced resource protections for the soil, water, and forestry areas. The suggestion is to provide two pathways giving more flexibility to farmers. The first would be to implement SADC prescribed conservation measures such as buffers, filter strips, and a forest stewardship plan. These might entail more than what is needed to protect the resource but could be a faster path for approval and limit the need to hire professionals. The alternative would be similar to conservation planning which involves utilizing professionals to design conservation measures and prove the plan meets the SADC's minimum criteria.

Mr. Bullock asked if updated mapping will be provided periodically so that farmers know when they are getting close to the disturbance limits. Ms. Payne stated all farms will receive a disturbance map prior to the rule adoption. For the farms that are at or near 50%, staff will make sure that the most up to date aerial photography is developed as of the rule adoption. If a farmer disagrees with the map, staff will inspect any farm in person to get the map right. When the counties monitor farms on an annual basis and they observe a farm is getting close to the 50% level, the county will need to report it to the SADC. The SADC does anticipate engaging Rowan University every 3 to 5 years to update the maps. The idea is to have full disclosure, updating of maps and constant communication with landowners so they know where they stand.

Ms. Payne concluded the presentation with a summary of the main points discussed at the meeting. She stated that staff undertook quality control on the mapping to the extent it possibly could, removed prisons and DOE violations from the statistics, livestock confinement areas are now exempt activities, and created a new category for vegetated areas which are not considered disturbance. To provide more flexibility to farmers, staff is suggesting to eliminate the noncontiguous cluster idea and instead allow every preserved farm to be eligible for a waiver, but with the requirement for enhanced long term stewardship. The transfer of disturbance from contiguous farms under common ownership will remain in the rule proposal.

Mr. Johnson asked for more detail regarding the prioritization of disturbance on lesser quality soils and if there will be relief from that if it poses economic hardship. Ms. Payne stated that the theoretically it would be preferred to disturb poorer quality soils, but if there is a legitimate justification for its location, the committee would understand. Chairman Fisher stated this would need to be detailed in the rule to ensure farmers and future committee members were clear on the intent.

Ms. Payne stated there is still work that needs to be done to submit the proposed rule to the Governor's office. Once submitted, the Governor's office would have to approve, and then it would be brought back to the SADC to vote on authorizing publication of the rule proposal in the New Jersey Register. Ms. Payne emphasized that staff needs to understand if the SADC agrees with what was discussed today so that it can further develop the draft rule. If the consensus of the committee today is that this is moving in the right direction, the next step would be to continue to meet with stakeholders and get their feedback, redraft a final rule, review it with the subcommittee, send it to the Governor's office for review and then present it to the committee for final approval. Chairman Fisher stated that staff needs an indication from the committee that it is in some kind of agreement with what was presented today.

Mr. Norz commended the SADC and the staff for the work that they have done, and he is in general agreement with the SPS, but he thinks there should be more disturbance available if an

agricultural operation needs more than the 15%.

Ms. Payne stated that rules come up for re-adoption every 7 years and staff could build something into the rule that says the committee will re-run the statistics and will re-evaluate the percentages when the rule is readopted. Mr. Norz stated that while he appreciates that approach, it does not help a farmer looking to expand their operation or going out of the business. Ms. Payne stated that it would be helpful to get feedback on the rule's actual impacts rather than the fear of the impacts. Chairman Fisher stated that the statistical re-analysis could be required at certain benchmarks and not just in tandem with rule re-adoption.

Mr. Bullock commented that if the staff is just looking for consensus to continue working on the ideas presented today, he is on board with that, but thinks it needs to be tweaked a bit more. Mr. Johnson asked what would happen if today if he gave consent for the staff to proceed. Ms. Payne stated that the draft rule would be completed based on the components discussed today.

Chairman Fisher stated that, at this time, staff is asking the committee to approve the drafting of the rule to include the revisions that were presented at today's meeting. Ms. Payne stated that if the SADC does not believe there should be a 15% upper limit, it should not vote on the draft today. Mr. Waltman stated that he is in favor of moving this process along as it took long enough to get where we're at today. Ms. Krause commented that she thinks the analysis is thorough, comprehensive and it counts for the delicate balance that needs to be had and she is in favor of going ahead to refine and go forth with the draft rule. Chairman Fisher asked if anyone wants to make a motion to continue to move forward or do a straw vote.

Mr. Rosen stated that he doesn't think he would be able to vote today as a new member but commented that the work from staff is truly remarkable in terms of finding space for farms to grow. He stated that although soil conservation and farming viability seem to conflict with one another, staff has done a great job in making those two items not in conflict and has given great guidelines as to how viable farming can be while being a steward of the land. He stated that 99% of the farms are in safe territory and he applauded the subcommittee, and everyone present for a job well done. Ms. Fischetti stated that she is in support of going forward with the current proposal.

Chairman Fisher stated that it seems members are concerned as to how binding a motion would be to the starting this procedure with what was learned today and what will happen going forward. He suggested doing a roll call straw vote. Mr. Stypinski explained that a straw vote is less than a formal motion and is a vote to see whether there is consensus that doesn't bind the committee to vote the same way when this is a formal rule proposal. Chairman Fisher asked for a motion for a straw vote. Mr. Ellis motioned the straw vote and Ms. Jones seconded the straw vote. Mr. Norz asked to hear the verbiage of the motion. Ms. Payne stated that the motion is to authorize staff to fully develop a rule proposal based on the concepts that were shared today. Chairman Fisher took a roll call vote.

It was motioned by Mr. Ellis and seconded by Ms. Renee, based on a straw vote, to authorize the SADC staff to fully develop a rule proposal based on the concepts of the Soil Protection Standard rules that were presented today by SADC staff. A roll call vote was taken. Mr. Norz and Mr. Waltman opposed the motion. The motion was approved.

New Business

A. Stewardship

1. FY 2022 Annual Monitoring Report

Mr. Willmott stated that Mr. Kimmel and Mr. Berkowitz will be presenting the monitoring report today.

Mr. Kimmel stated all farms are annually monitored to ensure compliance with the terms of the DOE. The basic requirements for monitoring include onsite inspections for all farms once a year between July 1 and June 30, and reports must be submitted by July 15. The inspection reports inform staff if farms are in compliance, set forth any issues that were observed, and state what action needs to be taken.

Mr. Berkowitz reviewed the monitoring rates with the committee. He stated that the regulatory requirements require 100% monitoring for all easements. The county held easements make up 79% of all the easements in the state; of the 18 counties, 12 of them had monitored 100% of their easements, three counties completed 98%, one county completed 99%, two counties completed 50% and one completed 0%. Collectively, the counties got close to 99% monitoring, which was their highest rate ever. Nonprofit easements make up 2% of the total easements, with 96% of those monitored and reported, which was 48 of the 50 farms. There are 8 total nonprofits and 6 were at 100% monitoring and 2 came out at 50% or lower. SADC held easements were 100% monitored. Overall, for fiscal year 2022 the cumulative completion rate was 99% which has been the highest rate to date.

Mr. Kimmel reviewed the geography for the monitoring completion rate by county, and the two counties with low completion rates were Camden and Passaic. Staff contacted all the counties to confirm the reports and discovered both Passaic and Camden County administrators were on leave. Camden did report their farms would be monitored this year with the administrator returning from leave. The two nonprofits with lower completion rates stated that one farm was monitored a week after the fiscal year ended and one farm was monitored but the form wasn't submitted. The reason for the overall monitor completion rate is the excellent communication with the partners, being able to answer their questions and updating the SADC database with most accurate information.

Mr. Kimmel reviewed the monitoring forms staff received. Conservation issues accounted for approximately 30% of concerns reported, trash and dumping concerns totaled 22%, overgrown fields totaled 11%, and other concerns like non ag use totaled 8%. Overall, a concern or violation was noted on approximately 8% of monitored farms and the landowners were notified.

Mr. Kimmel stated that the SADC's monitoring efforts in 2022 were completed by Mr. Berkowitz and through a contract with soil conservation districts. If the partner finds an issue of concern during monitoring, it will follow up with a letter and have the farmer or landowner communicate with SADC staff. Other ongoing plans for improving monitoring practices are to continue to do outreach and development, create a monitoring handbook, and provide training on current and future standards.

Mr. Berkowitz stated the SADC stewardship process includes conducting an annual monitoring visit; following up with the landowner if concerns are noted; coordinating with the grantee if concerns are noted; providing ample time for the landowner and/or grantee to address the concerns; and providing technical assistance to assist the landowner and grantee in achieving compliance. In most cases, concerns noted during routine monitoring visits are resolved relatively easily.

Ms. Payne stated that there needed to be a motion to accept this report, as it needs to be filed in the treasurer's office for compliance purposes.

It was moved by Mr. Norz and seconded by Mr. Ellis to approve the FY 2022 Monitoring Report to be filed in the treasurer's office for compliance purposes. The motion was unanimously approved.

- 2. Resolution: Construction of Agricultural Labor Housing**
SADC ID# 03-0277-EP
David and Doris Wilkinson
Block 403, Lot 9.02
Chesterfield Twp., Burlington Co.
Block 102, Lot 5.01
North Hanover Twp., Burlington Co.
122.16 Acres

Mr. Pizzio stated that the SADC reviewed the owner's application for approval to construct a single-story, agricultural labor housing unit consisting of approximately 1,000 square feet of heated living space, and containing two bedrooms and one bathroom, living room and kitchen on the premises for the purpose of housing a full-time agricultural laborer. Staff finds that utilizing the proposed agricultural labor unit is consistent with agricultural uses on the premises in connection with the cattle and equine production, breeding and training of the owners' horses. The owners' proposal to construct agricultural labor housing on the premises for purposes of housing on-site labor who are regularly engaged in the production aspects of this operation is consistent with the requirements of the DOE and enhances the economic viability of the owners' agricultural business. Mr. Pizzio stated that staff recommendation is to grant final approval.

It was moved by Mr. Ellis and seconded by Ms. Fischetti to approve Resolutions FY2023R2(1) granting final approval to the following application under the Stewardship Program, as presented, subject to any condition of said resolution.

1. David and Doris Wilkinson, SADC ID# 03-0277-EP, FY2023R2(1), Block 403, Lot 9.02 Chesterfield Township, Burlington County Block and Block 102, Lot 5.01 North Hanover Township, Burlington County, 122.16 Acres

The motion was unanimously approved. A copy of Resolutions FY2023R2(1) is attached to and a part of these minutes. Mr. Johnson recused on this matter.

Public Comment

There was no public comment.

Mr. Ellis commented that in the past the SADC used to hold farm tours for new SADC members, and he suggested the committee should do that again so that they can get an understanding of what farmers do to make a living. Chairman Fisher agreed.

TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: 9 A.M., March 23, 2023

Location: 200 Riverview Plaza, Trenton, NJ

ADJOURNMENT

The meeting was adjourned at 1:31 p.m.

Respectfully Submitted,



Susan E. Payne, Executive Director
State Agriculture Development Committee

Memo



To: SADC Members
From: David Kimmel, Agricultural Resource Specialist
Date: February 23, 2023
Re: FY 2022 Annual Monitoring Report

Each year, the SADC and its farmland preservation partners – County Agriculture Development Boards (CADBs) and non-profits organizations – are required to monitor the farms on which they hold the farmland preservation deed of easement. Partners submit their monitoring reports to the SADC, inform the SADC of any concerns or violations observed during monitoring visits, and work with landowners and farmers to address the concerns.

Please see attached for the FY 2022 Annual Monitoring Report. The report is based on the monitoring reports submitted by the SADC and partners as well as subsequent communication and conversations with partners. It includes an overview of the requirements for monitoring, examines how monitoring went in FY 2022, and describes plans for continued improvements to the monitoring process.



FY 2022 Annual Monitoring Report
State Agriculture Development Committee
February 23, 2023

Contents:

- Monitoring Requirements
- Review of Monitoring in FY 2022
- SADC Monitoring in FY 2022, and 2023 Workplan
- Tax Compliance of SADC Related to Farmland Preservation Bond Funding
- Monitoring and Enforcement Methodology

Monitoring Requirements

Pursuant to N.J.A.C. 2:76-6.13, 2:76-6.18A, 2:76:16.5, and 2:76-17.16, the SADC, and the County Agriculture Development Boards (CADBs) and non-profits that receive SADC cost share grant funds for the acquisition of development easements, are required to monitor all lands to ensure compliance with the provisions of the Deed of Easement. Monitoring activities shall consist of the following:

1. An onsite inspection shall be performed at least once a year.
2. All inspections and monitoring shall be completed within the period commencing July 1 and ending June 30.
3. A written summary shall be provided to the Committee by July 15, verifying that the inspections were conducted during the scheduled period with a certification concerning whether the farm was in compliance with the provisions of the Deed of Easement.
4. The Board shall inform the SADC if any of the terms and conditions of the Deed of Easement were violated within 30 days of identifying such violation.
5. Appropriate action shall be taken within the Board's and/or County's authority to ensure that the terms and conditions of the Deed of Easement are enforced.
6. A database shall be maintained of all lands from which a development easement was acquired.
7. The SADC shall be annually informed of any record ownership changes which occur on lands from which development easements have been acquired.
8. The SADC shall be informed of any actions which require the SADC's review and/or approval.

Monitoring Completion Rates in FY 2022

The SADC compiles easement monitoring statistics to gauge the performance of holders of the farmland preservation deeds of easement, i.e., counties, non-profits, and the SADC. The **monitoring completion rates in FY 2022** are detailed on the attached spreadsheet, **Attachment 1**, and summarized below.

County-Held Easements – The majority of easements (79%) are held by counties. The regulatory requirement for monitoring completion is 100%, and in FY 2022, this mark was

met by twelve (12) counties. Four (4) additional counties were very close to 100%, with one at 95% (194 of 204 farms monitored) and three at 98% or 99% (1-3 farms not monitored). Two (2) counties had lower completion rates, Passaic with 50% (1 of 2 farms monitored) and Camden with 0% (0 of 6 farms monitored). Collectively, the counties had a monitoring completion rate of close to 99%, their highest rate ever. **Attachment 2** shows the **geography of monitoring completion rates for counties**.

Non-Profit-Held Easements – Easements held by non-profits account for about 2% of the total number of easements. In FY 2022, non-profits submitted monitoring reports for 96% of the farms on which they hold the farmland preservation deed of easement (48 of 50 farms). Six (6) non-profits had a 100% monitoring completion rate. Two (2) non-profits had lower rates, Ridge and Valley Conservancy with 50% (1 of 2 farms monitored) and Montgomery Friends of Open Space with 0% (0 of 1 farm monitored).

As noted in past reports, not included in the non-profit completion rate calculation are any farms that a non-profit preserved and whose easements were then assigned by the non-profits to the counties after preservation. When the easement is assigned to another holder, something that is done officially through a recorded Assignment of Deed of Easement document, the subsequent holder becomes responsible for the monitoring.

SADC-Held Easements – The SADC holds the second-highest total number of easements (about 19%) and had a 100% monitoring completion rate in FY 2022.

Cumulative Completion Rates – Overall, the FY 2022 monitoring completion rate was 99%.

Review of Monitoring in FY 2022

In terms of overall monitoring completion rates, the cumulative completion rate in FY 2022 was the highest to date, slightly exceeding the completion rate in FY 2021 of 97%.

The SADC attributes the continued high completion rates to ongoing communication and outreach with partners. In Spring 2022, the SADC emailed partners with updates regarding their farm lists. The SADC also had phone conversations with many partners and provided email reminders about the deadlines for completing monitoring visits (June 30) and submitting reports (July 15).

The administrators of the Camden and Passaic CADBs are currently on leave. While the two counties did not complete their monitoring requirements in FY 2022, the SADC anticipates a return to a 100% monitoring completion rate in FY 2023. When the SADC reached out to the director of the Camden County Department of Parks, in which the Camden CADB resides,

the director indicated the County would complete its monitoring and reporting requirements in FY 2023. The SADC also recognizes how some counties' monitoring completion rates were very close to, and would have been, 100% if not for extenuating circumstances. Sussex County was unable to monitor one farm in FY 2023 because the landowner refused entry, and Monmouth County had three of its monitoring visits delayed until early July 2022 (FY 2023) because of COVID. Ridge and Valley Conservancy monitored its two farms a week apart in calendar year 2023, however one inspection was in late June 2022 (FY 2022) and one was in early July 2022 (FY 2023). The Montgomery Friends of Open Space said they monitored their one farm in FY 2022 but did not submit an inspection report.

For a **breakdown of easement-related concerns noted during monitoring inspections in FY 2022**, see **Attachment 3 – Reported Issues from Monitoring (Potential Concerns and Violations Observed)**. As in past years, conservation issues (erosion and water management) were at the top of the list, with such issues comprising 29.4% of all concerns observed. Next were dumping (21.8% of all concerns observed) and overgrown fields (11.3% of all concerns observed), followed by unapproved solar, non-agricultural uses, encroachment, fallow fields, manure management, and soil disturbance (each about 4-8% of all concerns observed).

SADC Monitoring in FY 2022, and 2023-2024 Workplan

In FY 2022, the SADC continued to contract with three soil conservation districts to assist with the monitoring of SADC-held easements. The Upper Delaware Conservation District assisted with monitoring in Warren, Sussex, and Morris Counties and the northern portion of Hunterdon County; the Freehold Soil Conservation District assisted with monitoring in Mercer, Middlesex, Monmouth, and Ocean Counties; and the Cape-Atlantic Conservation District assisted with monitoring in Atlantic, Cape May, and Cumberland Counties. SADC Stewardship and Agricultural Development staff were responsible for monitoring the SADC-held easements in the remaining counties, i.e., Salem, Gloucester, Camden, Burlington, Somerset, and southern Hunterdon.

The SADC renewed its partnership with the districts to have them cover the same areas in FY 2023. Each district's list of farms to monitor remains the same for FY 2023, with the following exceptions: newly-preserved farms were added (i.e., farms that were preserved in FY 2022 and that need to be monitored for the first time in FY 2023), and a handful of farms with ongoing concerns were removed (as the SADC was working on the issues and would be visiting the farms itself). Also new with the FY 2023 contracts was a provision stating that SADC staff would accompany District staff on the first day of their monitoring visits to

review and demonstrate the established SADC monitoring protocol. The SADC recognizes the importance of providing continued training regarding how to conduct a typical annual monitoring inspection. For a **geographical breakdown of SADC general monitoring assignments** in FY 2022 and FY 2023, see **Attachment 6**.

In FY 2022 and FY 2023, the SADC will continue to work with partners to maintain high monitoring rates and improve the monitoring process. The SADC also will continue its outreach efforts and provide additional monitoring education, e.g., develop monitoring handbook guidance, conduct monitoring-related training, check in with partners to discuss monitoring concerns, and provide training as needed. In January 2023, the SADC also provided each partner with an updated list of the preserved farms on which it holds the easement. In addition to providing handbook guidance and group training, the SADC could offer to join partner staff, as it has joined SCD staff, on a portion of monitoring visits one day to provide feedback, answer questions, and promote consistency around the state. The SADC also will consider ways to improve the user-friendliness and functionality of the e-Form. These efforts should help improve the system of farmland preservation monitoring.

Tax Compliance of SADC Related to Farmland Preservation Bond Funding

Pursuant to a directive by the New Jersey Department of the Treasury relative to post-issuance compliance with tax-exempt bond issuances pursuant to Section 141 of the Internal Revenue Code, this FY 2022 Annual Monitoring Report details the number and nature of routine requests that came before the SADC versus SADC 'Reviews of Activities' that might involve a change in use, i.e., easement violations. See the following attachments for this FY 2022 information:

Attachment 3 - Reported Issues from Monitoring (Potential Concerns and Violations Observed)

Attachment 4 - Routine Stewardship Matters and Concerns Acted Upon by the SADC

Attachment 5 - Stewardship Concerns Pending

Monitoring and Enforcement Methodology

Very few monitoring inspections result in Committee findings of violation. This outcome reflects not only sound stewardship by New Jersey's farmers, but also the dedication of the SADC, CADBs, and non-profits to resolving issues and concerns amicably. Generally, the SADC stewardship process includes the following steps:

- Conduct an annual monitoring visit with the landowner present (if the landowner desires to be present);

- Follow-up with the landowner if concerns are noted;
- Coordinate with the grantee if concerns are noted (if a CADB or non-profit partner holds the easement);
- Provide ample time for the landowner and/or grantee to address the concerns;
- Provide technical assistance to assist the landowner and grantee in achieving compliance; and
- Take action if necessary (with the grantee taking the lead if it holds the easement).

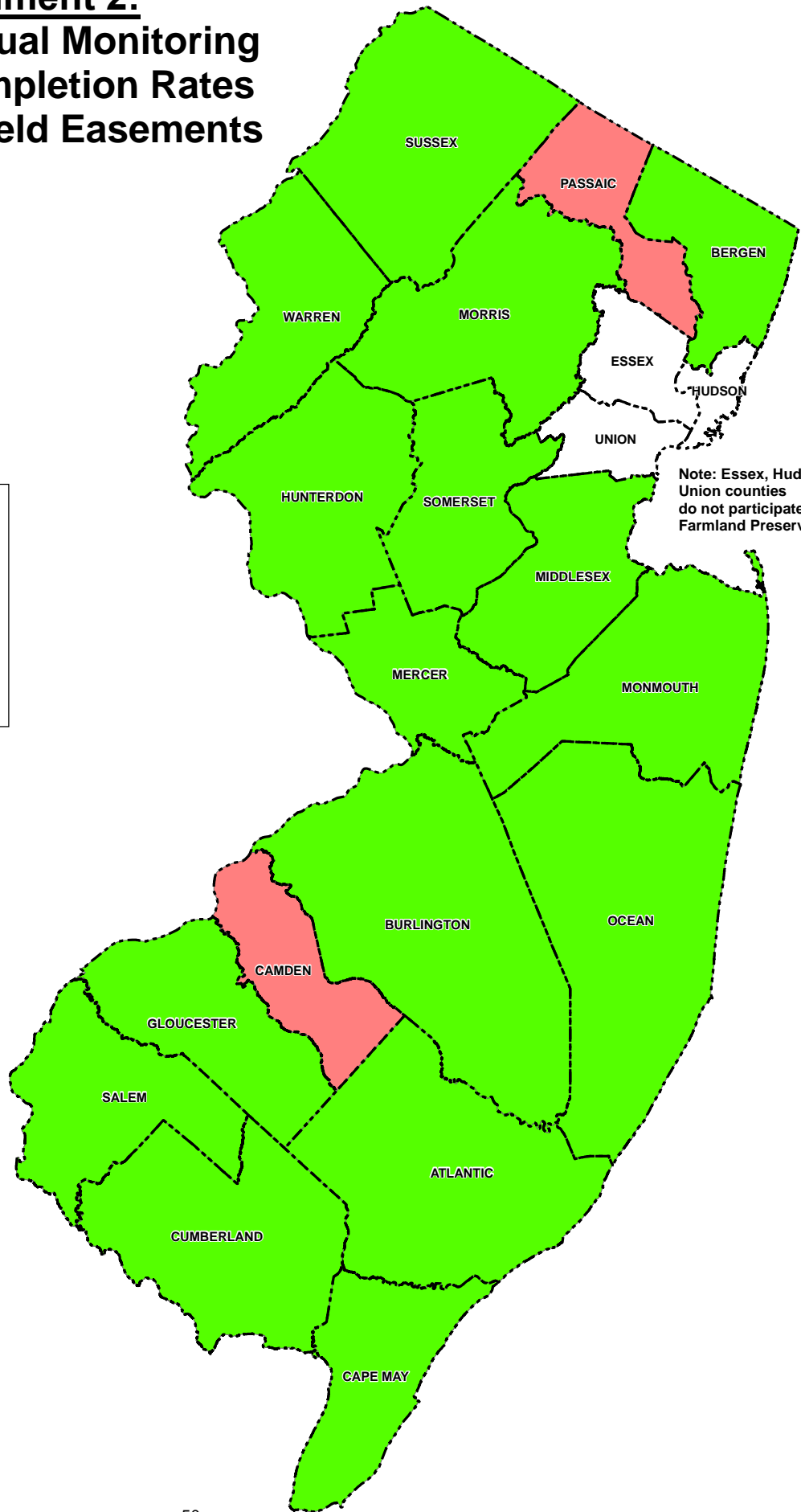
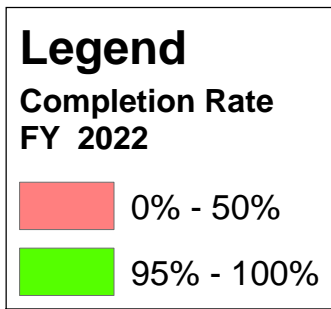
In most cases, concerns noted during routine monitoring visits are resolved relatively easily. Sometimes the landowner or farmer will address the issues, and sometimes a concern ceases to be an issue once the easement holder performs additional research, e.g., locating past approvals from CADBs or the SADC for a use, structure, or something else. Only a handful of concerns evolve into a violation, a result that often requires legal remedies.

https://sonj.sharepoint.com/sites/AG/SADC/Monitor/Reports/AnnualMonitoringReport_SADC/FY2022_Report/MemoToSADC_AndReport.docx

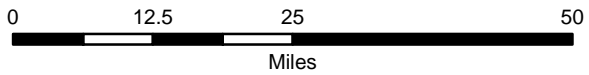
Attachment 1 - Easement Monitoring Data for FY 2022 and the Four Preceding Years

| | 2018 | | | 2019 | | | 2020 | | | 2021 | | | 2022 | | |
|--|------------------|-----------------|-------------------------|------------------|-----------------|-------------------------|------------------|-----------------|------------|------------------|-----------------|-------------|------------------|-----------------|-------------------------|
| Easement Holder | Farms to Monitor | Farms Completed | Comp. Rate ³ | Farms to Monitor | Farms Completed | Comp. Rate ³ | Farms to Monitor | Farms Completed | Comp. Rate | Farms to Monitor | Farms Completed | Comp. Rate | Farms to Monitor | Farms Completed | Comp. Rate ³ |
| County Agriculture Development Board | | | | | | | | | | | | | | | |
| Atlantic | 11 | 11 | 100% | 11 | 11 | 100% | 11 | 0 | 0% | 12 | 12 | 100% | 12 | 12 | 100% |
| Bergen | 8 | 7 | 88% | 8 | 8 | 100% | 8 | 0 | 0% | 8 | 8 | 100% | 8 | 8 | 100% |
| Burlington | 214 | 231 | 108% | 230 | 218 | 95% | 231 | 146 | 63% | 234 | 234 | 100% | 235 | 235 | 100% |
| Camden | 6 | 0 | 0% | 6 | 0 | 0% | 6 | 0 | 0% | 6 | 6 | 100% | 6 | 0 | 0% |
| Cape May | 48 | 44 | 92% | 49 | 49 | 100% | 50 | 0 | 0% | 50 | 50 | 100% | 50 | 50 | 100% |
| Cumberland ⁵ | 172 | 170 | 99% | 180 | 180 | 100% | 190 | 188 | 99% | 195 | 195 | 100% | 199 | 197 | 99% |
| Gloucester | 172 | 180 | 105% | 192 | 125 | 65% | 196 | 155 | 79% | 192 | 191 | 99% | 190 | 190 | 100% |
| Hunterdon | 301 | 243 | 81% | 309 | 247 | 80% | 316 | 285 | 90% | 310 | 309 | 100% | 318 | 318 | 100% |
| Mercer | 90 | 83 | 92% | 92 | 82 | 89% | 92 | 0 | 0% | 85 | 84 | 99% | 84 | 84 | 100% |
| Middlesex | 52 | 48 | 92% | 54 | 50 | 93% | 54 | 2 | 4% | 51 | 51 | 100% | 52 | 52 | 100% |
| Monmouth | 179 | 166 | 93% | 180 | 173 | 96% | 182 | 142 | 78% | 186 | 186 | 100% | 188 | 185 | 98% |
| Morris ¹ | 110 | 110 | 100% | 113 | 108 | 96% | 113 | 97 | 86% | 115 | 115 | 100% | 112 | 112 | 100% |
| Ocean | 46 | 45 | 98% | 46 | 40 | 87% | 47 | 1 | 2% | 48 | 48 | 100% | 47 | 47 | 100% |
| Passaic | 2 | 0 | 0% | 2 | 0 | 0% | 2 | 0 | 0% | 2 | 2 | 100% | 2 | 1 | 50% |
| Salem | 166 | 73 | 44% | 181 | 121 | 67% | 196 | 0 | 0% | 199 | 199 | 100% | 204 | 194 | 95% |
| Somerset | 92 | 70 | 76% | 93 | 50 | 54% | 93 | 4 | 4% | 98 | 96 | 98% | 98 | 98 | 100% |
| Sussex | 137 | 126 | 92% | 140 | 100 | 71% | 143 | 133 | 93% | 148 | 95 | 64% | 147 | 146 | 99% |
| Warren ⁶ | 223 | 232 | 104% | 230 | 245 | 107% | 239 | 239 | 100% | 264 | 264 | 100% | 271 | 271 | 100% |
| County - Totals & Completion Rates | 2,029 | 1,839 | 91% | 2,116 | 1,807 | 85% | 2169 | 1392 | 64% | 2203 | 2145 | 97% | 2223 | 2200 | 99% |
| Non-Profits² | | | | | | | | | | | | | | | |
| D&R Greenway | 5 | 5 | 100% | 5 | 5 | 100% | 5 | 5 | 100% | 5 | 5 | 100% | 6 | 6 | 100% |
| NJ Conservation Foundation | 22 | 20 | 91% | 22 | 21 | 95% | 23 | 6 | 26% | 26 | 26 | 100% | 26 | 26 | 100% |
| Ridge & Valley Conservancy | 5 | 5 | 100% | 5 | 2 | 40% | 2 | 2 | 100% | 2 | 2 | 100% | 2 | 1 | 50% |
| Monmouth Conservation Foundation ⁵ | 4 | 4 | 100% | 5 | 5 | 100% | 5 | 2 | 40% | 7 | 7 | 100% | 7 | 7 | 100% |
| Hunterdon Land Trust ⁶ | 7 | 6 | 86% | 7 | 5 | 71% | 5 | 5 | 100% | 5 | 5 | 100% | 5 | 5 | 100% |
| The Land Conservancy of NJ ⁷ | 1 | 1 | 100% | 1 | 1 | 100% | 1 | 1 | 100% | 1 | 1 | 100% | 1 | 1 | 100% |
| South Jersey Land & Water Trust | 2 | 2 | 100% | 2 | 0 | 0% | 2 | 0 | 0% | 2 | 2 | 100% | 2 | 2 | 100% |
| Upper Raritan Water. | 0 | 0 | 1- ATC | 0 | 0 | 1- ATC | 0 | 0 | 1- ATC | 0 | 0 | n/a - ATC | 0 | 0 | n/a - ATC |
| Montgomery Friends of Open Space | 1 | 0 | 0% | 1 | 0 | 0% | 1 | 1 | 100% | 1 | 1 | 100% | 1 | 0 | 0% |
| Lamington Conservancy | 0 | 0 | 1-ATC | 0 | 0 | 1-ATC | 0 | 0 | 1-ATC | 0 | 0 | n/a - ATC | 0 | 0 | n/a - ATC |
| Non-Profit - Totals & Completion Rates | 47 | 43 | 91% | 48 | 39 | 81% | 44 | 22 | 50% | 49 | 49 | 100% | 50 | 48 | 96% |
| SADC | | | | | | | | | | | | | | | |
| SADC - Totals & Completion Rates | 503 | 498 | 99% | 513 | 419 | 82% | 528 | 315 | 60% | 536 | 501 | 93% | 551 | 551 | 100% |
| All Programs | | | | | | | | | | | | | | | |
| State - Totals & Completion Rates | 2,579 | 2,380 | 92% | 2,677 | 2,265 | 85% | 2741 | 1,729 | 63% | 2788 | 2,695 | 97% | 2824 | 2,799 | 99% |
| ¹ Uses own database that predates SADC e-Form. ² Farms to monitor fluctuates as new easements are acquired and some easements are assigned to other holders, especially CADBs. ³ Completion rates in the past sometimes have added up to more than 100% due to SADC/partner discrepancies, divisions of premises, and database accounting. ⁴ ATC - Assigned to County; ATS - Assigned to ⁵ Uses own system ⁶ 100% is greatest possible monitoring completion rate; for FY 2020 data, if "Farms Completed"> corresponding "Farms to Monitor", latter adjusted to make "Farms to Monitor" equal to corresponding "Farms Completed" total. ⁷ Formerly the Morris Land Conservancy FY2022 "Farm to Monitor" Totals - Based on SADC database Excel report reflecting 1) farms closed through FY2021, 2) farms that resulted from Divisions or Consolidations, and 3) databse datafix updates. | | | | | | | | | | | | | | | |
| https://sonj.sharepoint.com/sites/AG/SADC/Monitor/Reports/AnnualMonitoringReport_SADC/FY2022_Report/[ExcelSheetsForReport_.xlsx]Attachment4) Committee Actions | | | | | | | | | | | | | | | |

Attachment 2: FY 2022 Annual Monitoring Report - Completion Rates for County Held Easements



Note: Essex, Hudson and Union counties do not participate in the Farmland Preservation Program



Attachment 3 - Issues Reported from Monitoring in FY 2022

| Issues Reported from Monitoring in FY 2022* | Concerns | As % of Total Concerns | County and Non-Profit Held Easement Concerns | SADC Held Easement Concerns | CADB, Non-Profit & SADC Suspected Violations | As % of Total Suspected Violations |
|---|--------------|------------------------|--|-----------------------------|--|------------------------------------|
| Conservation (Erosion, Water Management/Drainage) | 73 | 29.4% | 34 | 39 | 7 | 25.0% |
| Dumping/Trash | 54 | 21.8% | 38 | 16 | 6 | 21.4% |
| Overgrown Fields | 28 | 11.3% | 15 | 13 | 5 | 17.9% |
| Unapproved Solar | 19 | 7.7% | 11 | 8 | 0 | 0.0% |
| Non-Agricultural Use | 14 | 5.6% | 12 | 2 | 6 | 21.4% |
| Encroachment | 12 | 4.8% | 12 | 0 | 1 | 3.6% |
| Fallow Fields | 12 | 4.8% | 11 | 1 | 0 | 0.0% |
| Manure Management | 11 | 4.4% | 4 | 7 | 0 | 0.0% |
| Soil Disturbance | 11 | 4.4% | 9 | 2 | 1 | 3.6% |
| Neighbor Issues | 5 | 2.0% | 3 | 2 | 0 | 0.0% |
| Unapproved Structure | 5 | 2.0% | 4 | 1 | 0 | 0.0% |
| Ag Labor Housing | 3 | 1.2% | 3 | 0 | 1 | 3.6% |
| Unapproved Division | 1 | 0.4% | 0 | 1 | 0 | 0.0% |
| Unapproved Residence | 0 | 0.0% | 0 | 0 | 1 | 3.6% |
| Totals | 248 | 100% | 156 | 92 | 28 | 100% |
| Total Monitoring Visits with a Potential Concern or Violation Observed (as reported through monitoring e-Forms and reports) | 222 | | | | | |
| Total Monitoring Visits (e-Forms and other reports - includes partners which didn't use the e-Form) | 2,799 | | | | | |
| Percent of Monitoring Visits with a Potential Concern or Violation Observed | 7.9% | | | | | |
| *All issues (concerns and violations) are as reported in monitoring forms submitted by the inspection staff of CADBs, Non-Profits, and the SADC. | | | | | | |
| Further review and actual determinations are pending regarding concerns on certain SADC-held easement farms. Most County and non-profit-held easement concerns/violations are handled at the local level. | | | | | | |
| Sub-Chart for: Conservation (Erosion, Water Management/Drainage)* | | | | | | |
| *Breakdown of the "Conservation" category in the chart above | Concerns | As % of Total Concerns | County and Non-Profit Held Easement Concerns | SADC Held Easement Concerns | CADB, Non-Profit & SADC Suspected Violations | As % of Total Suspected Violations |
| Conservation - Erosion | 61 | 24.6% | 26 | 35 | 7 | 25.0% |
| Conservation - Water Management | 12 | 4.8% | 8 | 4 | 0 | 0.0% |
| Conservation Issues - Subtotal | 73 | 29.4% | 34 | 39 | 7 | 25.0% |

Attachment 4 - Routine Matters, and Concerns, Acted Upon by the SADC in FY 2022

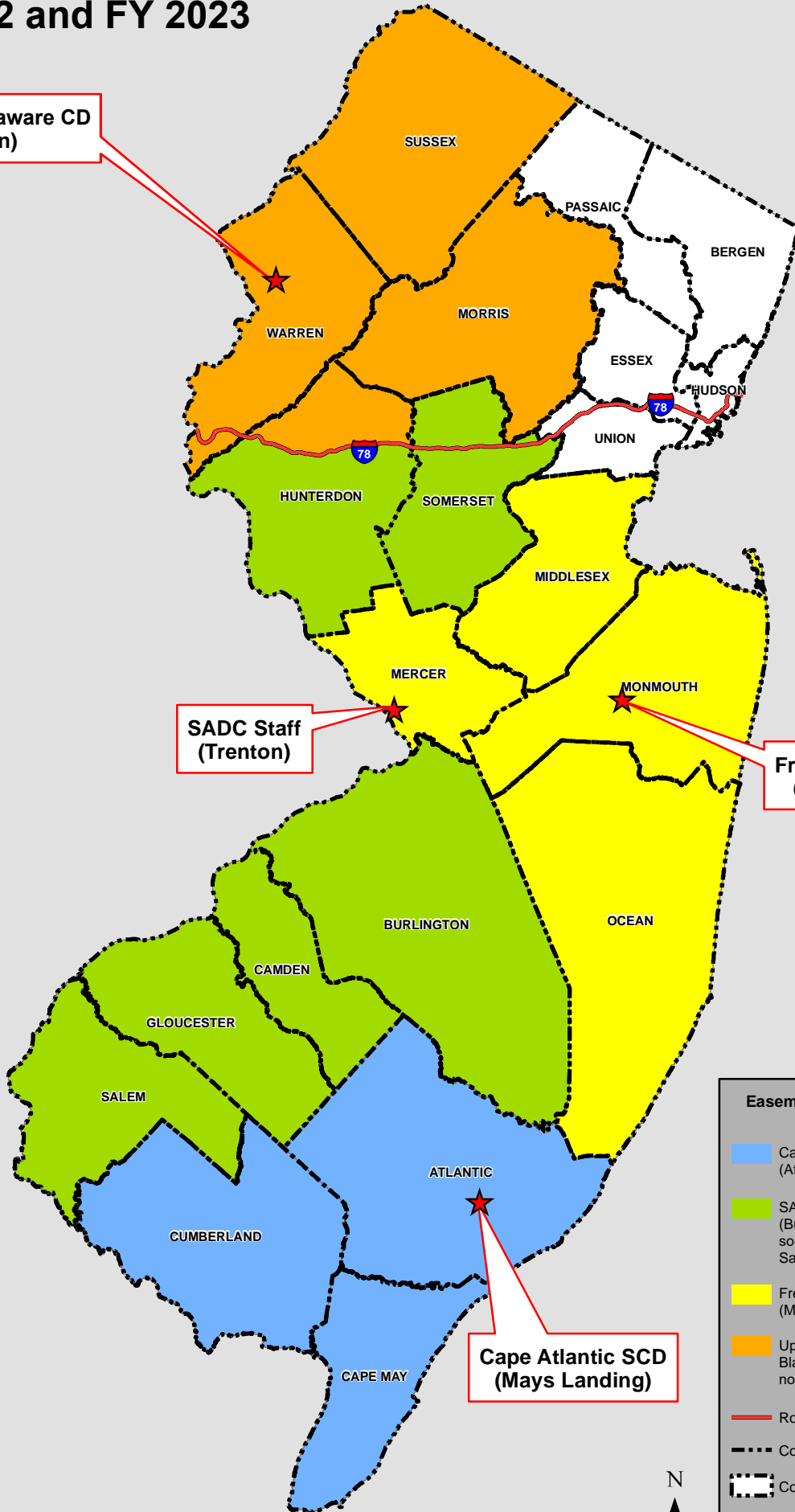
| Routine Stewardship Matters Acted Upon by the SADC in FY 2022 | Number | Approved/Denied | Property (Name and SADC ID#) |
|--|--------------|-------------------|---------------------------------------|
| Division of Premises | 3 | 3/0 | 17-0043-EP - Miller |
| | | | 17-0276-DE - Toal-Kibort |
| | | | 17-0174-EP - Cloverdale |
| House Replacement | 4 | 4/0 | 13-0148-EP - Burlington Path, LLC |
| | | | 17-0317-DE - Kelly - (Amended) |
| | | | 10-0017-PG - Grochowicz |
| | | | 13-0030-EP - Amer |
| Ag Labor Housing | 4 | 4/0 | 03-0024-DE - Tucker Farms, LLC |
| | | | 03-0121-EP - VGF Group, LLC |
| | | | 04-0001-FS - Saddlehill Holdings, LLC |
| | | | 18-0014-EP - SST-100 |
| Solar | 1 | 1/0 | 11-0092-EP - Benioff |
| RDSO (Residual Dwelling Site Opportunity) | 1 | 1/0 | 08-0012-DE - Holly Acres |
| Conversion of Severable Exception to Non-Severable & Review of Stormwater Management Facilities to Service Residential and Agricultural Uses Located on Exception Area | 1 | 1/0 | 19-0019-EP - Hern |
| Total | 14 | 14/0 | |
| | | | |
| Stewardship Concerns Reviewd by the SADC in FY 2022 | Number | Status | Property |
| Review of Activities | 0 | | |
| Deed of Easement Concerns | 3 | Ongoing Review | 18-0005-DN - Princeton Show Jumping |
| | | Active Litigation | 10-0244-DE - Van Doren |
| | | Active Litigation | 10-0020-EP - Quaker Valley Farms |
| | | | |
| Total Monitoring Inspections this FY | 2,824 | | |
| | | | |

Attachment 5: Stewardship Concerns Pending - As of February 1, 2023

| Stewardship Concerns/Violations Pending (Current as of February 1, 2023) | | | | | | | | | | |
|--|-----------------|------------|----------------|--------------|----------------|---------------------------|--|---------------------------------------|---------------------|--|
| SADC ID# | Easement Holder | County | Municipality | Closing Date | State Funding | Source of State Funding | Issue | Paragraph(s) of DOE Out of Compliance | FY Issue Identified | Status |
| 21-0029-DE | SADC | Warren | Harmony | 07/10/03 | \$165,974.40 | FY 2001 Garden State Fund | Importation of Fill | 1,2,3,4,5,6,7 | 2022 | Under SADC Review. |
| 01-0004-PN | SADC | Atlantic | Hammonton Town | 05/02/03 | \$283,309.00 | FY 2002 Garden State Fund | Unapproved Division of Premises | 15 | 2021 | SADC working with landowner to resolve. |
| 06-0094-EP | County | Cumberland | Lawrence | 08/27/03 | \$39,872.64 | 2003 Garden State Fund | Fallow fields | 2 | 2020 | CADB working with landowner to remediate. |
| 18-0020-EP | County | Somerset | Hillsborough | 10/06/99 | \$277,531.80 | 1995 Bond Fund | Importation of Fill/ Non-Ag Use/ Unapproved Residence/ Dumping | 1, 2, 3, 4, 5, 6, 7 | 2019 | CADB working with owner to resolve. Consent order signed. |
| 08-0010-EP | County | Gloucester | South Harrison | 12/29/97 | \$111,120.90 | 1989 Bond Fund | House not completely on exception area | | 2018 | Under CADB and SADC Review |
| 08-0010-EP | County | Gloucester | South Harrison | 12/29/97 | \$111,120.90 | 1989 Bond Fund | Non-Ag Use/ Farm Market and Barn | 1,2, 3, 4 | 2018 | Under CADB and SADC Review |
| 13-0159-EP | County | Monmouth | Manalapan | 02/07/02 | \$3,504,508.82 | FY2000 GSPT | Non- Ag use/Store | 1, 2, 3, 4 | 2018 | Under CADB and SADC Review |
| 10-0244-DE | SADC | Hunterdon | East Amwell | 04/27/18 | \$1,378,683.60 | 2015 Garden State Fund | Erosion | 7 | 2018 | Active Litigation |
| 14-0131-EP | County | Morris | Harding | 05/15/09 | \$732,975.00 | FY2006 GSPT | Non-ag use/Hockey rink in barn | Non-ag use/Hockey rink in barn | 2017 | Active Litigation - Property recently sold to new owner |
| 05-0049-EP | County | Cape May | West Cape May | 06/11/07 | \$533,999.92 | FY2005 GSPT | Unapproved Ag Labor Unit | 1, 3, 12 | 2016 | Landowner refuses to respond to requests to make application for ag labor unit. |
| 18-0029-EP | County | Somerset | Branchburg | 03/31/92 | \$1,780,363.50 | 1989 Bond Fund | Owner living in Ag labor unit/ Non-Ag uses | 1, 2, 3, 4, 14 | 2016 | CADB working with owner to resolve. Consent order signed. |
| 18-0005-DN | SADC | Somerset | Montgomery | 12/02/03 | \$0.00 | Donation-state | Non-ag use/Horse shows | 1, 2, 3, 4 | 2016 | Under SADC review. SADC established requirements for stormwater compliance, impervious cover compliance and soil remediation. Owner working toward compliance. |
| 19-0038-EP | County | Sussex | Hampton | 01/15/02 | \$141,912.81 | FY2000 GSPT | Unapproved Residence (apartment rental) | 1, 3, 12 | 2015 | Pending review with County |
| 21-0477-PG | County | Warren | Greenwich | 06/30/10 | \$213,234.10 | FY2007 GSPT | Relocation of Driveway | 1, 2, 9, 13, 15c | 2012 | Active Litigation |
| 03-0029-FS | County | Burlington | Pemberton | 06/29/05 | \$393,504.57 | FY2003 GSPT | Erosion | 1, 2, 3, 4, 5, 6 | 2011 | County taking legal action against landowner. |
| 10-0020-EP | County | Hunterdon | Franklin | 09/22/93 | \$241,608.04 | 1989 Bond Fund | Soil Disturbance | 1, 2, 3, 4, 5, 6 | 2008 | Active Litigation |

Attachment 6: SADC Easement Monitoring Assignments FY 2022 and FY 2023

Upper Delaware CD
(Blairstown)



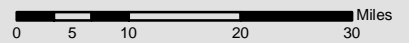
SADC Staff
(Trenton)

Freehold SCD
(Freehold)

Cape Atlantic SCD
(Mays Landing)

Easement Monitoring Assignments (FY 2020)

- Cape Atlantic SCD - Mays Landing (Atlantic, Cape May, Cumberland)
- SADC Staff - Trenton (Burlington, Camden, Gloucester, southern Hunterdon, Salem, Somerset)
- Freehold SCD - Freehold (Mercer, Middlesex, Monmouth, Ocean)
- Upper Delaware Conservation District - Blairstown (Morris, Sussex, Warren, northern Hunterdon)
- Route 78
- County Boundaries
- Counties Not in Program



**STATE AGRICULTURE DEVELOPMENT COMMITTEE
RESOLUTION #FY2023R2(1)**

**Construction of Onsite Agricultural Labor Housing
David and Doris Wilkinson Living Trust**

February 23, 2023

Subject Property: Block 403, Lot 9.02
Chesterfield Township, Burlington County
Block 102, Lot 5.01
North Hanover Township, Burlington County
122.16 Acres
SADC ID# 03-0277-EP

WHEREAS, David and Doris Wilkinson, as Trustees under the Living Trust Agreement of David and Doris Wilkinson dated February 4, 2009, hereinafter (“Owners”) are the record owners of Block 403, Lot 9.02, in Chesterfield Township, and Block 102, Lot 5.01 in North Hanover Township, Burlington County, by deeds dated May 5, 2009 and recorded in the Burlington County Clerk’s Office on June 19, 2009, in Deed Book 6645, Pages 821 and 835, totaling 122.16 acres, hereinafter referred to as the “Premises”, as shown on Schedule A; and

WHEREAS, a development easement on the farm property that includes the Premises was conveyed to the Burlington County Board of Chosen Freeholders, now known as the Board of County Commissioners, by Mildred H. Hall and the Estate of Frederick M. Hall, Jr., pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1 C-11, et seq. by Deed of Easement dated February 27, 1998, and recorded on February 27, 1998, in the Burlington County Clerk's Office in Deed Book 5554, Page 95, the said farm property upon which the development easement was recorded hereinafter referred to as the “Original Premises”; and

WHEREAS, federal funding was used in the acquisition of the development easement; and

WHEREAS, the farmland preservation Deed of Easement identifies one existing single-family residential building, one RDSO, zero units used for agricultural labor purposes and no exception areas; and

WHEREAS, the SADC approved construction of the RDSO by Resolution #FY05R4(23) on April 28, 2005; and

WHEREAS, the Original Premises was approved for a division by SADC resolution FY08R5(25) on May 22, 2008 resulting in three separate parcels, including the subject Premises as shown on Schedule A; and

WHEREAS, the approved division of the Original Premises allocated the existing residence and the RDSO to the adjacent parcels, leaving the subject Premises with zero residential opportunities; and

WHEREAS, the Owners are the farm operators on the Premises as well as on the adjacent parcels that made up the Original Premises; and

WHEREAS, the Owners' farm operation is known as Hidden Acres 4-D Farm which specializes in breeding and training of thoroughbred racehorses, raising beef cattle, pasture areas, and wheat, hay and straw production, as follows:

On the Premises: an equine exercise facility, a stable, 2 winter feed lots, a one-acre bullpen, two large equipment barns, multiple run-in sheds, approximately 25 acres of pasture for grazing, and 75 acres utilized for hay and wheat production;

On other portions of the farm remaining after division of the Original Premises:, 10 acres of pasture for grazing, and approximately 20 acres of hay and straw production;

The farm's livestock operation, in total, consists of 30 horses and 30 beef cattle raised annually; and

WHEREAS, paragraph 14 of the Deed of Easement for the Premises states that: *"Grantor may construct any new buildings for agricultural purposes. The construction of any new buildings for residential use, regardless of its purpose, shall be prohibited except as follows:*

i. To provide structures for housing of agricultural labor employed on the Premises, but only with approval of the Grantee and the Committee. If Grantee and Committee grant approval for the construction of the agricultural labor housing, such housing shall not be used as a residence for Grantor, Grantor's spouse, Grantor's parents, Grantor's lineal descendants, adopted or natural, Grantor's spouse's parents, Grantor's spouse's lineal descendants, adopted or natural.; and

WHEREAS, on December 20, 2022, the Owners submitted an application to the Burlington County Agriculture Development Board (BCADB) for approval to construct a single-story, agricultural labor housing unit consisting of approximately 1,000 sq./ft. of heated living space, and containing two (2) bedrooms and one (1) bathroom, living room and kitchen in the location shown on attached Schedules "A" and "B", to house a full-time laborer on the Premises; and

WHEREAS, by Resolution #2023-01 adopted on January 12, 2023, the BCADB approved the Owners' request for the agricultural labor housing described above; and

WHEREAS, in accordance with N.J.A.C. 2:76-6.15(a)14i. and the deed of easement, the Owners' application to construct an agricultural labor unit, as described above, is subject to Committee approval; and

WHEREAS, representations by the Owners relating to the need for agricultural labor housing are as follows:

- a. Over 30 horses reside on the Premises including stallions, broodmares, yearlings and weanlings that require daily turnout, pasture rotation, feeding, watering, stall maintenance, training, exercise and monitoring for safety and security.
- b. The beef cattle operation consists of approximately 10 steers raised, 10 cattle butchered and 10 calves annually.
- c. Equine production activities occurring on the Premises are related to the breeding and raising of the Owners' thoroughbreds to produce the progeny that will be trained to be ridden at local racetracks.
- d. Owners provided 2022 receipts of sales from the equine and cattle operation.
- e. The Owners have asserted that onsite labor is needed to properly provide support in care of the equine, cattle and related hay operations.
- f. The Owners have explained that affordable housing locally is not a viable option due to the need for 24-hour availability related to the breeding, foaling and calving duties pertinent to the farm operations.
- g. The agricultural labor housing unit would be occupied year-round, and the primary duties of the employee residing in the agricultural labor housing unit will be general care, which includes: feeding and watering horses and cattle, stall maintenance, facilitating the transportation of livestock, pasture maintenance, and assisting the Owners in training and breeding activities;

WHEREAS, a new septic system will be required to service the agricultural labor housing unit; and

WHEREAS, the Committee promulgated regulations at N.J.A.C. 2:76-2B.3(e) ("regulations") pursuant to the Right to Farm Act, N.J.S.A. 4:1C-1 et seq. ("RTFA"), that define what types of equine-related revenue constitute agricultural production income that can be used to satisfy the production requirements in the definition of "commercial farm" set forth in the RTFA; and

WHEREAS, the regulations allow, as production income, monies received from breeding, raising and training of horses owned by the farm operator or owner,

NOW THEREFORE BE IT RESOLVED:

1. The WHEREAS paragraphs above are incorporated herein by reference.

2. The SADC has reviewed the Owner's application for approval to construct a single-story, agricultural labor housing unit consisting of approximately 1,000 sq./ft. of heated living space, and containing two (2) bedrooms and one (1) bathroom, living room and kitchen on the Premises for the purpose of housing a full-time agricultural laborer, in the location shown on Schedule "A" and "B", and finds that utilizing the proposed agricultural labor unit is consistent with agricultural uses on the Premises in connection with the cattle and equine production, breeding and training of the Owners' horses for the following reasons:
 - a) The size and location of the proposed unit minimizes adverse impacts on the agricultural land due to utilizing space adjacent to the farm's existing agricultural infrastructure area shown on Schedule "B".
 - b) Onsite labor housing optimizes the regular daily feeding, watering, turnout, stall maintenance and health care needs of the horses and cattle, and the necessity of 24-hour security and care of the livestock.
 - c) The Owners' proposal to construct agricultural labor housing on the Premises for purposes of housing on-site labor who are regularly engaged in the production aspects of this operation is consistent with the requirements of the Deed of Easement; and
 - d) The Owners' proposal to construct agricultural labor housing on the Premises for purposes of housing on-site labor who are regularly engaged in the production aspects of this operation also enhances the economic viability of the Owners' agricultural business.
3. Only agricultural labor employed on the Premises, in production aspects of the equine and cattle operation, and the laborer's immediate family, may live in the agricultural labor unit. Agricultural labor housing shall not be used as housing for the Owner, Owner's spouse, Owner's parents, Owner's lineal descendants, adopted or natural, Owner's spouse's parents, or the Owner's spouse's lineal descendants, adopted or natural; and
4. The resident of the agricultural labor housing unit shall be employed full-time, exclusively, on the farm and engaged in the day-to-day production activities on the Premises, which at this time includes: feeding and watering horses and cattle, stall maintenance, facilitating the transportation of livestock, pasture maintenance, and assisting the Owners in training and breeding activities; and
5. As a condition of this approval, the Committee reserves the right to annually require the Owners to produce documentation supporting the production aspects of the operation to ensure that there is sufficient production activity occurring on the farm to continue to warrant use of the agricultural labor unit.
6. The Owners' use of any structures for housing agricultural laborer shall be in compliance with all applicable Federal, State, County and local regulations.

7. This approval is non-transferable.
8. This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey.
9. This approval is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

2/23/2023
Date



Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

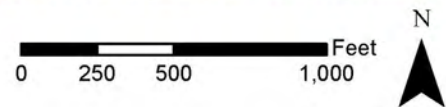
| | |
|--|---------|
| Martin Bullock | YES |
| Gina Fischetti (rep. DCA Commissioner Oliver) | YES |
| Charles Rosen | YES |
| Pete Johnson | RECUSED |
| Renee Jones (rep. DEP Commissioner LaTourette) | YES |
| Roger Kumpel | YES |
| Brian Schilling (rep. Executive Dean Lawson) | ABSENT |
| Julie Krause (rep. State Treasurer Muoio) | YES |
| James Waltman | YES |
| Richard Norz | YES |
| Douglas Fisher, Chairperson | YES |

Schedule A

Hall/Wilkinson Farm 03-0277-EP
Chesterfield Twp. BI 403 Lot 9.02
N. Hanover Twp. BI 102 Lot 5.01
New Jersey Farmland Preservation Program



For Planning Purposes Only
Date: 1/31/2023



Schedule B

Hall/Wilkinson Farm 03-0277-EP
Chesterfield Twp. BI 403 Lot 9.02
N. Hanover Twp. BI 102 Lot 5.01
New Jersey Farmland Preservation Program



For Planning Purposes Only
Date: 1/31/2023

