

**STATE AGRICULTURE DEVELOPMENT COMMITTEE**  
**Department of Agriculture**  
**Market and Warren Streets**  
**1<sup>st</sup> Floor Auditorium**  
**Trenton, NJ 08625**

**REGULAR MEETING**

**June 23, 2016**

Chairman Fisher called the meeting to order at 9:10 a.m. Ms. Payne read the notice indicating the meeting was held in compliance with the Open Public Meetings Act.

The flag salute was conducted at the start of the meeting.

Roll call indicated the following:

**Members Present**

Douglas H. Fisher, Chairperson  
Brian Schilling (rep. Executive Dean Goodman)  
James Requa (rep. DCA Commissioner Richman)  
Denis C. Germano, Esq.  
Cecile Murphy (rep. NJDEP Commissioner Martin)  
Ralph Siegel (rep. Acting State Treasurer Scudder)  
W. Scott Ellis  
Jane Brodhecker

**Members Absent**

Alan Danser, Vice Chairman  
Peter Johnson  
James Waltman

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Susan Payne  
Jason Stypinski, Esq., Deputy Attorney General

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**Others present as recorded on the attendance sheet:** Stefanie Miller, Cindy Roberts, Paul Burns, Richard Martin, Dan Knox, Heidi Winzinger, Alison Reynolds, Esq., Jeffrey Everett, Jonathan Jones (Stewardship Intern), David Kimmel, Charles Roohr, David Clapp, Matthew DiStaulo, Steven Bruder, Sandy Giambrone and Patricia Riccitello, SADC staff; Michael Collins, Esq., Governor's Authorities Unit; Daniel Pace, Mercer County Agriculture Development Board; Brian Wilson, Burlington County Agriculture Development Board; Lori Rue, Rue Brothers Farm, Monmouth County; Glorianne Robbi, East Amwell Township, Hunterdon County; Brad Lanute, N.J. Pinelands Commission; Laurie Sobel, Middlesex County Agriculture Development Board; Pat Huizing, Executive Director, NOFA-NJ; and Katherine Fullerton, East Amwell Township representative, Hunterdon County.

### Minutes

#### A. SADC Regular Meeting of May 26, 2016 (Open and Closed Sessions)

It was moved by Mr. Requa and seconded by Mr. Siegel to approve the Open Session and Closed Session minutes of the SADC regular meeting of May 26, 2016. The motion was approved (Mr. Ellis abstained from the vote).

### REPORT OF THE CHAIRPERSON

- Open Space Funding

Chairman Fisher stated that we are still waiting for the Legislature and Governor to come to terms regarding open space funding and how it is going to play out. We have until June 30<sup>th</sup> to see where this goes. This would have an impact on farmland preservation as to funds being available to be able to enroll participants into the program.

- Retirement – James Requa, Department of Community Affairs (DCA)

Chairman Fisher stated that this would be Mr. Requa's last SADC meeting as he is retiring effective July 1<sup>st</sup>. He stated that he has been honored to be able to have served with Mr. Requa and he knows everyone else here feels the same way. Mr. Requa is an extraordinary individual and someone who we really rely on for guidance, support and thoughtfulness. Chairman Fisher stated that Mr. Requa will be missed but he is very happy for his retirement. Mr. Requa thanked Chairman



Fisher and stated he would miss everyone here. It has been a privilege for him to work with such dedicated and energetic professionals on such a very important issue. He will be retiring as of next week. He stated he has been on this Committee since back in the days of Secretary of Agriculture Kuperus. He stated he won't be too far away because in January he will become a full-time visiting professor at the College of New Jersey.

### **REPORT OF THE EXECUTIVE DIRECTOR**

- Articles in Communications Packet Regarding the Penn East Pipeline Project

Ms. Payne stated that there are several articles in the communications packet dealing with Penn East. The Penn East pipeline is coming through this state if the Federal Energy Regulatory Commission (FERC) approves it, and it will affect Hunterdon and Mercer County properties. Based on their current alignment proposal, about 25 preserved farms are affected and a much larger number of unpreserved farms are affected. The pipeline project has been unique in that the landowning public has in a major way objected to the pipeline and refused access to their properties for survey work. That will cause some issues down the road. Penn East is continuing to work with the N.J. Department of Environmental Protection (NJDEP) and FERC to try to get this alignment approved but without on-the-ground information that can get a little dicey if FERC puts the hammer down and approves a 400-foot swatch and landowners haven't had any input into that. Ms. Payne stated that she has spoken with Secretary Fisher and what they would like to do is contact first the preserved farmland owners and then all farmland owners in the affected areas and just offer to be a conduit for comments relating to what the impact of the project might be on specific farms with things like septic tanks, location of irrigation wells, tile drains and access points, and also on-the-ground things that farmers need to convey so that if this does come through some of their concerns will have been on the record. The letters will go out possibly tomorrow or early next week. If you hear feedback, the SADC is just trying to offer its assistance and if landowners don't want to communicate to us that is fine but for those who do, we are just trying to provide that conduit for communications.

Chairman Fisher stated that FERC is going to do what FERC is going to do because it has federal powers and we just want to make sure that landowners understand that if ultimately that line happens to touch or it goes through their

property we are trying to map for FERC, in the event that does happen, anything that they might reconsider and move it this way or that way. They have to trust that the SADC is there to try to alleviate some of the potential problems that could go away if FERC actually knew it could move that line for those conditions. It's very important.

- USDA, NRCS ALE Deed Template

Ms. Payne stated that the SADC has had a back and forth with the USDA, Natural Resources Conservation Service (NRCS) on what the new deed would look like under the Agricultural Land Easement (ALE) program going forward. There has been a lot of conversation between the state Secretaries of Agriculture and NRCS regarding some fundamental concerns. Ms. Payne stated that Secretary Fisher spearheaded that effort. That has led to the NRCS offering to meet with us individually in Washington, D.C. to try to hammer out the final deed terms. That meeting is now scheduled for July 18. Ms. Payne, Deputy Attorney General Stypinski and some SADC staff will be going down for that meeting. She is hopeful that there will be progress. Staff will report back to the Committee next month on the outcome.

### **COMMUNICATIONS**

Ms. Payne reminded the Committee to take home the various articles provided in the meeting binders.

### **PUBLIC COMMENT**

Dan Pace from the Mercer County Agriculture Development Board asked whether staff would be copying Hunterdon and Mercer counties regarding Penn East and the letters that will be going out. Ms. Payne stated absolutely.

### **OLD BUSINESS**

#### **A. SADC Appraisal Handbook Amendments - Adoption**

Mr. Burns referred the Committee to the Summary of Proposed Changes to the SADC Appraisal Handbook-2016. This item was presented to the Committee at the April meeting. There were some changes that were suggested by the Governor's Office in May and staff has made those changes. A lot of the information remains unchanged. He stated

that under the summary, items #1 and 2 remain unchanged. Item #3 deals with appraisal considerations and valuation of farmland in the Pinelands. Staff has re-written it in plainer language as suggested by the Governor's Office. Item #4 deals with zoning factors for dual appraisals that factor zoning in place as of January 1, 2004. Again, that was made into plainer language as requested by the Governor's Office. Item #5 dealing with residential opportunities, staff removed some of the language as suggested by the Governor's Office. Ms. Payne stated that all of the recommendations by the Governor's Office were to make it easier to understand. There is no change in appraisal policy as a result of the comments, it is just really to clean it up and update the language. Mr. Burns stated that all the other items remain unchanged on the summary except for item #11, which was shortened. Mr. Burns stated that staff recommendation is to approve the summary of proposed changes to the handbook at this time.

It was moved by Mr. Ellis and seconded by Mr. Germano to approve the Summary of Proposed Changes to the SADC Appraisal Handbook-2016 and to adopt the 2016 Appraisal Handbook, as presented and discussed. The motion was unanimously approved. (A copy of the Summary of Proposed Changes to the SADC Appraisal Handbook-2016 is attached to and is a part of these minutes.)

## **NEW BUSINESS**

### **A. FY2016 Updated List of Approved Appraisers**

Mr. Burns referred the Committee to Resolution FY2016R6(1), including Schedule "A" listing those appraisers who attended the annual appraisal conference held in June and who are being recertified. The resolution also reflects those appraisers who did not attend the appraisal conference for two years and are being removed for that reason (Schedule "B"). Richard Martin is being removed because he is now employed by the SADC as a review appraiser. Mr. Burns stated that there are two new appraisers requesting inclusion on the Approved Appraiser List as reflected on Schedule "C." Staff recommendation is to approve Resolution FY2016R6(1) to reflect the re-certifications, the deletions and the inclusion of two new appraisers to the Approved Appraiser List, as presented and discussed.

It was moved by Mr. Schilling and seconded by Ms. Brodhecker to approve Resolution FY2016R6(1) recertifying the list of appraisers to the Approved Appraiser List, as presented and discussed (Schedule "A"), deleting those appraisers on the Deleted Appraiser List (Schedule "B") and including two new appraisers, as outlined in Schedule "C," as presented and discussed, subject to any conditions of said resolution. The motion



was unanimously approved. (A copy of Resolution FY2016R6(1) is attached to and is a part of these minutes.)

Ms. Payne noted that the Eight-Year program items that were listed on the agenda have been removed. There are some anomalies that staff would like to look at a little more. They should be back on next month's agenda.

**B. Preliminary Approval: Highlands Open Space Partnership Funding**

1. Chang Farm, Tewksbury Township, Hunterdon County

SADC staff referred the Committee to Resolution FY2016R6(2) for a request for preliminary approval under the Highlands Open Space Partnership Funding program for the Chang Farm, known as Block 9, Lots 2, 6, 6.01, 6.02 and 6.03 in Tewksbury Township and Block 27, Lot 3, in Califon Borough, Hunterdon County, comprising 66 net easement acres. The property is located within the Highland's Agriculture Priority and Resource Areas as well as the Highlands Preservation Area's "Conservation and Protection Zones." The property includes one approximately 4-acre nonseverable exception area, limited to two existing single-family residential units and for future flexibility of uses resulting in approximately 66 net acres to be preserved. The portion of the property to be preserved outside the exception area includes one single-family residential unit, zero agricultural labor units and no pre-existing nonagricultural uses.

The property's location, quality and characteristics appear to indicate that it would be a good candidate for a Highlands Open Space Partnership Funding grant and the owner is agreeable to the submission of an application to the Highlands Council. The standard SADC deed of easement language will be submitted to the Highlands Council for review as the proposed "conservation easement" on the property. Staff recommendation is to grant preliminary approval as outlined in said Resolution and as presented and discussed.

It was moved by Mr. Germano and seconded by Mr. Siegel to approve Resolution FY2016R6(2) granting preliminary approval to the Chang Farm, known as Block 9, Lots 2, 6, 6.01, 6.02 and 6.03 in Tewksbury Township and Block 27, Lot 3, in Califon Borough, Hunterdon County, comprising 66 net easement acres, subject to any conditions of said Resolution. The motion was unanimously approved. This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey. (A copy of Resolution FY2016R6(2) is attached to and is a part of these minutes.)



**C. Resolutions for Final Approval – Municipal Planning Incentive Grant Program**

SADC staff referred the Committee to two requests for final approval under the Municipal Planning Incentive Grant Program. Staff reviewed the specifics with the Committee and stated that the recommendation is to grant final approval.

It was moved by Mr. Germano and seconded by Mr. Siegel to approve Resolution FY2016R6(3) and Resolution FY2016R6(4) granting final approval to the following applications under the Municipal Planning Incentive Grant program, as presented and discussed, subject to any conditions of said Resolutions:

1. Thomas and Sharon Holcombe (SADC # 10-0366-PG (Resolution FY2016R6(3)) Block 11, Lots 1 and 1.01, West Amwell Township, Hunterdon County, 21.83 Gross Acres  
State cost share of \$3,850 per acre (62.25% of the certified easement value and purchase price) for a total grant need of \$75,768 pursuant to N.J.A.C. 2:7-6.11 and the conditions contained in Schedule C. The property includes one approximately 2.15-acre nonseverable exception area for and limited to one existing single-family residential unit and for future flexibility of use resulting in approximately 19.68 net acres to be preserved. The property includes an existing +/- .495-acre conservation easement on the Premises held by the Township of West Amwell that will be covered by the farmland preservation deed of easement but the SADC will not cost share on this area. The SADC will provide a cost share grant on the area between the 100-foot and 200-foot restricted zones outside the exception area because the restrictions are not found to be in conflict with the farmland preservation deed of easement. Final approval and closing are conditioned upon SADC counsel's review and approval of a final second amendment to the lease agreement before it is executed and prior to closing on the deed of easement. The portion of the property outside of the exception area to be preserved includes zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses.

Discussion: Within the exception area are a 100-foot tall cell tower and ancillary structures associated with the tower pursuant to a lease agreement with Crown Castle Corporation, the company currently managing and operating the cell tower. SADC staff worked with the Holcombes' attorney and Crown Castle Corporation to amend the terms of the cellular lease agreement to be contained entirely within the exception area. Final

approval and closing are conditioned upon SADC counsel's review and approval of a final second amendment to the cellular lease agreement before it is executed and prior to closing on the deed of easement. Upon approval of the cell tower, the Township and landowner signed and recorded a 100-foot buffer and 200-foot restricted zone agreement, which restricts building within 100 feet of the tower and restricts subdivision within 200 feet of the tower (Schedule A). The appraisals and SADC certification of easement value considered the lease agreement, proposed amendments, as well as the 100 foot buffer and 200 foot restricted zone. Since the 100-foot buffer contains restrictions that are consistent with the farmland preservation deed of easement, the easement will cover this area, but the SADC will not cost share on the restricted acreage, outside the exception area. Since the 200-foot restricted zone does not inhibit building or agricultural use, the SADC will provide a cost share grant on the area between the 100-foot and 200-foot restricted zones outside the exception areas. There is also an existing +/- .495 acre conservation easement on the premises held by the Township of West Amwell that contains restrictions that are inconsistent with the deed of easement, which will be covered by the farmland preservation deed of easement but the SADC will not cost share on this area.

2. Arthur and Joan Rothman, SADC # 21-0576-PG (Resolution FY2016R6(4))  
Block 33, Lots 20 and 20.02, White Township, Warren County, 58.32 Gross Acres  
State cost share of \$2,800 per acre (70% of the certified easement value and purchase price) for a total grant need of \$135,926 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule C. The property includes one approximately 2-acre nonseverable exception area for and limited to one existing single-family residential unit and one approximately 8-acre severable exception area for future residential use and general flexibility of use resulting in 48.32 net acres to be preserved. The landowner was unwilling to restrict the number of residential units in the 8-acre severable exception; however this exception will have the following restrictions in the deed of easement:
  1. The exception area shall be restricted from any further subdivision;
  2. The "use of the exception area shall not impair, hinder or negatively impact the agricultural use of the Premises as determined by the easement holder"; and
  3. Standard Right to Farm language for severable exceptions

The portion of the property outside of the exception to be preserved includes zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses.

Discussion: There is an existing 30-foot wide recorded easement from Hazen-Oxford Road to provide access to Lots 19 and 20.01 (lots not owned by Mr. Rothman).

The motion was unanimously approved. This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey. (Copies of Resolution FY2016R6(3) and Resolution FY2016R6(4) are attached to and are a part of these minutes.)

**D. Resolutions for Final Approval – County Planning Incentive Grant Program**

SADC staff referred the Committee to three requests for final approval under the County Planning Incentive Grant Program. Staff reviewed the specifics with the Committee and stated that the recommendation is to grant final approval.

It was moved by Ms. Brodhecker and seconded by Mr. Siegel to approve Resolution FY2016R6(5) through Resolution FY2016R6(7), granting final approval to the following applications under the County Planning Incentive Grant (PIG) Program, as presented and discussed, subject to any conditions of said Resolutions:

1. John Schley, SADC # 10-0357-PG (Resolution FY2016R6(5))  
Block 14, Lot 1.01, Readington Township, Hunterdon County, 21 Gross Acres  
State cost share of \$9,780 per acre (60% of the certified easement value and purchase price) for a total grant need of \$211,541.40 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule C. The property includes zero exception areas, zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses on the area to be preserved.

Discussion: Prior to this final approval Readington Township and Hunterdon County agreed to transfer this application from the Municipal PIG program to the County PIG program. The County has requested to encumber an additional 3% buffer for possible final surveyed acreage increases; therefore, 21.63 acres will be utilized to calculate the grant need.

2. Richard G. Willis, SADC # 06-0150-PG (Resolution FY2016R6(6))  
Block 89, Lot 3, Hopewell Township, Cumberland County, 79.5 Gross Acres  
State cost share of \$2,680 per acre (70.53% of the certified easement value and purchase price) for a total grant need of \$215,311.20 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule C. The property includes one approximately 1.5-acre nonseverable exception area for and limited to one future



single-family residential unit and for future flexibility of use, resulting in approximately 78 net acres to be preserved. The portion of the property outside the exception area to be preserved includes zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses.

Discussion: The County has requested to encumber an additional 3% buffer for possible final surveyed acreage increases; therefore, 80.34 acres will be utilized to calculate the grant need.

3. Samuel J. and Dolores M. Henry, SADC # 03-0407-PG (Resolution FY2016R6(7))  
Block 802, Lot 3; Block 1601, Lot 3, Southampton Township, Burlington County, 68 Gross Acres  
State cost share of \$1,804.73 per acre (81.04% of the certified easement value and 55.68% of the purchase price) for a total grant of \$122,685.33 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule C. The County has been informed of the fact that there is no opportunity for future reimbursement of the shortfall of funds. The property includes one approximately 2-acre nonseverable exception area for future flexibility of use and limited to zero housing opportunities. The portion of the property outside of the exception area to be preserved includes one existing single-family residential unit, zero agricultural labor units and no pre-existing nonagricultural uses.

Discussion: The New Jersey Pinelands Commission Letter of Interpretation #949 allocated 2.75 Pinelands Development Credits (PDCs) to Block 1601, Lot 3 and Interpretation #940 allocated 0.25 PDCs to Block 802, Lot 3 for a total of 3.0 PDCs to the property. As a result of the conveyance of the deed of easement to the County, the 3.0 PDCs will be retired. Landowners shall have a choice of having their development easement appraised as per the Pinelands Valuation Formula (Formula) or pursuant to N.J.S.A. 4:1C-31. The Formula takes into consideration the PDCs for a particular parcel and the presence of important agricultural and environmental features. The Formula provides for certain base values to be adjusted upward in varying percentages depending on factors such as site-specific environmental quality, access to highways, septic suitability and agricultural viability. The landowner may choose to receive a higher base value by placing a deed restriction on his or her property that limits impervious coverage on the property to 10% of the total property acreage. The impervious coverage shall include but is not limited to houses, barns, stables, sheds, silos, outhouses, cabanas, and other buildings, swimming pools, docks or decks. Temporary greenhouses or other temporary coverings that do not have impervious floors are not included. In November



2015 a Formula was finalized between the SADC and CADB staff yielding:

- Formula valuation without impervious cover option: \$2,881 per acre
- Formula valuation with 10% impervious cover option: \$3,241 per acre

The County has requested to encumber an additional 3% buffer above the net acreage to be preserved for possible final surveyed acreage increases; therefore, 67.98 acres will be utilized to calculate the grant need.

The motion was unanimously approved. This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey. (Copies of Resolution FY2016R6(5) through Resolution FY2016R6(7) are attached to and are a part of these minutes.)

#### **E. Resolutions for Final Approval – State Acquisition Program**

SADC staff referred the Committee to two requests for final approval under the State Acquisition Program. Staff reviewed the specifics with the Committee and stated the recommendation is to grant final approval, as presented and discussed.

It was moved by Mr. Ellis and seconded by Mr. Germano by to approve Resolution FY2016R6(8) and Resolution FY2016R6(9)) granting final approval to the following applications under the State Acquisition Program, as presented and discussed, subject to any conditions of said Resolutions:

1. Kenneth Lustgarten, SADC # 13-0073-DE (Resolution FY2016R6(8))  
Block 35, Lot 23, Upper Freehold Township, Monmouth County, 128 Net Easement Acres  
Acquisition of the development easement at a value of \$12,400 per acre for a total of approximately \$1,587,200, subject to the conditions contained in Schedule B. The property includes one approximately 4-acre nonseverable exception area for and limited to one existing single-family residential unit and for future flexibility of uses and one existing dormitory-style agricultural labor unit that can sleep up to 48 workers. The portion of the property outside of the exception area to be preserved has zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses.

Discussion: Monmouth County did not have a quality score for FY2016 because the County had no farms that were granted preliminary approval for the three previous fiscal

years. SADC staff determined that the property meets the SADC's "Priority" category for Monmouth County based on criteria set for FY2015 (minimum acreage of 35 and minimum quality score of 68) because it is approximately 128 easement acres and has a quality score of 80.52.

2. Wickie Hom et al, SADC # 13-0075-DE (Resolution FY2016R6(9))  
Block 31, Lot 19, East Windsor Township, Mercer County; Block 8, Lot 1, Millstone Township, Monmouth County, approximately 98.4 Gross Acres  
Acquisition of the development easement at a value of \$10,800 per acre for a total of approximately \$1,019,520, subject to the conditions contained in Schedule B. The property includes one approximately 4-acre nonseverable exception area for and limited to one existing single-family residential unit and for future flexibility of uses. The portion of the property to be preserved outside of the exception area includes zero housing opportunities, zero agricultural labor units and no pre-existing nonagricultural uses.

The motion was unanimously approved. This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey. (Copies of Resolution FY2016R6(8) and Resolution FY2016R6(9) are attached to and are a part of these minutes.)

**F. Stewardship – Division of Premises Request**

- a. Kevin White, Cranbury Township, Middlesex County

**Mr. Schilling recused himself from any discussion/action pertaining to this agenda item to avoid the appearance of a conflict of interest. Mr. Schilling sits on the Cranbury Township Land Use Board.**

SADC staff referred the Committee to Resolution FY2016R6(10) for a request by Kevin White, owner of Block 22, Lot 14 in Cranbury Township, Middlesex County to divide the Premises into two parcels. In September 2002, the SADC approved a division of this premises with a slightly different configuration that envisioned moving the existing single-family residence to another location. However, the potential sale that was the cause of that request never transpired and nothing has changed with the property since that time. The current configuration contemplates the existing house remaining in its current location and increases the size of the smaller of the two parcels by approximately two acres.

Proposed Parcel "A" would result in a 31+/- acre property and would include the single-

family residence and garage. Proposed Parcel "B" would result in a 31+/- acre property that is unimproved. As a condition of approval the owner has agreed to merge proposed Parcel "B" with his adjacent preserved farm, Block 22, Lot 2, consisting of approximately 79 acres, to create a 110-acre combined parcel. The adjacent parcel has one Residual Dwelling Site Opportunity (RDSO) associated with it. Staff discussed with the Committee its findings related to the agricultural purpose test and the agricultural viability test, as outlined in said Resolution. It is noted that the RDSO allocated to Block 22, Lot 2 will remain with that lot and shall not be exercised on Parcel "B." The Owner shall provide a survey and legal description to the SADC and CADB showing the new division line and describing the new parcels "A" and "B." Staff recommendation is to grant the request for a division of the premises as outlined in the draft Resolution and rescind the previous request from 2002, as presented and discussed.

It was moved by Mr. Siegel and seconded by Mr. Germano to approve Resolution FY2016R6(10) granting a request for a division of the premises on the Kevin White farm, known as Block 22, Lot 14, Cranbury Township, Middlesex County, totaling approximately 62.30 acres, subject to any conditions of said Resolution, finding that the division is for an agricultural purpose and does result in agriculturally viable parcels capable of sustaining a variety of agricultural operations. The Owner shall include deed language on Parcel "B" stating that it shall be permanently associated with adjacent Block 22, Lot 2 requiring the two not be sold separate and apart from one another. The existing RDSO associated with Block 22, Lot 2 shall remain solely with that lot and shall not be exercised on Parcel "B." Upon receipt of the updated survey and metes and bounds description, the SADC shall record a copy with the Middlesex County Clerk's Office. This approval is not effective until the SADC records its approval resolution with the Middlesex County Clerk. This approval is not transferrable to another purchaser and is valid for three years from the date of this resolution. The SADC hereby rescinds its previous Division of Premises approval, SADC Resolution # FY03R9(30) from September 26, 2006. The motion was approved. (Mr. Schilling recused himself from the vote.) This approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey. (A copy of Resolution FY2016R(10) is attached to and is a part of these minutes.)

**G. Agriculture Development  
Beginning Farmer Incubator Pilot Program**

Mr. Everett and Jonathan Jones provided the Committee with a presentation on the Beginning Farmer Incubator Pilot Program. Mr. Everett stated that Mr. Jones is an Eagleton Fellowship Intern in a Joint Urban Systems Program at Rutgers and the New



Jersey Institute of Technology. He is a doctoral student and has Bachelor's and a Master's from the University of Dayton. Mr. Jones is originally from southwest Ohio. Mr. Everett stated that Secretary Fisher has engaged with Mr. Jones on the issue of urban food systems and Mr. Jones is currently on Mr. Schilling's committee for his dissertation. Mr. Everett stated that he wanted to introduce this topic to the Committee and advise everyone on why be concerned about this issue, what has been done and what still needs to be done.

Mr. Everett stated that the USDA considers a beginning farmer/rancher as an individual or entity who has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years, and will materially and substantially participate in the operation of the farm or ranch. Mr. Everett reviewed various USDA statistical information with the Committee that illustrated the challenges faces beginning farmers in New Jersey, including high farmland values, property taxes and labor costs.

Mr. Everett stated that around 2002 the USDA started looking at beginning farmers, trying to support them. We have seen several farm bills now with funding increasing many-fold. Right now there are 10 different programs – loan programs, grant programs – but \$440 million was authorized in the 2014 Farm Bill. Clearly the federal government is interested in this as well as the New Jersey State Board of Agriculture, which has recognized the need to recruit new and young farmers in past State Agriculture Convention resolutions. Staff has tried to respond to that challenge as well as consider what actions legislators could take to incentivize young people to choose a career in farming, lower the barrier to entry for farming and encourage the growth of new farms. Ms. Payne stated that this really struck her when she went to the budget hearings and these were some of the specific questions that the legislative committee sent to the Department of Agriculture. Obviously this is on the minds of State legislators as well. Mr. Everett noted that the New Jersey Farm Bureau had a Young Farmers and Ranchers Committee that was convened some years ago and they are now building more momentum with that.

Mr. Everett stated that the SADC's Agriculture Development section works with FFA and 4-H to help assist beginning farmers. He and Mr. Mr. Roohr were judges for the FFA convention this year and Mr. Kimmel has done a lot of work with incorporating SADC products into FFA. He worked with Bill Hlubik quite a bit lately talking about undergraduate education, not just in the classroom but getting these farmers trained with calibrated operating machinery. At the Snyder farm they have done demonstrations with small farmers so it is a great approach -- starting young, you go through undergraduate education, get some post-graduate training and then what do you do? That is where we



come in – the SADC is the access to land piece of the puzzle. There are three components – the leasing initiative, New Jersey Land Link and the agriculture incubator.

Mr. Everett referred the Committee to the Powerpoint slide regarding leasing as an alternative to ownership. It shows the ratio of cash rent value to fee simple value. If you look at the Midwest, the cash rent value is almost the same as New Jersey but the fee value is exponentially lower in the Midwest so you might as well purchase. If you look at the converse situation in the Mid-Atlantic you might as well rent because the land value is too high. You start with that premise that, not just the SADC but the NJDEP should lease land out to beginning farmers. Mr. Everett described the National Institute of Food and Agriculture (NIFA) grant project conducted by the Northeast Organic Farming Association of New Jersey (NOFA-NJ) as the recipient and the SADC as a partner. The whole premise of the project was to try to create land linkages. NOFA-NJ's director is present today should the Committee have any questions.

Mr. Everett stated that he would like to give credit to Mr. Kimmel who worked tirelessly on this grant in addition to his Right to Farm duties. He really tried to bring the grant to fruition and have some tangible outcomes. The slide before the Committee shows what those outcomes were from 2011-2014, including NOFA-NJ's establishment of a beginning farmer incubator at Duke Farms and the holding of 48 training sessions. The SADC's involvement was more on the training session side with land evaluation sessions on how to evaluate land for leasing, land leasing workshops dealing with the mechanics of lease agreements, educational courses for new and prospective farmers, and networking sessions between farmers and landowners. Mr. Everett stated that our centerpiece of this effort was a leasing guidebook, which Mr. Kimmel and Hillary Barile authored. This explores issues not just from the landowner perspective but from the farmer perspective and what to look for in a leasing arrangement. With the remaining funds that were available we developed the Land Link site, which is a GIS-based system. You can click on any of the links to get more details on a farming opportunity – is it organic, is it conventional, is it transitioning into organic, etc. It shows current opportunities. Mr. Everett stated that Mr. Jones will discuss what an incubator is, what it does and the geography of it.

Mr. Jones thanked Ms. Payne, Mr. Everett and SADC staff for welcoming him over the past couple of months. He stated that Mr. Everett discussed with him this incubator program and challenged him to try to figure out how New Jersey could implement a beginning farmer incubator project. He quickly realized there were two sides to that coin – what farmland in New Jersey could be best suitable for use in an incubator program and then programmatically how would that incubator be structured? Primarily today he will

speaking about what land would be best suitable for this but he also has some white paper that he has written separately that speaks to the programmatic structure of how this would be implemented should the Committee and the State want to move forward with that.

Mr. Jones stated that a farm incubator project is a land-based project that provides training and technical assistance to aspiring and beginning farmers. The goal is to minimize the barriers to entry. There are three major pillars, which are access to land, infrastructure and knowledge.

Mr. Jones stated that there are approximately 270 incubators across the country. There is only one in New Jersey as Mr. Everett mentioned earlier. He looked for academic research that has looked at this beginning farmer issue and beginning farmer incubators across the country. He found a master's thesis from 2014 out of Tufts University that surveyed beginning farmer incubators. They had 42 incubators responding and these are all very new programs. The median age was about 3 years so it is a very recent thing across the country. They are very small operations – 60 percent of them indicated 10 acres or less. Similarly, 10 percent of the incubators indicated 60 acres or more. The median farmer age was surprising as well at 41 years. Initially our thought was they would be much younger but in fact they were significantly older than we anticipated and the median experience in farming was 5 years. Most of the people going into these farming incubators have had some previous significant experience in agriculture. They are not the high school graduates who are shifting immediately into this. Organizationally speaking, the vast majority of them were operated by a nonprofit organization or public-private partnership with a very limited number operated by government agencies at the local level. There were no state-level beginning farmer incubators across the country to his knowledge. Mr. Jones stated that regarding funding, the vast majority was primarily federally funded and then foundation funding also was an important source of funding.

Mr. Jones stated that regarding which land is best suited for this incubator, that is apparently a GIS problem and we would need GIS to analyze this issue. He stated that he looked and found no academic research suggesting how exactly you would do this so he had to figure it out on his own. He borrowed some similar methods that others have used to analyze land for certain projects in other capacities. He stated that he developed a two-stage process. One is to analyze large swatches of lands to see what areas of the state broadly would be best suited for this purpose, and the second stage would be to analyze individual farms themselves to see if they were suitable. Mr. Jones referred the Committee to the slide showing Phase I – Landscape-Scale Analysis, for reviewing large swatches of land He reviewed the various criteria in that slide as follows:

- Soil quality

- Proximity to preserved farms/open space
- Proximity to farm services
- Proximity to farmers markets
- Deer density
- Proximity to contaminated sites
- Municipality with right to farm ordinances
- Proximity to high household income
- Proximity of non-white population (niche markets)

Mr. Jones stated that each of these individual criteria is scored 1 to 5 so when you add up all those scores you get the values, theoretically from zero to 50. However, what ended up coming out was that the highest potential score across the state was 42, but it was primarily in Hunterdon County, and the lowest score that isn't zero was 14. Mr. Jones referred the Committee to a map showing the number of regions across the state and a number of different counties that, according to the criteria that he outlined, would be broadly suitable for use as an incubator site. He individually identified groups or individual farm units to do the second stage analysis at the same time. That had to be done by hand because of the way the GIS data is currently constructed. Mr. Germano stated that he would think that the Pinelands would have been a place where they would be available. Mr. Schilling stated it probably was excluded because of the soil criteria. Mr. Jones stated probably also municipal ordinances for right to farm exclude it out. If there was interest we could generate individual maps for the individual criterion saying why certain regions were excluded and the soil is one of the big issues of cutting off giant swatches of territory from the state. Chairman Fisher commented that would mean that greenhouse operations would be excluded too. Mr. Jones stated under the current way that they are conceptualizing this that would be correct. Mr. Everett stated that these are all just drafts and that staff just wanted to give the Committee the lease and land evaluation site assessment that was in existence since the early 1970s as a basis and that is kind of soil-based primarily but there are ways to tweak it to calibrate it for what we need. Mr. Jones stated that what he and Mr. Everett are trying to convey today is that this is just proof of concept. These factors could be tinkered with. They weighted them a certain way and they decided that soil quality was twice as important as household income, for example. Ultimately that is arbitrary. If we wanted to say the soil quality was three times as important as household income we could do that and that would change the mapping a little bit. If we wanted to add criteria we could do that. Mr. Jones stated that FFA staff gave him locations of all of their high school sites across the state where they provide FFA training. That is one additional way that he could do geocoding, which is to add this information and apply those individual addresses across the state and then we



could draw radiuses around those to say areas within a certain mileage from those FFA locations are more suitable because they are closer to an education site. We could also subtract something as well. We wanted to avoid the appearance of acting in an arbitrary or capricious manner when the State may be acquiring land through fee simple acquisition to site a beginning farmer incubator here.

Mr. Jones stated that the SADC currently has three farms that were acquired through fee simple acquisition and were not successfully auctioned off to the public so they are currently in the SADC's inventory at the present time. Each of the three farms on the chart was in regions or in green areas on the map provided to the Committee.

Mr. Jones stated that scoring for the second phase analysis was performed in a similar manner, 1-5. The possible evaluation criteria for phase II – site-specific analysis is as follows:

- Presence of agriculture structure(s)
- Presence of residential structure(s)
- Presence of deer fencing
- Presence of irrigation system
- Farm size
- Road frontage
- Adjacency to residential/commercial/industrial
- SADC qualitative assessment of suitability
- CADB/Municipal/Non-profit qual. (if applicable)

Mr. Jones reviewed Phase I and Phase II draft scoring as detailed in the Powerpoint presentation. He stated that out of a total score of 95 for any individual site, the three farms currently owned by the SADC in fee simple had the following scoring:

- the Lamb farm scoring the highest at 63
- the Case farm scoring 52.5
- the Sassi farm scoring 47

Mr. Everett stated that some of the factors that caused the Lamb farm to score highly were that it has a house, a barn and road frontage. He wanted to show the Committee why it scored highly and again these are just proof of concept.

Mr. Everett stated that the last portion of the presentation focuses on legal and programmatic considerations. Is there authority to add bid prerequisites for beginning



farmers? Right now we bid out, the highest bid comes in and we accept that. Do you want to add the federal definition of beginning farmer – if you have more than 10 years of experience you are not going to put in a bid? It's kind of like the Farmland Stewardship Grant from 2003 where you have to have a farm business plan and then look at the feasibility of the plan. Do you want to evaluate any kind of education and/or experience? Again, these are farmers trying to get into the game so you cannot hold them to the same standards as you would someone who has made a career. Possibly you would put a gross income/assets limitation like the Farm Bill programs do. These are all things to think about but again, is there legal authority for us to focus on lease-hold interest with a caveat that it be leased to a beginning farmer?

Mr. Germano stated that the idea of bidding at all didn't factor in here. Mr. Everett stated that if you put out a bid for a lease-hold interest of our fee-owned land, right now we lease all of them but those leases are coming up for expiration. Do we want to add an additional caveat that our potential bidder would be a beginning farmer? Is that legal and can we add that additional prerequisite? That is a question to consider. The reason you see nonprofits doing this is because they do what they do. In government, we have to have a transparent process. Mr. Schilling stated that on that point Mr. Jones is saying that a small percentage had government programs managing or operating. Do you know whether they own land or were they making State-owned land available? Mr. Jones and Mr. Everett stated they didn't know right off but they could pull data to find out.

Mr. Schilling stated that this is not a new discussion. In 2004 with the task force for farmland affordability the issue was whether or not there was a legal authority to basically qualify or limit who can access the land. Mr. Siegel stated there is and we have seen that with Green Acres or with Fish and Wildlife where they placed environmental conditions on leases, which have limited the lease value to the State. The NJDEP is allowed to lease properties out with conditions that make the lease cheaper. Mr. Schilling stated that is not discrimination. Mr. Siegel stated correct because they are letting anyone take the lease but they are agreeing, for instance, to take down a hedgerow or agreeing to not use pesticides. Mr. Schilling stated that the difference is someone is stating the rules of the game and it is an open field as to who wants to bid on it and accept those rules. Here the whole thing is when you interfere with commercial gain. Basically if the State owns land and say I'm no longer eligible for this but maybe John is, is there parity in the playing field? Is there unequal access or unfair competitive advantages? That is a discussion that he remembers going back to 2004 and that is a big stumbling block. We have talked a little bit about it but if you look at the legislative history to our statutes for agriculture and if you look at the three sentences up in the presentation about what could the Legislature do, he thinks the door is open to look at it.

Mr. Siegel stated that when this issue first came up with the farmland affordability subcommittee, at that time the Treasury representative came back with a finding of no, we have to lease based on income only. If we are going to own land we have to have open leases and we have to get the maximum amount of reimbursement to the taxpayers. Since then, the NJDEP has broken that down and said no, there are other values, environmental values, that we are allowed to consider. It started at the Maurice River Reserve, which was a 600-acre farm that surrounds an eagle's nest, and they put on all sorts of conditions, such as you cannot be on the property for three months of the year. He thought it was really limiting the lease value of this and it was all upheld. The Attorney General's Office said it was fine because it was the reason we bought the land in the first place. It was considered part of the value of the property. The argument was that we wouldn't have bought the property if it were not for this environmental asset. Mr. Schilling stated that farmland assessment was unconstitutional until we opened the Constitution and changed it in the 1960s so it is one of those things that when you look at the legislative history, the legislative intent, and you start looking at your issue, it doesn't mean you are reducing public value – if there is an express legislative intent to bring in new farmers. Mr. Siegel asked do we have that? Ms. Payne stated that from her perception the Legislature is always asking agriculture what we can do to make life better so whether we have the current authority or not, she didn't think that was the biggest problem. If the SADC decided that agriculture incubators are important and in working with the State Board and the Secretary of Agriculture that this is an initiative that we want to start to pursue, then we will seek legislative authority to get to whatever we need to do. Mr. Siegel stated that his recollection back then was that the Deputy Attorney General came back to Fish and Wildlife and said that they can attach special additions on the land as long as we are not leasing to a special class. Deputy Attorney General Stypinski stated correct, but you are not necessarily making it open to anyone but rather to farmers with less than 10 years of experience, so he doesn't know if there would be a donations clause issue or not; he would have to look at that.

Chairman Fisher asked what is the construct of the whole thing; what are you trying to accomplish? Is it having plots of land that are available for a resource-weak individual or individuals to be able to come onto a piece of land that they couldn't afford otherwise and start an operation to do what? Do they start out as an incubator and then they graduate off and become self-sufficient farms? Ms. Payne stated that is the idea, to provide a place for people who didn't grow up in farming and where there is not land available within their family to start figuring out whether you could make a go of it as a farmer. The whole incubator concept is to make land, infrastructure, equipment, irrigation, etc., available and then training. We have had some discussions with Rutgers, which could be very good

if we could identify certain incubator sites throughout the state that the SADC owns and perhaps Rutgers is the one that does the on-site teaching, the actual training in the field. Then you give these folks 2-, 3-, 5-year cheap leases to see if they can get their feet under them, giving them enough time to get educated. Mr. Jones stated that it is a graduated process so you might start with a quarter of an acre or a half of an acre and then after a few years you might graduate to a 2 or 3 acre area and then from there you would transition out to your own farm completely or potentially another subsidized site that would have possibly 10, 20, 30 or 40 acres.

Ms. Payne stated that conceivably we could have a 50-acre farm where we have 10 or 20 different incubator sites. That is what we are exploring here and we wanted to come to the Committee to try to get its thinking about whether this is a path that we should be spending more time on. She thinks across the state and with the Monmouth County Grown initiative, the whole effort they are undertaking is to try to figure out how to stimulate the economic viability of farming. The horse industry has changed and not everyone is handing their farm down to their kids anymore so what should we be doing to try to cultivate that next generation of new farmers?

Mr. Siegel stated that he felt it was a fine idea personally but he would ask Mr. Stypinski if leasing to this special class would create a problem in the Attorney General's Office. If it does, he feels there could be a way around it in that we can lease our own land to a nonprofit and then the nonprofit can become the operator of the incubator. Ms. Payne stated that we are going to explore those different models. Mr. Jones stated that if there were programmatic requirements that the SADC and the Department of Agriculture would place upon contractual nonprofits, who would then lease the land and execute the program, you could potentially have FFA, an Extension or another organization running the site as long as there is administrative oversight under the conditions of the lease. He thinks that could probably work.

Mr. Everett stated that right now our leases in many cases are year to year or for two years. He thinks that we should consider a long-term lease of 6 to 10 years to give that farmer a chance to make it in farming and then maybe graduate and give the next person a chance to do the same thing, but you don't have to lose your shirt doing it. Along with that cost-share that we are talking about, and we have two programs right now that pay for infrastructure, what if we were to credit some of those cost-share commitments that we require on a one-to-one basis against their rent payment, which is what staff was talking about with regard to our normal leases. That is something to think about. Also, something he has been thinking about is payment in lieu of taxes (PILOT). We have a statutory obligation under the Agriculture Retention and Development Act to pay PILOT



on fee-owned lands. What if you were to charge PILOT instead of cash rent? For the Case farm that was mentioned earlier in Hunterdon County, currently we get cash rent payments of \$3,570 per year for 87 acres. Our current PILOT commitment to West Amwell is \$622. So let's say a beginning farmer engages with us with a 10-year lease, we charge them PILOT, basically passing on our cost to the beginning farmer, and they would save almost \$30,000 over the duration of the lease. What could he do with those savings? The beginning farmer would be well positioned once he graduates to go find his or her own land and could purchase a tractor, plow, etc. and be well on the way to getting situated. These are just some ideas to consider.

Ms. Payne asked Mr. Schilling, from Rutgers' perspective what does he see in terms of Extension agents out there helping people on the ground? Mr. Schilling stated that some of the things that they are not doing is teaching people how to operate equipment and so forth. Their program is re-establishing itself and evolving. There are a lot of internal discussions about which way it should go. He had a recent student say that he wasn't sure if he could go out and farm right now, and they were graduating in May, meaning they don't have the dirt under the nails experience. He thinks the idea is critical. Land is the big component, but you can't have an incubator program without infrastructure – shared equipment for example on the site, as well as technical support. He stated this has been the discussion since 2004 and he thinks where it got stalled was the perceived legal barrier about giving someone disproportionately more benefit. He thinks we can get around that. Ms. Payne agreed. She stated the timing of this conversation is very important and it can really help set an agenda for the next 10 years if Rutgers, NOFA-NJ, the Farm Bureau and everyone could come together and brainstorm the best program that we could develop. That would be great. Mr. Schilling stated to personally count him in but he thinks there are a lot of people at Rutgers who have been talking about this and the thoughts at this point are disorganized. The two other groups that come to mind are the Farm Service Agency (FSA) and Farm Credit. It is sort of how do you get the job without experience, or the chicken and egg dilemma. He thinks what you are not seeing in the data and what you need to see in the field are pathways to becoming farmers. That is what Rutgers is missing with its students. Mr. Schilling stated that going back to the mapping in the presentation, there is a difference between where the farmland is and where the market opportunity is. You may be producing in Burlington and selling in a county or two over because that is where the niche market is that you are targeting. Mr. Jones stated that one spatial component that was not included in the presentation was the proximity to major roads so it is thought that the actual marketplace may be some distance away. Mr. Schilling stated that what we are seeing is young folks coming in with less land doing higher value production and direct marketing. That is where he thinks the direct marketing is going to be a popular thing. If we can sort through some of the legal

issues, he thinks we have the infrastructure and partners in place and that the FSA and Farm Credit would be interested.

Chairman Fisher stated that you have to start with a vision. What is it that you are trying to accomplish – you are trying to get people on the land who are beginning operators. He doesn't think the legal barriers are insurmountable. Mr. Requa stated that he wanted to thank Mr. Everett and Mr. Jones for the information provided to the DCA for the urban agriculture project that DCA is involved with. Mr. Requa stated that there was a presentation on agriculture at the Urban Mayor's Association. It was the first time that the DCA was asked to get involved with it and Mr. Everett and Mr. Jones provided some good background information. Some of the major cities have expressed interest in urban agriculture and are actively seeking information on how to do it and how that could work from a tax perspective. It is at the beginning stage so as things progress his agency will provide a lot of information.

Ms. Payne asked if the Committee generally supports staff further exploring this issue with all of the SADC's partners to see what comes out of that. Mr. Germano stated to keep going. Mr. Siegel stated that Treasury funds and operates incubators at all sorts of commercial sites. He cannot imagine that Treasury would have an overall objection but he would expect the same bounce-back that he got when this was first proposed regarding the donations clause problem. He thinks that Mr. Stypinski is up to speed on the issue and he would wait to hear back from him. Ms. Payne stated that if Mr. Siegel could provide any information from Treasury on incubators that the State does it would help staff understand some of the legal framework that is already there. Mr. Schilling stated that the Food Innovation Center in Cumberland County is an incubator program and it is the same type of model, walk before you run type of thing. A colleague of his is the director of the Food Incubator Network and he has a really good perspective on incubator programs nationally so he would be a good resource to look at some of the mechanics and financing. The other thing is that Rutgers is developing a business park, but it is a similar incubator type concept. Peggy Brennan is spearheading that so she may be someone you would want to speak with.

#### **PUBLIC COMMENT**

Pat Huizing, Executive Director of NOFA-NJ, stated that she applauds the SADC for taking on the incubator exploration project. She stated that she personally had purchased a farm in Hunterdon County and hosted an incubator project on it. She wanted to give an update on NOFA-NJ's project and some of the other things they are doing and to offer their assistance in any way to help in partnering with



moving this project forward. Ms. Huizing stated that she worked at nonprofits for 28 years. She is now at NOFA-NJ as its Executive Director. During the time that they obtained this NIFA grant from the USDA for over a half million dollars, the projects the SADC just mentioned were a small part of what they did with that money. NOFA was very pleased to partner with the SADC and the SADC was a terrific partner for the NJ Land Link and the leasing program.

All of these programs where NOFA-NJ has partnered with the SADC are production neutral. They are not requiring organic certification in any of their educational programs. She is on the State Technical Committee for the NRCS because NOFA has a cooperative agreement with them and they have an established staff person who works with them on programs to get funding out and provide awareness to farmers about funding. She went on their recent field trip and she is seeing more and more that the lines between conventional and sustainable farming are getting blurred all the time. There really are no two camps as perceived by some. Core procedures that organic farmers have used for years like cover cropping and no-till and crop rotations are becoming commonplace on many farms across the state and the country. It seems that NOFA has filled that niche over the past 30 years and they recognize this whole issue of the beginning farmer and that is why they were able to get this funding.

The incubator was one of their biggest and most labor/capital intensive programs through the USDA grant from 2011-2014. During that time they educated approximately 4,000 individuals. Ms. Huizing stated that there is a big winter conference that has more than 500 people in attendance every year and a lot of their programs have a whole track for beginning farmers. They do a series of core programs for beginning farmers that are not about farming specifically but are about the business side of farming. Jess Neiderer is the instructor for their Exploring the Small Farm Dream program, which is again production neutral. It is produced by a group out of New England called the New England Small Farm Institute. It takes them through a very intensive program to teach them what the reality is – the business side reality of becoming a farmer. We also do a program called Tilling the Soil of Opportunity, which puts participants again through another intensive multi-week program so that at the end of that program they have a business plan that they are ready to implement on whatever model they choose to farm. There are about 300 people who go through that program and of those there are about 50 who are actually on the ground farming and have gone off to other states.



Ms. Huizing stated that one of their more successful programs was their Journey person program where participants were matched with a mentor who was on the ground farming for more than 10 years. Participants were given funding to take our programs and scholarship funding to go to the conference, and they set up a networking program for them to work with other journeyman people. It was all realms of farming. They learned what a CSA was, how to navigate farmers markets, and production as well as marketing. They have been very successful programs. They are at the core of what they do. She felt it would be wonderful if NOFA could partner with the SADC on this pilot project to recommend or subsidize folks who could go through their core curriculum on the business side. Ms. Huizing stated that they also do a lot of workshops and outreach on hands-on animal husbandry, blueberry production and all the various production pieces.

Ms. Huizing stated that to give an update on the incubator status at Duke, they had a contract with them to continue it for 15 years. Unfortunately, because their funding ran out after 2014 when they didn't get a renewal of the grant as the previous leadership had hoped, NOFA-NJ renegotiated an agreement with Duke to keep the two incubator farmers who were on the farm at the time to take over the actual management of running the incubator. During that time they had nine incubator farmers on the farm and eight of them have gone on to some version of farming, either in a leasing situation or a farm manager position somewhere. Of the two incubator farmers who remain, as of December 2015 the one farmer, Harvest Moon Farms, has doubled the number of acres that he has and he is under the certified organic production. The other, Dogwood Farm, has a whole other farm on Duke's property that they have given him, with housing as well.

Ms. Huizing stated that they learned a lot when doing these incubators. They learned that it was very labor intensive and they had to put in a lot of infrastructure. Duke was a wonderful partner, helping NOFA renovate. They had 12 acres of land that they sectioned off for each of them. There was no competition between the farmers. There are a lot of things you learn. They had to build a cool-box to keep the produce in. Throughout all of this NOFA held their hand. They started a farmers market there which Duke is now continuing and they are also offering a tour if anyone is interested. She could also set up something more formal if anyone is interested. She stated that they are very proud of what happens there and it is a great model for incubators. If there is any way they can help they would love to be a part of any working group that goes forward. Ms. Huizing provided the Committee members with copies of the 2015-2016 Farm and Food Guide for their information.

## TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: Thursday, July 28, 2016, beginning at 9 a.m. Location: Health/Agriculture Building, First Floor Auditorium.

## CLOSED SESSION

At 11:06 a.m., Mr. Schilling moved the following resolution to go into Closed Session. The motion was seconded by Mr. Requa and unanimously approved.

“Be it resolved, in order to protect the public interest in matters involving minutes, real estate, and attorney-client matters, pursuant to N.J.S.A. 10:4-12, the N.J. State Agriculture Development Committee declares the next one-half hour to be private to discuss these matters. The minutes will be available one year from the date of this meeting.”

## ACTION AS A RESULT OF CLOSED SESSION

- A. Pohatcong Valley Superfund Site and Well Restriction Area**
1. Crouse Farm, Washington Township, Warren County
  2. Smith #2 Farm, Franklin Township Warren County
  3. Sigler Farm, Franklin Township, Warren County

Ms. Payne called for a motion to approve the rescission of the certifications of value for the Crouse Farm, the Smith #2 Farm and the Sigler Farm for reasons as discussed in Closed Session.

It was moved by Mr. Germano and seconded by Ms. Murphy to rescind the certifications of value for the Crouse Farm in Washington Township, Warren County, the Smith #2 Farm in Franklin Township, Warren County, and the Sigler Farm in Franklin Township, Warren County, as presented and discussed in Closed Session. The motion was approved. (Mr. Siegel opposed.) A copy of the Pohatcong Valley Superfund Site and Well Restriction Area Memorandum is attached to and is a part of the Closed Session minutes.)

**B. Real Estate Matters - Certification of Values**

**County Planning Incentive Grant Program**

It was moved by Mr. Requa and seconded by Mr. Siegel to approve the following Certifications of Value for the following applicants as discussed in Closed Session:

1. O'Dowd Associates (South), SADC # 21-0556-PG **AMENDED Certification of Value**  
Block 41, Lot 1; Block 42, Lot 1, Franklin Township, Warren County  
Block 18, Lot 3; Block 19, Lot 1, Greenwich Township, Warren County  
118 Acres (AOC)
2. JoAnn Charlton and Linda Coleman, SADC # 06-0173-PG  
Block 13, Lot 3, Stow Creek Township, Cumberland County, 37 Net Acres (AOC); 38 Gross Acres (AOC)
3. Shirley Baitinger (Baitinger 2), SADC # 06-0175-PG  
Block 21, Lot 12; Block 22, Lots 4, 4.05, Hopewell Township, Cumberland County, 39 Acres
4. Edward W. Sloat and Robert K. Sloat, SADC # 17-0164-PG  
Block 21, Lot 12, Mannington Township, Salem Co., 50.60 Acres (AOC)

**Municipal Planning Incentive Grant Program**

1. Maria Foster (White Bridge Farms), SADC # 10-0374-PG  
Block 28, Lot 24, Franklin Township, Hunterdon County, 49.83 Net Acres (AOC)
2. Laurie Molnar and Paul Jessop (Crystal Brook Training Center c/o Debbie Molnar, SADC # 13-0452-PG  
Block 10, Lot 8, Colts Neck Township, Monmouth County, 37.14 Net Acres (AOC); 41.65 Gross Acres (AOC)
3. James and Pauline Hackett, SADC # 17-0158-PG  
Block 55, Lot 1, Block 72, Lot 6, Upper Pittsgrove Township, Salem County, 23 Acres



4. Leroy Thumlert, SADC # 17-0156-PG  
Block 10, Lots 9, 9.03, Upper Pittsgrove Township, Salem County, 64.46 Net  
Acres (AOC); 66.46 Gross Acres (AOC)

**Direct Easement Purchase Program**

1. Socrates and Ruth Visvardis, SADC # 17-0247-DE  
Block 2, Lots 1, 2, Quinton Township, Salem County  
Block 2, Lots 2, 3, Lower Alloways Creek Township, Salem County  
Block 32, Lots 22, 23, Elsinboro Township, Salem County  
87.20 Net Acres (AOC); 121.30 Gross Acres AOC)

The motion was unanimously approved. (Copies of the Certification of Value Reports are attached to and are a part of the Closed Session minutes.)

**County Planning Incentive Grant Program**

**Chairman Fisher recused himself from any discussion/action pertaining to the Bezr Home LLC farm agenda item to avoid the appearance of a conflict of interest. Chairman Fisher is a neighbor to the Bezrs.**

It was moved by Ms. Brodhecker and seconded by Mr. Siegel to approve the following Certification of Values for the following applicant as discussed in Closed Session:

1. Bezr Home LLC c/o Ron Zeck, SADC # 08-0188-PG  
Block 1203, Lots 3.11, 3.12, 3.13, 3.14, 3.15, 3.16, 3.17, 3.18, 3.19, 3.20, 3.21,  
3.22, 3.23, 3.24, 3.26, and ROW, East Greenwich Township, Gloucester county,  
32 Acres

The motion was approved. (Chairman Fisher recused himself from the vote.) (A copy of the Certification of Value Report is attached to and is a part of the Closed Session minutes.)

**County Planning Incentive Grant Program**

**Mr. Ellis recused himself from any discussion/action pertaining to the Mercer/McNulty farm to avoid the appearance of a conflict of interest. Mr. Ellis is a member of the Mercer County Agriculture Development Board.**

It was moved by Mr. Siegel and seconded by Ms. Murphy to approve the following Certification of Value for the following applicant as discussed in Closed Session:

1. Mercer/McNulty, SADC # 11-0178-PG  
Block 50, Lot 12, Hopewell Township, Mercer County, 28.8 Net Acres (AOC);  
30.8 Gross Acres (AOC)

The motion was approved. (Mr. Ellis recused himself from the vote.) (A copy of the Certification of Value Report is attached to and is a part of the Closed Session minutes.)

#### **PUBLIC COMMENT**

None

#### **ADJOURNMENT**

There being no further business, it was moved by Mr. Requa and seconded by Mr. Siegel and unanimously approved to adjourn the meeting at 12:17 p.m.

Respectfully Submitted,



Susan E. Payne, Executive Director  
State Agriculture Development Committee

Attachments





# Memorandum

**To:** State Agriculture Development Committee

**From:** Paul Burns, Chief Review Appraiser SADC

**Date:** June 23, 2016

**RE:** Summary of Proposed Changes to the SADC Appraisal Handbook – 2016, submitted for discussion and comment

1. All references to the term “self-contained appraisal” have been replaced with the term “Appraisal Report” format. **Reason:** The term self - contained appraisal report has been removed from the Uniform Standards of Professional Appraisal Practice (USPAP). SADC appraisals will still be conducted in compliance with the SADC appraiser handbook, which calls for a detailed appraisal report. Restricted appraisal formats will not be permitted.
2. **Page 7: Appraisal Submission Procedure #10 – Removal of the phrases “on a disk” and “and the SADC identifying all amendments, if appropriate”.** **Replaced by** “Following the SADC’s certification of the market value of the “as is” condition of the development easement, the independent appraiser shall provide a copy of the appraisal report to the Contracting Agent in whatever format(s) they require. The appraiser will download an electronic copy (PDF) of the completed report (not individual revised pages) to the SADC’s DataMotion site”. **Reason:** More indicative of current appraisal submission procedures.
3. **Page 8 & 9: Appraisal Considerations (c) Valuation of Farmland in the Pinelands. Has been rewritten in more plain language.**

The SADC shall determine the value of the development easement as well as the “fee simple” value as determined by the Committee of farmland in the Pinelands in accordance with The Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq. and N.J.A.C. 2:76-19 (Valuation of Development Easements in the Pinelands). Appraisers should refer to SADC Appraisal Handbook Supplement Pinelands Area and Agricultural Use Applications. In the instance of a highest and best use as agriculture in the Before and After conditions, the appraiser shall value the property improvements in accordance with SADC guidelines for appraising improvements on farms in the Pinelands dated January 22, 2003, in which the SADC is instructing appraisers to consider and value certain agricultural improvements including irrigation systems, agricultural buildings (except for agricultural labor housing) and permanent plantings if the highest and best use

is agriculture. Appraisers are not to consider structures within exception areas, residential structures and agricultural labor housing. From these appraisals the Committee will determine a “fee simple” based on the two appraiser’s Before Values. The Committee shall also determine an easement with consideration of the before specified agricultural improvements included. Consideration shall be given to the value of any Pinelands Development Credits associated with the property and if deemed appropriate by the appraiser, any other incremental value that may exist.

**This replaces:** In addition to the above appraisal procedure to establish a “Before” valuation, the appraiser is directed to conduct an appraisal under a “Before and After” scenario, resulting in an easement value pursuant to N.J.S.A. 4:1C-31 and N.J.A.C. 2:76 19.3. In the instance of a highest and best use as agriculture in the Before and After conditions, the appraiser shall value the property improvements in accordance with SADC guidelines for appraising improvements on farms in the Pinelands dated January 22, 2003. Appraisers are required to value all properties under a Before and After scenario with an easement value conclusion. Consideration shall be given to the value of any Pinelands Development Credits associated with the property and if deemed appropriate by the appraiser, any other incremental value that may exist.

**4. Page 9 &10: Appraisal Considerations: (d) Zoning as a Valuation Factor has been rewritten in more plain language**

Garden State Preservation Trust Act, N.J.S.A. 13:8C-38j as amended by P. L. 2015, c.5 effective February 5, 2015. If instructed by the contracting authority, appraisers of farmland in the Highlands region shall provide appraisals considering (a) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands, subject to the appraisal and in effect at the time of proposed acquisition, and ( b ) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands subject to the appraisal and in effect on January 1, 2004. The higher of those two values shall be utilized by the committee, a local government unit or a qualifying tax-exempt nonprofit organization as the basis for negotiation with the land- owner with respect to the acquisition price for the lands. The landowner shall be provided with both values determined pursuant to this paragraph.

**This replaces:** Garden State Preservation Trust Act, N.J.S.A. 13:8C-38j as amended by P. L. 2015, c.5 effective February 5, 2015. Commencing on the date of enactment of the Highlands Water Protection and Planning Act (August 10, 2004), and through June 30, 2019 for lands located in the Highlands Region only, when the committee, a local government unit, or a qualifying tax exempt nonprofit organization seeks to acquire a development easement on farmland or the fee simple title to farmland for farmland preservation purposes using constitutionally dedicated moneys in whole or in part, it shall conduct or cause to be conducted an appraisal or appraisals of the value of the lands that shall be made using (a) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands, subject to the appraisal and in effect at the time of proposed acquisition, and ( b ) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands subject to the appraisal and in effect on January 1, 2004. The higher of those two values shall be utilized by the committee, a local government unit or a qualifying tax-exempt nonprofit organization as the basis for negotiation with the landowner with respect to the acquisition price for the lands. The landowner shall be provided with both values determined pursuant to this paragraph.

5. **Page 14: Residential Opportunities – Removal of the phrase** “The value should indicate the value of a residential opportunity and the value of the excess land.”
6. **Page 19: Scope of Work– Statement Added** - Appraisers must identify the client and other intended users, intended use of the appraisal report (fee simple , easement acquisition etc.) definition of value (market), hypothetical conditions/extraordinary assumptions, effective date of the appraisal, salient features of the subject property, methodologies to be used, extent of investigation and the applicable approaches to value. **Reason:** Further clarification of an existing requirement
7. **Page 18: Hypothetical Conditions and Extraordinary Assumptions– Statement Added** - Using extraordinary assumptions that change the risk level and possibly the market value are prohibited. In general, the appraiser should estimate the market value based on existing conditions with the buyer assuming the risk of future approvals and/or events. **Reason:** Further clarification of an existing requirement.
8. **Pages 23: Highest and Best Use – Statement added** - Both the Highest and Best Use as Vacant and as Improved are required, even though only the land is required to be valued. The “effect” of the existing improvements on the value of the land must be addressed. **Reason:** Further clarification of an existing requirement.



9. **Page 24 & 29: Section Added– Listings of Comparable Properties for Sale:** The Appraiser shall prepare a list of comparable land for sale within the subject’s market area. This list should include at a minimum the listing’s address, list price, land size, price per acre and days on market for both unrestricted and restricted vacant land as available. Appraisers should carefully consider their subject concluded value against the context of these listings and known sale price to list price ratios. The appraiser may need to explain their value conclusion in light of list prices of comparable land if they are substantially different. **Reason:** To enhance reviewer and appraiser awareness and explanation of the subject’s marketplace. Several appraisers already do this and it is helpful in the review of the appraisal and understanding of the marketplace.
10. **Page 24: Section Added - Community and Neighborhood/Market Area Data:** The appraiser shall prepare a description of the subject property’s County and Municipal demographic data including but not exclusive to: Relevant transportation, employment, income, housing, construction (building permits), education systems, shopping, environmental and other factors the appraisers deems relevant. The immediate neighborhood description should include any structures or sites that may have an impact on the subject property that was not addressed in the municipal description. **Reason:** Standard narrative appraisal format.
11. **Page 25: Statement Added– Direct Sales Comparison/Comparable Sale Write Up:** A detailed comparable sale write up is one of the most important aspects of these appraisal reports. The review appraisers reserve the right to require the appraiser to provide such information that is omitted from the sale write up. **Reason:** Further clarification of an existing requirement.

**NEW JERSEY**

**FARMLAND PRESERVATION PROGRAM**

**APPRAISER HANDBOOK**

Available on

[www.state.nj.us/agriculture/sadc/index.shtml/farmland  
preservation/appraisals/farm appraisal resources/appraiser  
handbook](http://www.state.nj.us/agriculture/sadc/index.shtml/farmland%20preservation/appraisals/farm%20appraisal%20resources/appraiser%20handbook)

**June 23, 2016**

**STATE AGRICULTURE DEVELOPMENT COMMITTEE**

SADC Doc No: XIII. 03	Date: Adopted 6/23/16
Topic: Appraisals	

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## APPENDICES

The following Appendices are available upon request by the State Agriculture Development Committee.

- A. Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq., P.L. 1983, c.32
- B. Deed of Easement
- C. Summary of Deed Restricted Sales
- D. Summary of Development Easement Purchased in New Jersey
- E. Summary of Proposed Easement Purchases
- F. County Agriculture Development Board Administrators
- G. SADC Regulations (See Subchapter 10 - Appraisal Handbook Standards)
- H. Garden State Preservation Trust Act, P.L. 1999, c.152, N.J.S.A. 13:8C-1 et seq.



## APPRAISAL SUBMISSION PROCEDURE:

Appraisals may be submitted to the Contracting Party (County, Municipality, Nonprofit or SADC) in hard copy or electronically. If an appraisal is submitted electronically:

1. The appraisal must be submitted to the Contracting Party in Portable Document Format (PDF) or a similar format as approved by the SADC.
2. The Contracting Party will submit the appraisal to the SADC for review via the State of New Jersey Office of Information Technology approved secure data exchange site (Datamotion).
3. Any required or requested alterations, corrections or other changes to the appraisal must be made to the entire document and the revised appraisal must be fully resubmitted using the above procedure. Single pages with changes may not be submitted.

## OVERVIEW

The Agriculture Retention and Development Act of 1983, as amended and supplemented, provides the basis for the public purchase of development easements on farmland in New Jersey. The State Agriculture and Development Committee (SADC), created by the Right to Farm Act, is responsible for administering the Farmland Preservation Program. The SADC is in, but not of, the Department of Agriculture. Chaired by the Secretary of Agriculture, it consists of 11 members who represent the State and general public's agricultural, fiscal, community and environmental interests.

In November 2014, voters approved a constitutional amendment that would dedicate funding from the corporate business tax (CBT) to New Jersey's conservation programs. The amount of funding available to the Farmland Preservation Program will be determined upon appropriation by the Legislature. The SADC may utilize these funds for purposes including:

- Providing grants to local government units for up to 80% of the cost of acquisition of development easements on farmland, and to qualifying tax-exempt nonprofit organizations for up to 50% of the cost of acquisition of development easements on farmland;
- Providing grants to local government units for up to 80% of the cost of acquisition of fee simple titles to farmland from willing sellers only, and grants to qualifying tax-exempt nonprofit organizations for up to 50% of the cost of acquisition of fee simple titles to farmland from willing sellers;
- Funding the cost of acquisition by the SADC of development easements on farmland;

and

- Funding the cost of acquisition by the SADC of fee simple titles to farmland from willing sellers only, which shall be offered for resale or lease with agricultural deed restrictions.

Under the authority of P.L. 1999, c.180 (C4:1C-43.1 et. seq.) , the SADC may provide planning incentive grants to eligible counties and municipalities for the purchase of development easements on farmland. The objective of the program is to preserve significant areas of reasonably contiguous farmland that will promote the long-term viability of agriculture as an industry.

To date, the majority of landowner participation has been through the county easement purchase and county Planning Incentive Grant programs, whereby landowners apply to their respective County Agriculture Development Board (CADB) to sell the development rights on their land to the county. Compensation for this sale is based on the appraised value of the development easement on the land. The landowner retains ownership of the land and is eligible for certain benefits and protections.

The voluntary sale of a development easement by a landowner results in the placement of a permanent deed restriction on the preserved property. The easement does not prohibit such recreational pursuits and other activities outlined as permissible in the deed restrictions. The program is entirely voluntary both on the part of the landowner (i.e. seller) and the municipal/county/state governments (i.e. buyer). Acquisitions made utilizing state funds are prohibited from occurring through the use of eminent domain.

## **PROGRAM PROCEDURES FOR THE PURCHASE OF DEVELOPMENT EASEMENTS**

The County and Municipal Planning Incentive Grants, Non-profit, SADC Direct Easement, and Fee Simple programs have varying administrative procedures in several respects. However, the following appraisals processes are consistent throughout all programs:

1. A landowner may apply to one of the above-mentioned programs to sell a development easement, pursuant to regulations contained at N.J.A.C. 2:76-1.1 et. seq.
2. The Contracting Agent must review, evaluate and approve the easement purchase application based on relevant rules.
3. The Contracting Agent shall contract with two independent appraisers approved by the State Agriculture Development Committee (SADC) to conduct an appraisal of each of the approved farms, pursuant to N.J.A.C. 2:76-1.1 et. seq. Appraisals must be completed in an "Appraisal Report" format, estimating the values of the land both

before and after the preservation easement is considered, with a brief description of the improvements, if any.

4. The appraisers shall estimate the market value of the as is condition of the development easement. The development easement value is the difference between the market value of the as is condition (unrestricted) of the subject property (i.e. "before value") and the market value of the as is condition (restricted- hypothetical) of the subject property (i.e. "after value").

**ZONING VALUATION:** See Section Appraisals (d) page 9. (Reference, P.L. 1999, c.152).

**VALUATION OF FARMLAND IN THE PINELANDS:** Whenever the value of a development easement on farmland to be acquired using constitutionally dedicated moneys in whole or in part is determined based upon the value of any pinelands development credits allocated to the parcel pursuant to P.L. 1979, c.111 (C.13:18A-1 et seq.) and the pinelands comprehensive management plan adopted pursuant thereto, the State Agriculture Development Committee shall determine the value of the development easement pursuant to P.L. 1999, c.152 and N.J.A.C. 2:76-19, Valuation of Development Easements in the Pinelands.

In addition to the above appraisal procedure to establish a "Before" valuation, the appraiser is directed to conduct an appraisal under a "Before and After" scenario, resulting in an easement value pursuant to N.J.S.A. 4:1C-31 and N.J.A.C. 2:76-19.3. In the instance of a highest and best use as agriculture in the Before and After conditions, the appraiser shall value the property improvements in accordance with SADC guidelines for appraising improvements on farms in the Pinelands dated January 22, 2003. Appraisers are required to value all properties under a Before and After scenario with an easement value conclusion. Consideration shall be given to the value of any Pinelands Development Credits associated with the property and if deemed appropriate by the appraiser, any other incremental value that may exist.

The SADC adopted a supplement to the Appraiser Handbook to assist appraisers when determining the fair market value of property in the Pinelands region, which is titled SADC Appraiser Handbook Supplement Pinelands Area and Agricultural Use Applications. The SADC also provides a guide of on-site development opportunities available to landowners in the Pinelands Agricultural Production, Special Agricultural Production and Preservation Areas.

**SADC APPRAISAL POLICY:**

In order to be valid, appraisals submitted to the SADC must be completed and dated within 12 months of the respective application submission, unless exempted under the "preacquisition" rule, N.J.A.C. 2:76-17.11.



The State Agriculture Development Committee maintains the following policy with respect to the validity of appraisals upon market changes:

- a. The Contracting Agent may consult with the fee appraiser (the appraiser whose value is at or closest to the SADC certified value) to make a determination if there are significant changes in the market, which would result in a substantive change in the value of the development easement.

Either of the following shall be conducted:

The Contracting Agent may submit to the SADC a letter (appropriate justification) from the appraiser indicating that due to market conditions, there will not be a substantive change in the [fair] market value of the development easement and therefore an updated appraisal is not required.

Or

If the appraiser determined that due to market conditions there would be a substantive change in the market value of the development easement, the Contracting Agent must submit two updated appraisals to the SADC, which reflect substantive amendments to the prior appraisal analysis. This resubmission must constitute a new appraisal, reported in a full "Appraisal Report" format.

"substantive change includes any change to the dollar per acre value of the development easement from the previous appraised easement value.

- b. All other appraisals shall be conducted pursuant to N.J.A.C. 2:76-6.
  - c. The SADC reserves the right to review market conditions to determine if there has been a substantial change in the market value of the development easement requiring an updated appraisal.
  - d. An appraisal must be updated after three years.
  - e. All appraisals requiring federal funding for the Farm and Ranchland Protection Program are not eligible for letter updates.
5. The completed appraisals shall be submitted to the Contracting Agent, according to the appropriate contractual terms.
  6. The Contracting Agent may review the appraisals with the landowner prior to

submission to the SADC. Any errors or omissions identified by the Contracting Agent, its reviewer (if applicable) or landowners shall be rectified prior to the submission of the appraisals to the SADC. One final copy of each appraisal shall be forwarded to the SADC. The Contracting Agent is responsible for ensuring completeness of appraisals. No alterations, except at the request of the reviewer, will be permitted after that date. (Note: The two independent appraisals are not considered final recommendations of value until the reports have been reviewed by the SADC review appraiser and certified by the SADC.)

7. The SADC Review Appraiser shall examine the appraisals for format errors, omissions, appropriate comparables, adjustments, reasonable value judgments, and basis for value conclusions. The Review Appraiser may request additional information, explanations, and clarifications as needed. The Contracting Agent shall be informed of such requests and is responsible for conveying the information to the Reviewer in a timely manner.
8. The Review Appraiser shall make a value recommendation to the SADC.
9. The SADC shall certify or reject the recommended fair market value of the development easement.
10. Prior to or following the SADC's certification of the market value of the "as is" condition of the development easement, the appraiser shall provide a copy of the appraisal report to the Contracting Agent in the required format(s). The appraiser will send an electronic copy in Portable Document Format (PDF) of the completed report (not individual pages) to the SADC using Datamation or other approved SADC document submission process as required.

Pursuant to N.J.A.C. 2:76-6.8, the SADC's certified market value of the "as is" condition of the development easement shall not be greater than the highest appraised value of the development easement or be less than the lowest independent appraised value of the development easement. The SADC may find an appraisal invalid if the appraisal does not comply with the appraisal handbook standards at N.J.A.C. 2:76-10 or generally recognized appraisal practices.

### APPRAISERS

**Approved Appraisers:** Appraisers authorized to conduct appraisals of farms must be approved by the State Agriculture Development Committee and re-certified every year pursuant to N.J.A.C. 2:76-6.22. Inclusion on the SADC approved appraiser list applies to individual appraisers only, not to entire appraisal firms.

**Contracting With Appraisers:** The Contracting Agent shall be responsible for contracting directly with the two independent fee appraisers. The contract should stipulate compliance with the SADC's Appraisal Handbook, as well as any standards and specifications required by the

Contracting Agent and other stipulations contained in the Appraisal Order Checklist. It is recommended that the type of report, number of copies, amount and structure of fee, and a completion date be specified. Each appraiser shall use the same acreage, facilitated by having the contract specify the acreage to be used. If the appraiser, during the process, notices differences in the acreage, these issues should be relayed to the Contracting Agent. However, the specified acreage shall not be modified unless and until the county notifies the appraiser that the application shall be amended. A written contract is highly recommended for the protection of both the Contracting Agent and the appraiser. The Contracting Agent should provide the appraisers with as much information as possible such that informed bids for appraisal services can be formulated.

Under no circumstances shall the Contracting Agent or contracting party:

- 1) Attempt to influence the independent appraiser's opinion of value;
- 2) Make Appraisal Fees contingent upon concluding a predetermined result or value;
- 3) Suggest appraisal techniques or philosophies inconsistent with those expressed in this handbook or inconsistent with the Uniform Standards of Professional Appraisal Practice (USPAP); or
- 4) Encourage or manipulate the independent appraisers to reconcile their final easement values to a predetermined result.

## APPRAISALS

### Appraisal Considerations:

- (a) **Wetlands:** The Contracting Agent should provide the appraisers with a copy of the State Wetlands maps or a portion thereof for the subject property. The degree of detail of the wetland analysis on the subject and the comparables should reflect the importance of the wetlands to the overall value. Consideration should be given to the type of wetlands (i.e. modified agricultural, etc.), location of wetlands, the amount of the wetlands as a percentage of the total area, and any other factors of significance.
- (b) **Pre-existing nonagricultural uses:** Any pre-existing nonagricultural uses identified in the SADC's "Application for An Easement Purchase Cost Share Grant" must be noted in the appraisal report. The appraiser must determine if there is an effect on the development easement value if the existing nonagricultural use is permitted to continue in the "After" situation. Nonagricultural uses in exception areas should also be noted and considered as to their impact on value, consistent with SADC exception policy as defined in this Handbook.
- (c) **Valuation of Farmland in the Pinelands:** Whenever the value of a development easement on farmland to be acquired using constitutionally dedicated moneys in whole or in part is determined based upon the value of any pinelands development credits



allocated to the parcel pursuant to P.L. 1979, c.111 (C.13:18A-1 et. seq.) and the pinelands comprehensive management plan adopted pursuant thereto, the SADC shall determine the value of the development easement pursuant to The Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq. and N.J.A.C. 2:76-19 (Valuation of Development Easements in the Pinelands). Appraisers should refer to SADC Appraisal Handbook Supplement Pinelands Area and Agricultural Use Applications.

The SADC shall determine the value of the development easement as well as the “fee simple” value as determined by the Committee of farmland in the Pinelands in accordance with The Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq. and N.J.A.C. 2:76-19 (Valuation of Development Easements in the Pinelands). Appraisers should refer to SADC Appraisal Handbook Supplement Pinelands Area and Agricultural Use Applications. In the instance of a highest and best use as agriculture in the Before and After conditions, the appraiser shall value the property improvements in accordance with SADC guidelines for appraising improvements on farms in the Pinelands dated January 22, 2003, in which the SADC is instructing appraisers to consider and value certain agricultural improvements including irrigation systems, agricultural buildings (except for agricultural labor housing) and permanent plantings if the highest and best use is agriculture. Appraisers are not to consider structures within exception areas, residential structures and agricultural labor housing. From these appraisals the Committee will determine a “fee simple” based on the two appraiser’s Before Values. The Committee shall also determine an easement with consideration of the before specified agricultural improvements included. Consideration shall be given to the value of any Pinelands Development Credits associated with the property and if deemed appropriate by the appraiser, any other incremental value that may exist.

(d) **Zoning as a Valuation Factor:**

Garden State Preservation Trust Act, N.J.S.A. 13:8C-38j as amended by P. L. 2015, c.5 effective February 5, 2015. If instructed by the contracting authority, appraisers of farmland in the Highlands region shall provide appraisals considering (a) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands, subject to the appraisal and in effect at the time of proposed acquisition, and ( b ) the land use zoning of the lands, and any State environmental laws or Department of Environmental Protection rules and regulations that may affect the value of the lands subject to the appraisal and in effect on January 1, 2004. The higher of those two values shall be utilized by the committee, a local government unit or a qualifying tax-exempt nonprofit organization as the basis for negotiation with the land- owner with respect to the acquisition price for the lands. The landowner shall be provided with both values determined pursuant to this

paragraph.

A landowner may waive any of the requirements of this paragraph and may agree to sell the lands for less than the values determined pursuant to this paragraph.

The provisions of this paragraph shall be applicable only to lands the owner of which at the time of the proposed acquisition is the same person who owned the lands on the date of enactment of P.L.2004, c.120 (C.13:20-1 et. seq.), and who has owned the lands continuously since that enactment date or is an immediate family member of that person. The SADC also considers governmental entities (counties or municipalities) and non-profit Farmland Preservation Program easements, or a property in fee simple, to be eligible for such "dual appraisal" consideration .

**The Environmental land use laws in Effect as of 1/1/04 include:** the "Freshwater Wetlands Protection Act" P.L. 1987 c.156 (C.13:9B-1 et seq.), the Water Supply Management Act." P.L. 1981, c. 262 (C. 58:1A-1 et seq.), the "Water Pollution Control Act" P.L. 1977, c. 74 (C.58:10A – 1 et seq.), "The Realty Improvement Sewerage and Facilities Act (1954), " P.L. 1954, c. 199 (C.58:11-23 et seq.), the "Water Quality Planning Act, " P.L.1977, c.75 (C58:11A-1 et seq.), the "Safe Drinking Water Act, " P.L.1977, c. 224 (C. 58:12A-1 et seq.), and the Flood Hazard Area Control Act" P.L. 1962, c. 19 (C.58:16A-50 et seq.)

#### **Confirmation of Ownership (See N.J.A.C. 2:76-10.5)**

For lands subject to the Highlands Water Protection and Planning Act, (August 10, 2004), in order to qualify for a dual appraisal, the appraiser shall receive confirmation from the contracting party that the land to be appraised at the time of proposed acquisition has been owned continuously

by the same individual or entity since the enactment of, or is an immediate family member of the person.

(a) A governmental unit or a qualifying tax-exempt nonprofit organization may be eligible for the dual appraisal valuation procedure set forth in N.J.S.A. 13:8C-38j, provided that it:

1. acquired land or an interest in land or is a contract purchaser to acquire land or an interest in land, for farmland preservation purposes pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq. and the Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq.; and
2. submitted a farmland preservation application to the Committee for a grant pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq. and the Garden State Preservation Trust Act, N.J.S.A. 13:8C-1 et seq. within three years of the date of acquisition of the land or interest in land.

(b) If an owner of land transferred ownership to a business entity, such as a corporation, limited liability company, partnership, or trust, after the date of enactment of P.L. 2004, c.120 (August 10, 2004), the new owner shall be eligible for the valuation procedure set forth in N.J.S.A. 13:8C-38j, provided that the transferring owner, or an immediate family member of the owner, as defined in this subchapter, continues to hold an interest in the business entity or trust.

1. Documentation to be provided by the farmland preservation applicant shall include, but not be limited to, deeds of ownership, Federal tax forms, or other official documentation showing that the original owner has an interest in the business entity or trust.

(c) If the ownership of land has been transferred from a person to an estate after the date of enactment of P.L. 2004, c.120 (August 10, 2004), the estate may be eligible for the valuation procedure set forth in N.J.S.A. 13:8C-38j:

1. Documentation to be provided by the farmland preservation applicant shall include, but not be limited to, deeds of ownership, Federal tax forms, or other official documentation verifying the estate's ownership of the land, and sales receipts and federal tax forms providing proof that the original owner was a farmer as defined in N.J.A.C. 2:76-10.5(c).

(d) The landowner shall submit all required documentation set forth in (b) through (c) above to: the appropriate board, which is the CADB if it has submitted a farmland preservation application to the CADB; to the SADC, if it has submitted a farmland preservation application to the SADC; to a municipal governing body, if it has submitted a farmland preservation to the municipal governing body; and to a non-profit organization, if it has submitted a farmland preservation application to a non-profit organization which intends to apply to the Committee for a grant. SADC and the CADBs are empowered to advise appraisers on whether the subject land is eligible for Dual Appraisal, pursuant to N.J.S.A. 13:8C-38j. Municipal governing bodies and non-profits shall forward the above-listed documentation to the SADC for a determination of whether the subject land is eligible for Dual Appraisal, pursuant to N.J.S.A. 13:8C-38j

**Residential Opportunities:** This term encompasses exceptions which permit a residence, existing residential units and residual dwelling site opportunities (RDSOs).

Generally, the ability to reside on the property provides an increment of value attributed to the land, which is independent of the actual value of the physical structure (improvement). This ability may exist through an RDSO, existing residential unit, or an exception area, which is not encumbered by the general deed restrictions as contained in the Deed of Easement. The Appraiser should provide an explanation of any adjustments to the subject or comparable properties when reviewing Residential Opportunities.

1. **Exceptions:** In the event there is an "exception" to the application, the CADB should clarify the type of "exception" granted. An "exception" may be one of the



following:

- i. **Severable Exception:** An area which is part of an existing Block and Lot owned by the applicant which will be excluded from the restrictions of the Deed of Easement and may be sold as a separate lot in the future. As a note, there is typically no requirement to subdivide a severable exception prior to or after the deed of easement is executed. In individual cases however, the Contracting Party/grantee may require the landowners to subdivide prior to closing on the deed of easement. The appraiser should be aware of any such conditions.
- ii. **Non-Severable Exception:** An area which is part of an existing Block and Lot owned by the application that will not be subject to the restrictions of the Deed of Easement but cannot be sold separately from the remaining premises unless it is part of a larger area which is deemed to be agriculturally viable.

All exceptions, both severable and non-severable, shall be considered to determine the impact on the restricted /after value. Specifically, if the purpose of the exception is for residential development, the appraiser is required to consider this as a residential opportunity to the restricted farm. If the intention of the exception is for some other purpose, the impact of the intended purpose (commercial, industrial, non-agricultural uses, rights of ways, equestrian trails etc.) should be considered as to its effect on the restricted farm.

To promote consistency, the appraiser should consider the impact of the exception in the before value as well. This will often have a disproportionate effect, as the before value of the exception area may be negligible to the per acre value. The appraiser should be conscious that the SADC certifies the per acre value and not the total dollar amount. For administrative purposes, when reporting value in the letter of transmittal, certification and summary, the appraiser must use the number of net acres in the appraisal order checklist multiplied by the per acre conclusions. The total dollars are subject to a survey that will not be completed until after the appraisal process.

For example: If a property is 100 acres, but the owner has retained a 3 acre exception, the appraiser reports the subject size as 100 acres for purpose of analysis in his or her before and after grids. On the appraiser's certification, however, the SADC still requires that the appraiser report the acreage as 97 acres. Typically, there will be no measurable impact to the per acre value. In instances where the exceptions(s) constitute a larger area of the farm or contribute significantly to the value of the overall property, the above example may become critical to the accurate valuation of the property's unrestricted and deed-restricted values.

Note: The appraiser shall not consider the impact of the severable exception to the

subject property, except if the subdivision exists by final resolution of the municipality as of the date of the appraisal, but the appraiser may consider the impact of separate tax lots that are in unity of use or consistent in use with the larger parcel.

2. **Residential Units:** These consist of existing single family or multi-family units used for residential purposes. The occupant does not have to be involved in the agricultural operation once the premises are permanently restricted.

3. **Residual Dwelling Site Opportunity (RDSO):** SADC and the CADBs are authorized to allocate RDSOs on the premises pursuant to N.J.A.C. 2:76-6.17. An "RDSO" means the potential to construct a residential unit and other appurtenant structures on the premises according to N.J.A.C. 2:76-6.17. The exercising of an opportunity to construct a residential unit must later be approved by the easement holder. The residential building must be used for single-family residential housing and its appurtenant uses. Furthermore, the construction and use of the residential unit shall be for agricultural purposes, and the resident of the dwelling must be regularly engaged in common farmsite activities on the premises.

The appraiser must consider the effect of "Residential Opportunities" on the land value of both the subject farm and comparable sales and, if necessary, make appropriate adjustments. In the event the subject farm contains an RDSO, the appraiser shall consider the impact of the RDSO on the subject farm as a residential opportunity in accordance with N.J.A.C. 2:76-10.7.

At the time of awarding the contract, the Contracting Agent must provide the appraiser with a copy of the SADC's "Application for An Easement Purchase Cost Share Grant" and the CADB's approval of the application for clarification of "exceptions", "existing residential units" and "RDSOs". The Appraisal Order Checklist must be filled out and signed and provided to the appraiser.

(f) **Other:**

The appraisal report must:

1. Be written and presented in narrative format;
2. Be sufficiently descriptive to enable the reader to ascertain the estimated market value and the rationale for the estimate;
3. Provide detail and depth of analysis that reflect the complexity of the real estate appraised;
  - a. Analyze and report in reasonable detail any prior sales of the property being appraised that occurred within five (5) years preceding the date when the appraisal was prepared;
  - b. Analyze and report in reasonable detail any contracts of sale on the subject property and adhering to the spirit and letter of Advisory Opinion # 1.



4. Analyze and report on current market conditions and trends to the extent they affect the value of the subject property.
5. Acreage: The County is responsible for determining the acreage on which the value is to be based and each appraiser must use the acreage figure provided by the county to report the value the property. This figure also correlates with the acreage contained in the county's "Application for An Easement Purchase Cost Share Grant" as submitted to the SADC.
6. Riparian Lands: The CADB should provide the appraiser with a copy of the State riparian maps as appropriate to assist the appraiser. Any State-claimed riparian lands must be identified and removed from the appraised acreage.
7. Analyze and report Highest and Best Use as Vacant Land and as Improved. The Appraiser must consider the effect of the existing improvements on highest and best use of the land, but is only required to value the land.
8. Contain color photographs of all buildings on the subject property in the addenda.
9. Contain a copy of the landowner's application for Development Easement that was relied upon for the appraisal.

## **DEVELOPMENT EASEMENT VALUATION**

**THEORY:** The ownership of real property is often referred to as a bundle of rights and may be compared to a bundle of sticks wherein each stick represents a distinct and separate right or privilege of ownership. Any or all of the bundle of rights that make up the ownership of real property can be sold, leased, or restricted individually or together (e.g. water rights, mineral rights, right of access, hunting & fishing rights, etc.). Within this concept of ownership, the development rights of a property may be sold to restrict the use of the property. This concept is the theoretical basis for estimating the restricted, "After" value for properties participating in the Farmland Preservation Program.

The rights to be acquired from property for this program are described as development easements. The deed restrictions that will be placed on the property are established in "Acquisition of Development Easements", N.J.A.C. 2:76-6.

A development easement is an interest in land only. As such, it is the difference between the value of the land unrestricted, in the "Before" calculation, and the value of the land restricted under the terms of the Deed of Easement, in the "After" calculation.

The general intent of the deed restriction is to limit the use of the property for agricultural purposes, thereby stabilizing the loss of farmland to non-farm uses. The owner of record may continue to own, farm, sell, or lease the property to others for agricultural purposes. Other uses, which are compatible with agricultural pursuits, are permitted such as residential/estate uses and certain recreational activities. In certain instances, the value of the property for these uses may be



primary in the marketplace, while agricultural value is secondary. This point is frequently illustrated by properties in areas undergoing heavy development pressure or in situations where the land parcel is relatively small in size.

While commercial agriculture may not be the primary motivating force in the purchase of lands being considered for farmland preservation easements, the property may be very desirable as a "rural residence with acreage" or as a "country estate" with the property's value coming from the existing residence on the property or the ability to construct a residence in the future under a residual dwelling site opportunity. In such cases, land value is rooted in the open space amenity provided to the residence or anticipated residence.

The following definitions will help identify distinctions in value:

**1. Market Value (unrestricted) MV of the "as is" condition**

Market value unrestricted means the market value that the property will bring in the open market under all conditions requisite for a fair sale and which includes all rights of fee simple ownership.

The specific definition of Market Value to be used in all appraisal reports shall read as follows:

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

1. Buyer and seller are typically motivated
2. Both parties are well informed or well advised, and acting in what they consider their own best interests.
3. A reasonable time is allowed for exposure in the open market
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto, and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(The Appraisal of Real Estate, 14<sup>th</sup> edition, page 59)

For properties appraised for federally funded projects requiring "Yellow Book" (Uniform Appraisal Standards for Federal Land Acquisitions) compliant appraisals (see appraisal order checklist), the Federal definition of market value must be used as written in Uniform Appraisal Standards for Federal Land Acquisitions, Section A-9:

“Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal.”

## **2. Market Value Restricted MVR**

Market Value Restricted is the market value of property subject to the deed restrictions placed on the title of a property as set forth in N.J.A.C. 2:76-6.15. This term may be synonymous with agricultural market value, although in areas under heavy development, an increment of value may be inherent for residential and/or recreational uses with agricultural use being secondary. The restrictions placed on the premises run with the land forever.

## **3. Agricultural Market Value AMV**

Agricultural Market Value can be defined as the market value of property with a present and future highest and best use for agricultural production. This includes consideration of exposure on the market and competition for agricultural property between farmers.

## **4. Agricultural Value AV**

Agricultural Value is a value in use. It can be defined as the value of property based solely on its agricultural productivity. This value does not take into account alternative uses for the property.

For the New Jersey Farmland Preservation Program, Market Value and Market Value Restricted are of primary concern. The value of the development easement is calculated as the Market Value of a property less the Market Value Restricted of that property. Market Value and Agricultural Market Value may be equivalent in areas under nominal development pressure, (i.e. limited alternative uses) although this condition may exist only in limited areas of New Jersey. Theoretically, Market Value Restricted must be some portion of Market Value (unrestricted), since a portion of the bundle of rights, and presumably value, has been acquired by the grantee. In reality, the acquisition of a portion of the bundle of rights simply changes the composition of the buyer pool (i.e. developers and speculators are all but eliminated). Thus, market value restricted could conceivably range from a low approaching Agricultural Value to a high approaching Market Value (unrestricted), depending on the motivations and financial well-being of the buyer pool seeking restricted properties. **IT IS ESSENTIAL THAT THE APPRAISER UNDERSTAND THE COMPOSITION OF THE BUYER POOL AND THEIR MOTIVATIONS FOR PURCHASING A RESTRICTED PARCEL** (i.e. oversized home site/country estate, recreation, nursery, horses, vegetables, space, privacy, etc.).

Based on investigation and analysis of restricted property sales occurring in New Jersey and other

northeastern states, it is clear that the market value restricted of agricultural properties often reflects a value increment over and above agricultural value. Agricultural value (i.e. value in use) is estimated solely on the economic productivity of the land utilizing the income capitalization method.

As development pressure in an area increases, increases in market value can be anticipated. Concurrently, agricultural value (value in use) may remain relatively constant. Agricultural market value would increase moderately as the supply of available farmland is diminished and the competition among farmers for the remaining farmland increases. However, market value restricted may be expected to increase proportionately to the increase in market value as development pressure increases if the property's potential residential use (or estate use, recreational use, etc.) as restricted increases over and above its agricultural use. This increase in marketability continues to reflect the limitations imposed by the development easement.

Other state farm preservation programs have initially based development easement values on the difference between the market value of a property and the agricultural value (value in use) of that property. As market sales of restricted properties have gradually become available, emphasis in valuation has shifted to sales comparison and away from economic productivity. Sales data has frequently shown sales prices to be substantially above amounts supported by the agricultural capability of these properties. In fact, this has nearly always been the case in New Jersey, and one may refer a list of re-sales maintained on the SADC website.

## **APPRAISAL FORMAT**

The following is the SADC required appraisal format, which must be strictly adhered to, or the appraisal is at risk of being deemed invalid.

- All values in the report must be expressed in dollars per acre.
- The final value should be expressed in both dollars per acre and total dollars.
- Each report must be valued or formatted as requested. Any factual or mathematic errors, which could result in a value change, may be referred to the county for correction and/or clarification.
- Paper originals and all copies must be in color and bound at the spine.

### **PART I SUMMARY**

#### **Letter of Transmittal.....**

Must contain the estimated value per acre and the total value, the rights appraised, any special instructions to the appraiser and all clients and intended users of the appraisal.

#### **Certification of Appraisal.....**



Be sure to include the market value unrestricted per acre and total value, market value restricted per acre and total value, easement value per acre and total value, date of valuation, a statement that the appraisal conforms to the Standards for Appraisals contained in N.J.A.C. 13:40A-6.1 and the Uniform Appraisal Standards for Federal Land Acquisitions, if required (Interagency Land Acquisition Conference, 1992), and the signature of the appraiser responsible for the report. The appraiser must additionally certify that they have or have not performed any services, appraisal or otherwise, regarding the subject property over the past three years. If the appraiser has provided any such services, they ~~The appraiser~~ should explain the nature of any such services and for whom they were performed. It is preferred that this be disclosed to the SADC prior to the acceptance of the assignment.

### **Summary of Salient Facts.....**

Include the unrestricted value per acre and total value, the restricted value per acre, total restricted value and the easement value both per acre and total. **(See required Format (A))**

### **Table of Contents.....(See required Format (B))**

## **PART II GENERAL INFORMATION**

**Appraisal Purpose:** The purpose of the appraisal is to estimate the market value of a development easement on the subject property per the restrictions of the New Jersey Agriculture Retention and Development Program.

**Scope of Work:** The scope of work for SADC assignments will be consistent with the requirements of the SADC appraisal handbook and USPAP. Appraisers shall be provided with the project application and appraisal order checklist to identify any special requirements, restrictions or limitations associated with the appraisal assignment. Appraisers must identify the client and other intended users of the appraisal document, intended use of the appraisal report (fee simple, easement acquisition etc.), definition of value (market), hypothetical conditions/extraordinary assumptions, effective date of the appraisal, salient features of the subject property, methodologies to be used, extent of investigation, and the applicable approaches to value.

**Hypothetical Conditions and Extraordinary Assumptions:** All hypothetical conditions to be considered must be authorized by the Contracting Agent in written form with authorized signature and should identify any special instructions to the appraiser inconsistent with the "as is" condition of the property being appraised. Dual appraisals are considered to be hypothetical conditions. Extraordinary Assumptions may be used only when necessary for completion of the assignment. All extraordinary assumptions shall be submitted to and approved by the SADC review staff prior to the completion of the assignment. All extraordinary assumptions shall be reasonable. Extraordinary assumptions that change the risk level or the market value are prohibited. In general, the appraiser should estimate the market value based on existing

conditions with the buyer assuming the risk of future approvals and/or events.

**Estate Appraised:** A statement of the rights being valued. For Market Value, the Fee Simple Estate will apply in most cases. All appraisals are for surface rights only.

**Definitions:** Define the legal and technical terms of the report including, but not limited to, Market Value, Highest and Best Use, etc.

#### **Assumptions and Limiting Conditions....**

**General Property Identification and Description:** Identify the subject property by Block/Lot and other means. Briefly describe the property and its current use.

**History:** Any title changes in the last 5 years, including easements, agreements for sale or options. The appraiser shall analyze any sale of the subject within the past three years. The analysis must either use the sale of the subject property as a comparable or specifically state the reasons for not including the sale as a comparable. Failure of the appraiser to comply with this analysis is considered a USPAP violation and may result in the appraisal being invalidated.

**Market:** Report present market conditions and estimate marketing time.

**Zoning and Assessment Information:** The appraiser should include a statement, a copy of the zoning ordinance(s) of the subject property, and if appropriate, an analysis of the impact on value as described in Section, Appraisals (d), page 9.

**Community and Neighborhood Data:** This should include, but is not limited to, character of the community, land use trends, degree of development pressure in the area, and any other information, which may significantly impact the fee simple market value. This section should lay the foundation for the discussion of Highest and Best Use later in the report.

(REQUIRED FORMAT) (A)

SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

PROPERTY LOCATION (Including but not limited to Block and Lot)

PROPERTY TYPE

LAND SIZE

ZONING

HIGHEST AND BEST USE Before and After

DATE OF VALUATION

PER ACRE

TOTAL

ESTIMATE OF PROPERTY VALUE "BEFORE":

\_\_\_\_\_

\_\_\_\_\_

ESTIMATE OF PROPERTY VALUE "AFTER":

\_\_\_\_\_

\_\_\_\_\_

ESTIMATE OF DEVELOPMENT EASEMENT VALUE:

\_\_\_\_\_

\_\_\_\_\_

(REQUIRED FORMAT) (B)

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- **Flood Maps must indicate the location of the subject.**

**PART III PROPERTY VALUATION BEFORE DEVELOPMENT EASEMENT ACQUISITION (MARKET VALUE UNRESTRICTED)**

**Subject Property Description:** The description of the subject property including all physical attributes and improvements. Comments regarding topography, soils characteristics, hydrologically limited areas, riparian lands (State owned or privately held), frontage, configuration, dwellings, outbuildings, etc. are appropriate. Building sketches are not necessary. Any rejected, approved, or pending subdivision plans, if any, should be noted here. Existing residences, Agricultural Labor housing, exceptions and/or RDSOs and pre-existing non-agricultural uses should be noted.

A specific description of any exceptions should be provided by the Contracting Party to the appraiser. The information should include the dimensions, size and location of the exception identified on a tax map and any contingencies, which may impact the valuation of the premises. Refer to the previous discussion regarding the different types of "exceptions".

**Soil Characteristics/Interpretative Tables**

NRCS offers an online Web Soil Survey, <http://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx>. Appraisers must rely on this website for all soils data that is not provided to them by the Contracting Party, including comparable sales data. For Septic Suitability, after identifying the area of interest and creating the soils map of the property, the appraiser is required to use the Sewage Disposal (NJ) located under Soil Data Explorer: Go to Suitabilities and Limitations for Use or Soil Reports, Sanitary Facilities, Click Sewage Disposal (NJ) and then click View Rating to obtain the report. To find

the agricultural classifications of the soils (Prime, Statewide, local, unique), click on Land classifications, click Prime and other Important Farmlands.

**Hydrologically Limited Areas:** The acreage of hydrologically limited areas should be estimated by the appraiser on both the subject and the comparables using State wetlands maps as the minimum basis for evaluation. Where appropriate, the discussion should include the location of the wetlands, the type of wetlands (i.e. modified agricultural) and the possibility of mitigation if that is a factor.

**Flood Zone:** Maps Identifying the Flood Zone must be provided. The subject location must be indicated and the appraiser must estimate the areas of the subject property that are impacted by Flood Hazard Areas, especially areas A & B, 100 and 200 year flood.

### **Riparian Lands**

In the case where significant riparian lands impact the subject property, the appraiser should base the per acre analysis only on the non-riparian land area. For example, if a 100 acre property has GIS calculations of 40 acres of upland, 5 acres of freshwater wetlands, 5 acres of modified agricultural wetlands and 50 acres tideland, the appraiser would base the analysis on 50 acres. The 50 acres of tideland can be purchased or subjected to the Deed of Easement, but analysis on a per acre basis can be restricted to the 50 acres of upland and wetland area. The appraiser should always disclose prominently if the calculation is completed off a subset of the total area. The appraiser shall still consider the impact of any riparian grants, leases or licenses on value to the appraised area. Large areas of non-riparian border water may also be treated in a similar fashion if the appraiser believes the per acre value would be impacted.

**Pre-Existing Nonagricultural Uses:** The appraiser must consider and explain any pre-existing nonagricultural uses which will remain in the "after" valuation. An explanation on the impact attributed to the development easement value must be provided in the analysis.

**Improvements:** The appraiser is required to consider the effect on the value when the subject and/or comparable sale properties contain any improvements. The appraisal shall be in an "Appraisal Report" format. Exceptions may be approved by the SADC. Most importantly, the appraiser must determine if there is an increment of value attributed to the land, which is independent of the actual value of the physical improvement.

**Zoning:** When considering zoning as a factor of valuation, the appraiser is required to adhere to the provisions contained in Section "Appraisals (d)" on page 10.

**Valuation of land in the Pinelands:** The SADC shall be responsible for determining development easement values in the Pinelands. (Refer to previous discussion.)

**Community and Neighborhood/Market Area Data:** The appraiser shall prepare a description

of the subject property's County and Municipal demographic data including but not exclusive to: Relevant transportation, employment, income, housing, construction (building permits), education systems, shopping, environmental, and other factors the appraisers deemed relevant. The immediate neighborhood description should include any structures or sites that may have an impact on the subject property that was not addressed in the municipal description.

**Highest and Best Use:** Building on previous sections describing the zoning, community, and the property, discuss in some detail your opinion of the highest and best use. Please refer to below for valuation adjustments for zoning. Detail Physically Possible, Legally Permissible and Financially Feasible uses resulting in a Maximally Productive Highest and Best Use. Both the Highest and Best Use as Vacant and as Improved are required, even though only the land is required to be valued. The "effect" of the existing improvements on the value of the land must be addressed.

**Valuation Approaches:** The development easements purchased by the Farmland Preservation Program involve an interest in land only. As a result, it is only the land value that needs to be derived and reported. As noted in previous discussions, the appraiser must consider if there is an increment of value attributed to the land as a result of opportunities to reside or other improvements existing on the premises.

**Listings of Comparable Properties for Sale:** The Appraiser shall prepare a list of comparable land for sale within the subject's market area, which should include: the listings' addresses, list price, land size, price per acre, and days on market for both unrestricted and restricted vacant land as available. Appraisers should carefully consider their calculations against these comparables. The appraiser should explain their value conclusion if it is substantially different from the list prices of comparable land.

- a. **Direct Sales Comparison:** Generally speaking, this method should be based on a comparison of vacant acreage sales to the subject land. Comparable sales data sheets shall at a minimum include the following information:
  - a. Grantor/Grantee
  - b. Deed date
  - c. Deed book/page
  - d. Sale price
  - e. Property size
  - f. Location (include County)/block/lot (Including approximate distance to subject)
  - g. Soil types/ % septic limitations
  - h. Frontage/access
  - i. Wetlands
  - j. Conditions of sale.
  - k. Color photograph – including primary improvements
  - l. Improvements
  - m. Utilities



- n. Verification
- o. Legible copy of tax map
- p. Zoning
- q. Intended use of sale

A detailed comparable sale write up is one of the most important aspects of an appraisal. All of the sale characteristics used on the grid chart should be clearly listed in the comparable sales. The review appraisers reserve the right to require the appraiser to provide such information that is omitted from the sale write up.

Adjustments should be for salient characteristics in the market, which may or may not include soil characteristics, zoning, topography, hydro-logically limited areas, riparian lands (State owned or privately held), date of sale, financing, etc. Adjustments must be explained. If a sale is improved, the appraiser must consider making appropriate adjustments when comparing the sale to the subject farm. The basis for any adjustments should be contained in the report. Since the development easement is usually purchased on "raw" land, sales which have received approval for subdivision or which were sold on a contingency basis should be adjusted accordingly, with a thorough discussion of the reasons for the adjustments, if the subject farm does not have approvals for subdivision.

If appraisals are found to make assumptions regarding large adjustments in excess of 20%, the explanation of the adjustment should be detailed and reasonably qualified or quantified, including presentation of any specific data or observations the appraiser relied upon in deriving that adjustment. This does not mean an appraiser cannot make adjustments of greater than +/- 20%, only that such adjustments should be clearly supported by evidence or factual data that the appraiser can present.

The use of the following grid is mandatory when the highest and best use of the subject is current/future residential development of raw land. The appraiser should utilize sales, which most closely resemble the conditions on the subject property. The value conclusion should be expressed as a per acre figure and a total figure for the property. In the reconciliation, discuss sales thoroughly and indicate which were emphasized.

## UNRESTRICTED LAND SALES ANALYSIS

	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4				
Property Address	Spring Road	Spring Road	Spring Road	Spring Road	Spring Road				
	Millstone	Millstone	Millstone	Millstone	Millstone				
Owner / Grantor	Farmer Bill	Farmer Bill	Farmer Bill	Farmer Bill	Farmer Bill				
Size in Acres	100.0	100.0	100.0	100.0	100.0				
Date of Sale	NA	00/00/00	00/00/00	00/00/00	00/00/00				
Sale Price - Land Only		\$100,000	\$100,000	\$100,000	\$100,000				
<b>Sale Price / Acre</b>	NA	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>				
Property Rights		Fee Simple	0%	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%
Adjusted Value		\$1,000		\$1,000		\$1,000		\$1,000	
Condition of Sale		Arms Length	0%	Arms Length	0%	Arms Length	0%	Arms Length	0%
Adjusted Value		1,000		1,000		1,000		1,000	
Financing Terms		At Market	0%	At Market	0%	At Market	0%	At Market	0%
Adjusted Value		1,000		1,000		1,000		1,000	
Market Conditions		Similar	0%	Similar	0%	Similar	0%	Similar	0%
Adjusted Value		1,000		1,000		1,000		1,000	
<b>ADJUSTED PRICE / ACRE</b>		<b>\$1,000</b>		<b>\$1,000</b>		<b>\$1,000</b>		<b>\$1,000</b>	
Location	Average	Average	0%	Average	0%	Average	0%	Average	0%
Size in Acres	100.0	100.0	0%	100.0	0%	100.0	0%	100.0	0%
Front Feet /Acre	37.5	37.5	0%	37.5	0%	37.5	0%	37.5	0%
Topography	Gentle Roll	Gentle Roll	0%	Gentle Roll	0%	Gentle Roll	0%	Gentle Roll	0%
Zoning	R-130	R-130	0%	R-130	0%	R-130	0%	R-130	0%
Easements	None	None	0%	None	0%	None	0%	None	0%
Wetlands ( % )	25%	25%	0%	25%	0%	25%	0%	25%	0%
Soils ( % v. limited)	25%	25%	0%	25%	0%	25%	0%	25%	0%
Public Water / Sewer	None	None	0%	None	0%	None	0%	None	0%
Other	None	None	0%	None	0%	None	0%	None	0%
Net Adjustment			0%		0%		0%		0%
<b>INDICATED VALUE PER ACRE</b>		<b>\$1,000</b>		<b>\$1,000</b>		<b>\$1,000</b>		<b>\$1,000</b>	
Mean Price/Acre Unadjusted		\$1,000							
Mean Price/Acre After Adjustment		\$1,000							

The above grid is in Excel format. A copy of the grid file is available from the SADC office.

It is required that each appraiser expresses the values on the grid as a VALUE PER ACRE. The total and the summary should also express the VALUE PER ACRE.

**Subdivision Method:** The subdivision method for calculating value is generally not recommended. However, it may be used when the subject property has preliminary approvals but only as a check on the sales comparison approach. In the absence of approvals, the Contracting Party may, with prior SADC approval, develop a site plan and engineering report for the appraiser to consider in analyzing the property using this method. The SADC will only consider this method as an independent value consideration in conjunction with a standard comparative approach as described above. The SADC will consider a request to use the subdivision method only if the appraisers provide the following to the Contracting Party and to the SADC: (1) written certifications that there is a compelling need for this method, and (2) a detailed description of the reasons justifying the compelling need. Should an Contracting Party seek to use the subdivision method and the SADC approve it, the Contracting Party is responsible for hiring the appropriate professionals to produce the detailed engineering and environmental assessment work called for in the handbook. The SADC will not accept work done by, or for, the landowner for these purposes.

The appraiser must perform a full feasibility analysis on the proposed project in accordance with standards outlined and approved by the SADC. The following steps must be completed:

1. A full development report must be completed by a qualified Land Development Professional. The report shall include plans, septic suitability tests, Environmental Analysis, and detailed infrastructure costs. This report must include language indicating that there is a reasonable probability of site plan approval.
2. The appraisal must contain or reference a Full Feasibility Study on the project, including property productivity analysis, market delineation, demand analysis, competitive supply analysis, supply and demand study and capture rate.
3. The appraiser must state in his or her certification that the site plan utilized was provided by the Contracting Party and that the appraiser was instructed to consider the site plan for purposes of the analysis as of the effective date of the appraisal, using the Extraordinary Assumption.
4. The appraiser must complete an analysis of raw land sales as well as the lot value analysis and reconcile the two approaches.
5. The appraiser must satisfy the competency rule in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and notify the Contracting Party prior to acceptance of the assignment as to their qualifications and experience with this type of analysis.

**c. Income Capitalization:** The appraiser may consider this approach; however, it has been the experience of this program and others that the Income Capitalization method has yielded



generally unreliable value estimates for this type of assignment. Market sales reflect far higher values than can be demonstrated with this approach. The range of variables including expenses, enterprise, crop value, methods of depreciation, etc., allow greater room for error. Additionally, sales comparisons are an actual analysis of buyer/seller transactions. For these reasons, the income capitalization approach is not emphasized. This method may be considered in Fee Simple assignments involving income-producing properties.

**d. Cost Approach:** The appraiser may consider this approach; however, when the value sought is for land, not buildings, this approach does not apply. This method may be used as a means of demonstrating the contributory value of improvements if the appraiser so desires. This method should be considered in Fee Simple assignments involving improvements and in dual appraisals.

**VALUE CONCLUSION:** Indicate final value estimate for the land and discuss how this conclusion was reached.

## **PART IV PROPERTY VALUATION, AFTER EASEMENT ACQUISITION (MARKET VALUE RESTRICTED)**

**Subject Property Description:** Without reiterating the above information, the appraiser should discuss items which are particularly significant to valuation of the property as encumbered by a development easement. Such items include, but are not limited to, a "plain English" discussion of the deed restrictions and their effect on the subject property, the subject's adaptability for agricultural use (or other uses which do not infringe on agricultural pursuits), soils and their classification, etc. The subject farm appraised as though deed restricted must be identified as a hypothetical condition.

### **Soil Characteristics/Interpretative Tables**

NRCS offers the Web Soil Survey, located at <http://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx>. Appraisers must rely on this website for all soils data that is not provided to them by the Contracting Party, including comparable sales data. For Septic Suitability, after identifying the area of interest and creating the soils map of the property, the appraiser is required to use the Sewage Disposal (NJ) located under Soil Data Explorer: Go to Suitabilities and Limitations for Use or Soil Reports, Sanitary Facilities, Click Sewage Disposal (NJ) and then click View Rating to obtain the report. To find the agricultural classifications of the soils (Prime, Statewide, local, unique), click on Land classifications, click Prime and other Important Farmlands.

In addition, the impact of the following issues previously identified and discussed in the "Before" valuation shall be identified and discussed in the "After" valuation are:

**Highest and Best Use:** Discussion above regarding highest and best use use apply here. Careful attention must be paid to the nature of the subject area and the motivating factors typical for

buyers in the market for properties of this type. Traditionally, highest and best use analysis considers the following criteria:

1. Is the use legally permissible?
2. Is the use physically possible?
3. Is the use financially feasible?
5. What is the maximally productive use of the property?

**Highest and Best Use Analysis is required for analysis as vacant and as improved in both the unrestricted and restricted sections of the appraisal report.**

Establishing Highest and Best use sets the basis for the valuation to follow. Differentiating between commercial agriculture of various types, country estates, oversized home sites, hunting club, or any other use which may be primary in the marketplace, but compatible with agriculture as a secondary use is an essential step of a Highest and Best use analysis for the restricted property. The properties in this program are all subject to the same set of restrictions. However, this does not mean all such properties will be sold to the same kind of buyers who are all motivated in the same way. Location of the property, desires of the buying public, and financial resources of the buying public will determine how a restricted property is utilized. For example, there is nothing to stop a non-farmer purchaser from paying a premium for restricted lands just to purchase land and space. Such use will still meet the legal requirements of the restriction. In fact, this is surely the kind of buyer that real estate brokers will seek to pay top dollar when restricted properties are placed on the market. Such buyers will be in competition with commercial farmers when such properties are exposed to the market. The appraiser must study the subject market and consider who the property would typically be sold to, for how much, and why.

**Valuation Approaches:** As in the unrestricted situation, only the value of the land is sought. The appraiser must consider the effect of residential opportunities and improvements when conducting the valuation, but only the market value of the land is required to be identified. The appraiser must determine if there is an increment of value attributed to the land, which is independent of the actual value of the improvement.

**Listings of Comparable Properties for Sale:** The Appraiser shall prepare a list of comparable land for sale within the subject's market area. This list should include at a minimum the listing's address, list price, land size, price per acre and days on market for both unrestricted and restricted vacant land as available. Appraisers should carefully consider their subject concluded value against the comparable listings. The appraiser should explain their value conclusion in light of comparable listing prices if they are substantially different.

**Direct Sales Comparison:** The general procedure for estimating restricted value is the same as estimating unrestricted values. However, sales data is more scarce. The intent of this valuation is to demonstrate value for a land parcel, which is limited in utility (by virtue of legal restrictions). The following categories of land sales are recommended as useful value indicators:

#### **1. DEED RESTRICTED PROPERTIES:**

A property limited in utility by a development easement or conservation easement or other deed restriction placed against the title of the property. Be sure to understand the nature and limits of

the restrictions on the sale when using such sales.

**2. COMPARABLE SALE DATA SHEETS SHALL AT A MINIMUM INCLUDE THE FOLLOWING INFORMATION:**

- a. Grantor/Grantee
- b. Deed date
- c. Deed book/page
- d. Sale price
- e. Property size
- f. Location/block/lot (including approximate distance to the subject)
- g. Soil types/% prime & tillable\*
- h. Frontage/access
- i. Wetlands –
- j. Conditions of sale
- k. Color photograph(s)
- l. Residential Opportunities
- m. Utilities
- n. Verification
- o. Legible copy of tax map
- p. Zoning – include brief description of permitted uses and bulk area requirements

\*This may be summarized as follows:

<u>Soil Type</u>	<u>Area %</u>	<u>Quality</u>	
SSURGO	75%	Prime	
SSURGO	5%	Other	
SSURGO	10%	Statewide	
SSURGO	10%	Prime	
	Prime	Statewide	Tillable
Total	85%	10%	85%

(This information should be obtained from the application and confirmed using USDA, NRCS Soil Survey Geographic Data Base (SSURGO) Web Soil Survey)



**RESTRICTED LAND SALES ANALYSIS**

	SUBJECT	SALE 1	SALE 2	SALE 3	SALE 4
Property Address	Spring Road Millstone	Spring Road Millstone	Spring Road Millstone	Spring Road Millstone	Spring Road Millstone
Owner / Grantor	Farmer Bill	Farmer Bill	Farmer Bill	Farmer Bill	Farmer Bill
Farm Size in Acres	100.0	100.0	100.0	100.0	100.0
Date of Sale	NA	00/00/00	00/00/00	00/00/00	00/00/00
Sale Price - Land Only		\$100,000	\$100,000	\$100,000	\$100,000
<b>Sale Price / Acre</b>	NA	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Property Rights Adjusted Value		Restricted \$1,000	0% Restricted \$1,000	0% Restricted \$1,000	0% Restricted \$1,000
Condition of Sale Adjusted Value		Arms Length 1,000	0% Arms Length 1,000	0% Arms Length 1,000	0% Arms Length 1,000
Financing Terms Adjusted Value		At Market 1,000	0% At Market 1,000	0% At Market 1,000	0% At Market 1,000
Market Conditions Adjusted Value		Similar 1,000	0% Similar 1,000	0% Similar 1,000	0% Similar 1,000
<b>ADJUSTED PRICE / ACRE</b>		<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Location	Average	Average	0% Average	0% Average	0% Average
Size in Acres	100.0	100.0	0% 100.0	0% 100.0	0% 100.0
Topography	Gentle Roll	Gentle Roll	0% Gentle Roll	0% Gentle Roll	0% Gentle Roll
Tillable Acres ( % )	75%	75%	0% 75%	0% 75%	0% 75%
Soils ( % Prime )	75%	75%	0% 75%	0% 75%	0% 75%
Residential Opportunity	None	None	0% None	0% None	0% None
Other	None	None	0% None	0% None	0% None
Net Adjustment			0% 0%	0% 0%	0% 0%
<b>INDICATED VALUE PER ACRE</b>		<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
Mean Price/Acre Unadjusted		\$1,000			
Mean Price / Acre After Adjustment		\$1,000			

In sum, a description of the sale property shall be thoroughly discussed. An adjustment grid shall be included as per the sample. Adjustments should be for salient characteristics in the market which may or may not include soil characteristics, zoning, topography, hydrological limited areas, riparian lands (State owned or privately held), date of sale, financing, etc. Adjustments must be explained. If a sale is improved, the improvements should be adjusted accordingly to most closely reflect the conditions on the subject property. The value conclusion should be expressed as a per acre figure and give a total cost for the property. In the reconciliation section of the appraisal, discuss sales thoroughly and indicate which were emphasized.

Developing the estimate of Market Value Restricted may require that the appraiser draw upon a variety of data sources. Unlike other types of appraisal assignments in which the market data is more likely to "speak for itself", developing MVR will require considerable discussion and rationale to adequately relate the sale properties to the subject.

**PART V: FINAL ESTIMATE:** The difference between market value and market value restricted of the land represents the value of the development easement. This conclusion must be presented on a per acre basis and as a total dollar figure. Discussion of the rights represented by this value conclusion should be recapitulated as well as changes in highest and best use of the unrestricted versus the restricted property. In short, the major points of the report should be summarized leading the reader to the same conclusion as the appraiser.

**PART VI : ADDENDUM:** This section of the report should include, but is not limited to, the following items:

1. Subject property and comparable sales location map
2. Subject tax map – Indicate the Subject
3. Soils/flood/topographic maps – Indicate the Subject on all maps. Indicate estimated area impacted by flood hazard areas A or B.
4. Study of hydrological limited areas
5. Subject property photos (color)
6. Reference materials, studies, articles, or other data considered important by the appraiser
7. Development easement deed restrictions
8. Appraiser's qualifications
9. Appraisal License
10. A Copy of the Appropriate Application for the sale of a development easement or Fee Simple acquisition
11. Copy of the signed appraisal order checklist

**PLEASE BE SURE THAT ALL MAPS AND DIAGRAMS  
ARE CLEARLY AND FULLY LABELED**

**Use of Hypotheticals as ordered by contracting party**

- A. **Divisions** – Occasionally a Contracting Party may wish to have a property appraised as though a subdivision were already in place. The Contracting Party is required to provide the appraiser with a clear mapping of the proposed subdivision. The appraiser should clearly label the appraisal as Hypothetical and contingent upon successful final municipal approval of the subdivision prior to the conveyance of the development easement as described in the appraisal report. This disclaimer shall be prominent in the Letter of Transmittal, Scope of Work, Certification of Value and Assumptions and Limiting Conditions sections of the appraisal as extraordinary assumptions and hypothetical conditions as required by USPAP.

**Note: The word “Divisions” in the context of this paragraph is not meant to allow major hypothetical subdivisions of the premises to its highest and best use (e.g. the division of the property into 30 residential lots). It is reserved for splitting the property into viable farms that would be allowed through a division of premises under the program or the completion of a minor subdivision that is awaiting final approval.**

- B. **Access** – Appraisers should not simply assume access to a subject property over other lands not in the application, even if owned by the applicant. The appraiser may only consider such access when required by the Contracting Party, with SADC approval, to consider this hypothetical condition.

1. An appraiser must condition his or her value upon an access agreement being in place prior to the conveyance of the deed of easement.
2. Access should specify a roadway adequate to accommodate development of the highest and best use in the unrestricted condition. For example, if an appraiser believes that highest and best use is for residential development across another parcel of land owned by the same owner and the Township requires a 50' wide road, value will be contingent upon an access easement of such width being in place prior to the conveyance of the deed of easement. If the land needed for access is already preserved, then such an access easement shall not be assumed. If the land required for access is not owned by the property owner, then the appraiser shall not assume access will be granted.
3. The appraiser should again identify the appraisal as being subject to a hypothetical condition in the letter of transmittal, certification of appraisal, scope of work and assumptions and limiting conditions sections of their report, and appraisal order checklist.

- C. **Existing Conservation Easements and Other Restrictions on Development and Use of the Property.**

The appraiser shall consider the impacts on value resulting from any conservation easements recorded on the property, or any other restrictions on development or use of the



property. The appraiser shall not rely on any assurances that such recorded conservation easements or use restrictions can be removed unilaterally by municipal governing bodies, land use boards and/or property owners.

**Appendix A**  
**STATE AGRICULTURE DEVELOPMENT COMMITTEE**  
**FARMLAND PRESERVATION PROGRAM**

**An appraiser shall not bid on or accept any SADC funded appraisal assignment without this list being completely filled out and signed**

**OWNER:** \_\_\_\_\_  
 Owner Address: \_\_\_\_\_  
 Owner Phone Number: \_\_\_\_\_ e-mail (optional) \_\_\_\_\_  
 Applicant (if different): \_\_\_\_\_ Contract Purchaser: \_\_\_\_\_

Applicant/Purchaser Address, phone, e-mail If contact is required  
 \_\_\_\_\_

**Location/Address of the Subject Property:**  
 \_\_\_\_\_

**Municipality:** \_\_\_\_\_ **County:** \_\_\_\_\_  
 (Numerous Lots can be expressed as a range eg. B 1 L 1-12)  
 Block/Lot(s) \_\_\_\_\_  
**Municipality:** \_\_\_\_\_ **County:** \_\_\_\_\_  
 Block/Lot(s) \_\_\_\_\_  
**Municipality:** \_\_\_\_\_ **County:** \_\_\_\_\_  
 Block/Lot(s) \_\_\_\_\_  
**Municipality:** \_\_\_\_\_ **County:** \_\_\_\_\_  
 Block/Lot(s) \_\_\_\_\_

**Gross Acreage of Property:** \_\_\_\_\_ Acres.

**Total Acreage attributed to Tidelands, Riparian or Border Water (subtract)** - \_\_\_\_\_ Acres.  
 (Do not deduct freshwater, mod-ag wetlands or interior water  
 - consult SADC for acreage)

**Adjusted Gross Acreage:** = \_\_\_\_\_ Acres.

Appraisers shall base their per acre analysis on the adjusted gross acreage of the subject tax lot(s) including all exception area acreage. Only riparian, tidelands and border water shall be excluded.

**Total Acreage of Exceptions (subtract from adjusted gross acres)** - \_\_\_\_\_ Acres.

(Do not deduct freshwater, mod-ag wetlands or interior water  
 - consult SADC staff for acreage)

**ACREAGE TO BE REPORTED IN APPRAISERS CERTIFICATION (Net)** = \_\_\_\_\_ Acres.

(Appropriate direction concerning significant tidal, riparian or boundary waters shall be provided to the appraiser. The landowner will only be paid on the net acreage. While the per acre value is based on the adjusted gross acreage, the certification should only apply that per acre figure to the net acreage preserved to give the client an accurate assessment of the total dollars that will be associated with the preservation project. The SADC certifies dollars per acre, not the total dollars, as all projects are subject to a final survey.)

**DATE OF VALUE:** Appraiser date of Inspection \_\_\_\_\_ or \_\_\_\_/\_\_\_\_/\_\_\_\_. If there is no need for a specific date always **check** the date of inspection. All Planning Incentive Grant appraisals should have a similar date (within one month +/- of each other).

**HOUSING OPPORTUNITIES ON PREMISES TO BE PRESERVED:**

(Do not include existing residences that are within an exception area)

Existing residences: # \_\_\_\_\_ House size limitation \_\_\_\_\_ sq. ft.  
RDSOs: # \_\_\_\_\_ House size limitation \_\_\_\_\_ sq. ft.  
Agricultural Labor Housing: # \_\_\_\_\_ House size limitation \_\_\_\_\_ sq. ft.

House size limitations or exception restrictions (describe in detail):

**EXCEPTIONS** (all exception locations must be identified on mapping)

Exception #1:       Severable       Non-Severable (Check one)  
Size:                       Acres (Put size of the exception in here)  
Purpose:                       Existing Single Family Dwelling (s)  
                                     Future Single Family Dwelling (s)  
                                     Non Agricultural Use  
                                     Farm Market  
                                     Easement (access, road etc.)  
                                     Lot Line Adjustment  
                                     Other (describe)

Restrictions: (Narratively use this space to describe any restrictions that will be placed on the exception area. This includes number of dwellings, building sizes, allowed uses etc.)

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Exception #2:       Severable       Non-Severable (Check one)  
Size:                       Acres (Put size of the exception in here)  
Purpose:                       Existing Single Family Dwelling (s)  
                                     Future Single Family Dwelling (s)  
                                     Non Agricultural Use  
                                     Farm Market  
                                     Easement (access, road etc.)  
                                     Lot Line Adjustment  
                                     Other (describe)

Restrictions: (Use this space to describe any restrictions that will be placed on the exception area. This includes number of dwellings, building sizes, allowed uses etc.)

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**ADMINISTRATORS SHOULD FEEL FREE TO EXPAND THE NUMBER OF EXCEPTIONS AS NEEDED THROUGH COPY AND PASTE OR ADDITIONAL PAGES**

**PROGRAM:**

County Planning Incentive Grant (County):	_____	Nonprofit Grant Program (Easement):	_____
Planning Incentive Grant (Municipal):	_____	Nonprofit Grant Program (Fee):	_____
SADC Direct Easement Purchase:	_____	SADC Resale Fee Simple	_____

**SUBDIVISION APPROVAL:**                      Yes \_\_\_ No \_\_\_

Preliminary Date of Approval \_\_\_\_\_ extension(s) \_\_\_\_\_  
 Final Date of Approval \_\_\_\_\_ extension(s) \_\_\_\_\_

**The subdivision approval \_\_\_ may / \_\_\_ may not be considered in the appraisals for this application. In either case, any engineering and studies may be shared with appraisers.**

If the property is the subject of final site plan approval, the appraisals must address the unique details of these approvals. **At a minimum the following shall be specifically addressed:**

- 1) When comparing the subdivision with comparable properties, the appraisers should thoroughly consider and address any significant atypical outstanding contingencies or permits in the subdivision resolutions.
- 2) If available specific septic testing supporting building on any of the proposed lots should be submitted and results included in the analysis.
- 3) As per the SADC appraisal handbook the appraiser shall consider the impacts on value resulting from any conservation easements recorded on the property, or any other restrictions on development or use of the property. *For example, "It appears a \_\_\_ acre parcel included in the subdivision was reserved for open space."* The Township should provide the SADC and appraisers documentation regarding any recorded easements.
- 4) The appraisers must fully address if the approvals are still in effect and any possible impacts due to permit expiration of the New Jersey Permit Extension Act.

Pursuant to N.J.A.C. 2:76-6.11(c)1., the SADC may disapprove of an application if it determines that the applicant has initiated proceedings in anticipation of applying to sell a development easement or during the application process that have the effect of increasing the applicant's appraised development easement value.

**EXISTING EASEMENTS**    Yes \_\_\_ No \_\_\_

Conservation Easements	_____	Utility	_____
Buffer ordinance/restrictions	_____	Slope / Drainage	_____
Other	_____		

Note: Appraisers may not assume that easements that specifically prohibit disturbance and development can be reversed or receive variances.

**LOI required-** All Pinelands Appraisals should include value of agricultural improvements as per the special memorandum and SADC policy 42 issued in August 2002 to appraisers authorized to appraise Pinelands Properties.

**Transfer Development Rights:** (fill out only if property is in or eligible to be in a transfer development rights program)

- Subject Property is in a:      \_\_\_ Sending Zone              \_\_\_ Receiving Zone
- TDR Program is:              \_\_\_ Local                      \_\_\_ Regional (Pinelands, Highlands etc.)
- Credits Allotted # \_\_\_\_\_ \_\_\_ Verified.      Source: \_\_\_\_\_
- Credits Estimated# \_\_\_\_\_ \_\_\_ Verified.      Source: \_\_\_\_\_
- Credits retired by preservation # \_\_\_\_\_      Credits retained by landowner # \_\_\_\_\_

**ZONING**

**All Appraisals must be appraised under current zoning - code(s)** \_\_\_\_\_

The dual appraisal provision of the Highlands Act sunset on June 30, 2014. The provision has been extended by the Governor and NJ Legislature until June 30, 2019 **only for properties located within the boundaries of the Highlands Preservation or Planning Areas that also continue to meet one of the following conditions.** Appraisal assignments should identify the 1/1/04 valuation as Hypothetical in their appraisals.

**Zoning and environmental conditions in place as of 1/1/04 (Hypothetical) – code(s)**

**Reason for 01/01/04 Qualification:** (To be completed only if the dual appraisal provision is being requested)

- Property is in the Highlands:    \_\_\_ Preservation Area    \_\_\_ Planning Area

**The Application must also qualify under one of the following:** (To be completed only if the dual appraisal provision is being requested)

\_\_\_ Applicant owned the property **as of 8/10/04.**

\_\_\_ Applicant is an immediate family member of the owner that owned the property **as of 8/10/04**

\_\_\_ Applicant is a Governmental unit or Non-Profit Organization that acquired the property from a

- a. original owner of property as of 8/10/04: \_\_\_
- b. immediate family member of the owner as of 8/10/04: \_\_\_

**CATEGORY 1 STREAM** If yes (please including mapping)

If the Property is located within 300 feet of a Category 1 stream or river please note:

\_\_\_ Category 1 waterway within property boundary OR Property is within \_\_\_\_\_ feet of a Category 1 waterway

If present, the C-1 stream 300' buffer limitation must always be taken into consideration in any appraisal considering current environmental regulations. Only appraisals under the hypothetical condition that environmental and zoning regulations as of 1/1/04 are in place may ignore this fact.

**OTHER** *(Include special instructions here or attach):*

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The appraiser shall consider the impact of all exceptions, non-agricultural uses and effect of improvements as listed in the attached subject application in conformance with the SADC Appraisal Handbook.

<http://www.nj.gov/agriculture/sadc/farmpreserve/appraisals/appraisalresources.html>

Signed,

\_\_\_\_\_  
(Program Administrator/Project Manager)

\_\_\_\_\_  
Date

\* This form shall be completed by the contracting agency and shall be contained as an addendum, along with the application and Green Light Review Letter, in the appraisal report.



## APPENDIX B

### Pinelands Onsite Development Worksheet

The purpose of this worksheet is to aid the appraiser in determining the number of potential onsite building opportunity rights that are currently available to the subject in application. The worksheet is meant as an aid to the appraiser in developing their highest and best use analysis. It is at the appraiser's sole discretion as to what value impact (if any) this onsite development potential may have on the subject property.

Owner:

Farm Name:

Address:

Township:

County:

Tax Block/Lot(s):

Total Acres in application:

Total PDCs as per LOI: \_\_\_\_

PDCs being reserved for future onsite development opportunities: \_\_\_\_

*Note: Prior to preservation LOI must acknowledge retention of 0.25 PDC for each anticipated dwelling opportunity being retained.*

PDCs proposed to be retired by the proposed preservation easement \_\_\_\_

Property Tax Lot is subject to:

- Agricultural Planning Area
- Special Agricultural Production Area
- Preservation Area District
- Areas Substantially similar local zoning (as deemed by the Pinelands Commission)
- Multiple Management Areas
- Pinelands Villages and towns, Rural Development, Regional Growth Areas and Forrest Areas (if property is entirely in one of these areas do not use this worksheet. Use only if at least a portion of the property in application is in one of the above checked areas)

**AP Management Area N.J.A.C. 7:50 – 5.24**     yes     no

**Property is eligible for 1 unit per 40 acre cluster provision**

Rule: Unit at gross density of 1:40 acres (N.J.A.C. 7:50-5.24(a)3)

- a. Unit(s) shall be clustered on one acre lots, unless municipality determines residential development is incompatible with agricultural use
  - i. *If new residential lots are being created (subdivided off), each new lot must be one acre in size (not smaller and not bigger).*
  - ii. *Standard septic systems can be used*
- b. Requires deed restriction of remainder of lot with severance of any PDCs

**Subject Property Potential Yield under 1:40 cluster provision**

# of acres \_\_\_\_

# of potential subdivisions \_\_\_\_ (# of acres/40 ) on 1 acre lots

**Property is eligible for 1 accessory to agriculture unit per 10 acres every 5 years for farm operator/employee**

Rule: 1 unit: 10 acres (N.J.A.C. 7:50-5.24(a)2)

- a. Dwelling must be accessory to active agricultural operation
- b. Dwelling must be for an operator or employee of farm actively engaged in operation
- c. Lot has not been subdivided within last 5 years unless done so under cultural housing provision
- d. No more than one lot can be created under this provision at one time

**Subject Property Potential Yield under 1:10 every 5 years**

# of acres \_\_\_\_

# of potential dwellings/subdivisions \_\_\_\_ (# of acres/10) Accessory to Agriculture

# of years until fully developed \_\_\_\_ (# potential subdivisions x 5)

*An appraiser should consider length of term to achieve full subdivision when assessing its value impact. For instance, under the above scenario a 100 acre property could be potentially subdivided 10 times until it can be subdivided no further, but it would take 50 years to accomplish this. The present value of such distant future benefits needs to be carefully considered by the appraiser. The requirement that the opportunity (new lot or house) needs to be accessory to agriculture must also be taken into account.*

**Property is eligible for 3.2 acre Cultural Housing Provision**

Rule - Cultural Housing Provision (N.J.A.C. 7:50-5.32)

- a. 3.2 acre lot requirement
  - i. For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
- b. Unit must be principal residence of property owner or immediate family member
- c. Individual whose residence it will be has not developed a similar unit within previous 5 years
- d. Parcel in continuous ownership of individual or their family since Feb. 7, 1979
- e. Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years

**Other potential uses of the property under AP Management Area**

Seasonal Agricultural Labor Housing -**Eligible**

Farm Markets up to 5,000 SF -**Eligible**

Agricultural Structures -**Eligible**

Low intensity Recreational Uses -**Eligible**

Expansion of intensive recreational uses (in existence 2/7/1979) \_\_ yes \_\_ no

**Substantially Similar Zoning:** Please provide applicable municipal zoning code. This should be confirmed with the Pinelands Commission. \_\_\_\_ (check if applicable)

**Wetlands/Buffers:** Wetland buffers are uniformly 300' wide in the Pinelands and septic systems are not permitted within the buffer. The property may be eligible for a transition area waiver to allow for the construction of a dwelling, but the appraiser's contracting agent must confirm that this option has not been previously utilized prior to the farmland preservation application.

**SAP (Special Agriculture Production) Management Area N.J.A. C. 7:50 – 5.25 \_\_ yes \_\_ no**

Property **is not eligible** for 1 unit per 40 acre cluster provision (1 acre lots)

Property **is eligible** for large farm lot dwelling/subdivision (40+ acre units)

Rule: 1 unit: 40 acres (N.J.A.C. 7:50-5.25(b)) (If permitted by Township)

- a. Dwelling must be accessory to active agricultural operation
- b. Dwelling must be for an operator or employee of farm actively engaged in operation
- c. Lot has not been subdivided within last 5 years unless done so under cultural housing provision
- d. No more than one lot can be created under this provision at one time

**Subject Property Potential Yield under 1:40 large farm lot development**

# of acres \_\_\_\_  
#of Potential 40 acre farm units \_\_\_\_ (# of acres/40)

Property **is not eligible** for 1 farm accessory unit per 10 acres every 5 years for farm manager/owner/relative

Property **is eligible** for 3.2 acre Cultural Housing Provision (N.J.A.C. 7:50-5.32) dwelling/subdivision

Rule - Cultural Housing Provision (N.J.A.C. 7:50-5.32)

- a. 3.2 acre lot requirement
  - ii. For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
- b. Unit must be principal residence of property owner or immediate family member
- c. Individual whose residence it will be has not developed a similar unit within previous 5 years
- d. Parcel in continuous ownership of individual or their family since Feb. 7, 1979
- e. Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years

**Other potential uses of the property under SAP Management Area**

Seasonal Agricultural Labor Housing -**Eligible**

Farm Markets up to 5,000 SF -**Eligible**

Agricultural Structures -**Eligible**

**Substantially Similar Zoning:** Please provide applicable municipal zoning code. This should be confirmed with the Pinelands Commission. \_\_\_\_ (check if applicable)

**Wetlands/Buffers:** Wetland buffers are uniformly 300' wide in the Pinelands and septic systems are not permitted within the buffer area. The property may be eligible for a transition area waiver to allow for the construction of a dwelling, but the appraiser's contracting agent must confirm that this option has not been previously utilized prior to the farmland preservation application.

**Pinelands Preservation Area District N.J.A.C. 7:50-5.22** \_\_\_\_ yes \_\_\_\_ no

Property **is not eligible** for 1 unit per 40 acre cluster provision

Property **is not eligible** for large farm lot dwelling/subdivision (40+ acre units)

Property **is not eligible** for 1 farm accessory unit per 10 acres every 5 years for farm manager/owner

Property **is eligible** for Cultural Housing Provision (N.J.A.C. 7:50-5.32) subdivision

- a. 3.2 acre lot requirement
  - i. For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
- b. Unit must be principal residence of property owner or immediate family member
- c. Individual whose residence it will be has not developed a similar unit within previous 5 years
- d. Parcel in continuous ownership of individual or their family since Feb. 7, 1979
- e. Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years

**Other potential uses of the property under Preservation District Management Area (If permitted by the municipality)**

Seasonal Agricultural Labor Housing \_\_\_\_yes \_\_\_\_ no

Agricultural employee housing as an element of, and accessory to, an active agricultural operation \_\_\_\_yes  
\_\_\_\_ no



Farm Markets up to 5,000 SF  yes  no

Agricultural Structures  yes  no

Low intensity Recreational Uses  yes  no

Expansion of intensive recreational uses (in existence 2/7/1979)  yes  no

**Substantially Similar Zoning: Please provide applicable municipal zoning code in appraisal. This should be confirmed with the Pinelands Commission. \_\_\_\_\_ (check if applicable)**

Wetlands/Buffers: Wetland buffers are uniformly 300' wide in the Pinelands and septic systems are not permitted in the buffer area. The property may be eligible for a transition area waiver to allow for the construction of a dwelling, but the appraiser's contracting agent must confirm that this option has not been previously utilized prior to the farmland preservation application.

## APPENDIX C: PINELANDS ONSITE DEVELOPMENT GUIDE

	Area Type - No Deed Restriction			SADC Deed Restriction	
	Agricultural Production	Special Agricultural Production	Preservation Area	Permitted on SADC DEED RESTRICTED PREMISES	Permitted on SADC EXCEPTION AREAS
<b>Development Opportunity</b>					
3.2 ACRE CULTURAL HOUSING - 1 EVERY 5 YEARS	X	X	X	NO	YES
1DU/40 ACRE CLUSTER OPTION	X			NO	NO
1DU/10 ACRE ACCESSORY TO AGRICULTURE EVERY 5 YEARS	X			NO	YES if pre reserved - only once
1DU/40 - ACCESSORY TO AGRICULTURE EVERY 5 YEARS		X		NO	YES - if pre reserved - only once
SEASONAL AGRICULTURAL LABOR	X	X	X	YES	YES
RDSO - Residual Dwelling Site Opportunity	N/A	N/A	N/A	Yes - with approval	N/A
AGRICULTURAL STRUCTURES	X	FOR BERRY AGRICULTURE ONLY	FOR BERRY AGRICULTURE ONLY	YES	YES
FARM MARKETS UP TO 5,000 SF	X			YES - with approval	YES
LOW INTENSITY RECREATIONAL USES INCLUDING HUNTING /FISHING	X		X	YES per CADB/SADC review	YES
EXPANSION OF INTENSIVE RECREATIONAL USES IN EXISTENCE AS OF 2/7/79	X	X	X	NO	YES
ACCESSORY USES(EG. SMALL FARM MARKETS/CARTS, SOLAR FACILITIES	X	X	X	YES	YES
<b>ALL DEVELOPMENT IS SUBJECT TO PINELANDS REVIEW AS WELL AS MUNICIPAL APPROVAL.</b>					
<b>WETLANDS AND WETLANDS BUFFERS STANDARDS APPLY TO AGRICULTURAL STRUCTURES AND ARE SUBJECT TO MUNICIPAL REVIEW</b>					
<b>EXCEPTION AREAS ARE SUBJECT TO PINELANDS AND MUNICIPAL REGULATIONS INCLUDING WETLAND AND BUFFER REGULATIONS.</b>					
<b>MUNICIPAL ORDINANCE SHOULD BE CHECKED TO VERIFY WHETHER A USE LISTED ON THE ABOVE CHART IS PERMITTED IN A PARTICULAR ZONING DISTRICT.</b>					

## APPENDIX D

### Residential Opportunity Adjustment Guide

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Subject Has</b> ↓	<b>Sale has RDSO</b>	<b>Sale has Non Severable Exception</b>	<b>Sale has Existing Residence</b>	<b>Sale has Severable Exception</b>	<b>Sale has No Residential Opportunity</b>
<b>A. RDSO</b>	A1 Subject is Equal	A2 Subject is Inferior or Equal	A3 Subject is Inferior or Equal	A4 Subject is Inferior or Equal	A5 Subject is Superior
<b>B. Non-Severable Exception</b>	B1 Subject is Superior or Equal	B2 Subject is Equal	B3 Subject is Superior or Equal	B4 Subject is Inferior of Equal	B5 Subject is Superior
<b>C. Existing Residence</b>	C1 Subject is Superior or Equal	C2 Subject is Equal or Inferior	C3 Subject is Equal	C4 Subject is Inferior or Equal	C5 Subject is Superior
<b>D. Severable Exception</b>	D1 Subject is Superior or Equal	D2 Subject is Superior or Equal	D3 Subject is Superior or Equal	D4 Subject is Equal	D5 Subject is Superior
<b>E. No Res. Opportunity</b>	E1 Subject is Inferior	E2 Subject is Inferior	E3 Subject is Inferior	E4 Subject is Inferior	E5 Subject is Equal

All adjustments for residential opportunity are solely each appraiser's opinion. The above guide is merely a generalized table designed to assist the appraiser in their adjustment process. An appraiser may have a different opinion than those expressed in this guide, but will likely be asked to clearly explain their rationale. For example; housing size and other limitations placed on RDSOs or exceptions could have an effect on how the appraiser interprets comparability.



## APPENDIX E

### EMINENT DOMAIN OF PRESERVED FARMLAND

There are occasions where the preserved farm may be subject to eminent domain takings by authorized government entities pursuant to N.J.S.A. 4:1C-25. In addition, certain interstate gas pipeline projects have authority to condemn preserved farmland under the Federal Natural Gas Act. This section is meant to advise appraisers as to the required techniques and conditions of appraising preserved farms that are subject to eminent domain takings.

1. All appraisals must be conducted under the hypothetical condition that the farm is unencumbered by the agricultural easement in order to secure just compensation to the easement holder and funding partners based on current value of the land. Highest and Best Use is still as of the date of the eminent domain appraisal but subject to the hypothetical condition that the property is unencumbered by the agricultural easement. This is regardless of the highest and best use conditions that the property was preserved under.
2. All takings must be appraised based on the hypothetical condition of the land as unencumbered by the agricultural easement. This includes fee takings, easements, temporary easements or temporary work space areas as well as damages to the remainder.
3. The easement holder is not entitled to compensation for impacts to improvements, crop losses/damages or other damages unrelated to the value of the land. If the appraiser's assignment is to determine compensation for such items, it will be necessary to break out the value of those improvements or crops from the value of the lands under appraisal. In cases where appraisals are not clear as to the contributory value of land and improvements, the appraiser should discuss the need for a separate land only appraisal with his client.
4. The appraiser's client should provide the appraiser with a detailed map and description of the subject property and taking(s). In instances where takings encumber both preserved and unpreserved areas of a farm, it is not the appraiser's responsibility to determine compensation to all parties concerned, only to value the property as completely unencumbered. It is the condemnor and easement holder's responsibility to determine appropriate compensation due the easement holder, landowner etc.



STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION #FY2016R6(1)

CERTIFICATION, RE-CERTIFICATION AND  
REMOVAL OF APPRAISERS  
FROM THE SADC  
APPROVED APPRAISER LIST

JUNE 23, 2016

WHEREAS, pursuant to N.J.A.C. 2:76-6.7, the State Agriculture Development Committee (SADC) shall adopt a list of appraisers who are designated as state certified general real estate appraisers (SCGREA) pursuant to N.J.A.C. 13:40A-1.2; and

WHEREAS, pursuant to N.J.A.C. 2:76-6.22 the SADC shall conduct an annual review of all approved appraisers for the purpose of re-certification; and

WHEREAS, pursuant to N.J.A.C. 2:76-6.22 staff has confirmed that the approved appraisers contained in Schedule "A" satisfy all the requirements for re-certification and the appraisers as identified in Schedule "B" do not meet the requirements for re-certification due to not attending at least one of the SADC's annual appraiser seminars in the last two years; and

WHEREAS, Richard Martin, who was on the Approved Appraiser listing, has been removed since he is now on the SADC staff as a review appraiser; and

WHEREAS, any new appraiser that requests inclusion on the approved appraiser list must satisfy the requirements of N.J.A.C. 2:76-6.21;

WHEREAS, SADC staff has reviewed the qualifications, experience and mandatory attendance at the June 8, 2016 Appraiser Conference of the appraisers contained in Schedule "C" and has determined that the appraisers satisfy all of the requirements for certification.

NOW THEREFORE BE IT RESOLVED that pursuant to N.J.A.C. 2:76-6.21 and 22, the SADC certifies the appraisers identified in Schedule "A" and Schedule "C" as approved appraisers and removes the appraisers identified in Schedule "B" from the SADC list of approved appraisers;

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED, that this action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.



6/23/16



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Date

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Susan E. Payne, Executive Director  
State Agriculture Development Committee

**VOTE WAS RECORDED AS FOLLOWS:**

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT

# Schedule 11

State Agriculture Development Committee  
 Farmland Preservation Program  
 Approved Appraisers  
 As of June 23, 2016

Name	Address	City	State	Zip	County	Phone	Fax	Meetings Attended
Ms. Thelma K. Achenbach SRA Approved for Yellow Book	23 Sherwood Drive Achenbach & Associates, LLC	Morristown	NJ	07960	Morris	(973)886-0181	(973)656-0567	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Steven W. Bartelt MAI, SRA Approved for Yellow Book	P O Box 8169 Bartelt Associates	Turnersville	NJ	08012	Gloucester	(856)582-5892	(856)582-3493	June 3rd 2015, Mercer June 8th 2016, Mercer
Ms. Pamela J. Brodowski	BRB Valuation & Consulting Serv 22 Windham Drive	Eastampton	NJ	08060-4362	Burlington	(609)261-4220	(609)261-4224	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Richard J. Carabelli	3525 Quakerbridge Rd., St. 5200 Martin Appraisal Associates	Hamilton	NJ	08619	Mercer	(609)438-9063	(609)438-9065	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Bruce L. Carlin	One S. Finley Ave, P O Box 372 Carlin Appraisal Service	Basking Ridge	NJ	07920	Somerset	(908)766-2600	(908)766-7971	June 3rd 2015, Mercer June 8th 2016, Mercer
Ms. Lana D. Chiappetta Approved for Yellow Book	547 McKendinan Road Aspen Valuation Group, LLC	Medford	NJ	08055	Burlington	(609)714-7402	(609)784-7899	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Patrick K. Conover Approved for Yellow Book	Conover Appraisal Assoc. 722 S. Second Ave.	Absecon	NJ	08205-9546	Atlantic	(609)226-6357	(609)748-0007	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Robert G. Cooper, Jr. Approved for Yellow Book	555 East Main St, P O Box 121 Landmark I Appraisal LLC	Chester	NJ	07930	Morris	(908)879-2424	(908)879-8014	June 3rd 2015, Mercer June 8th 2016, Mercer
Ms. Susanne M Curran MAI, PP Approved for Yellow Book	Curran Realty Advisors 195 Nassau Street, Suite 17	Princeton	NJ	08542	Mercer	(609)921-8778	(609)921-8224	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Ernest R. Darpino PhP, ASA	137 Stokes Road edarpino@comcast.net	Medford Lakes	NJ	08055	Burlington	(609)654-2125	(609)953-7434	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Kenneth R. Depew Approved for Yellow Book	DePew Reak Estate Appraisal Servi 21 Spruce Court, P.O. Box 379	Moorestown	NJ	08057	Burlington	(856)231-9300		June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Victor D. DiSanto Approved for Yellow Book	145 West End Ave., P O Box 977 Sterling DiSanto & Associates	Somerville	NJ	08876	Somerset	(908)526-4244	(908)526-3228	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Daniel P. Donovan Approved for Yellow Book	19 Skytop Road daniel@donovan@msn.com	Cedar Grove	NJ	07009-1316	Essex	(973)857-3120		June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Halvor J. Egeland MAI Approved for Yellow Book	1415 Hooper Ave, Suite 202 Integra Realty Resources	Toms River	NJ	08753-2887	Ocean	(732)244-7000	(732)505-9498	June 3rd 2015, Mercer June 8th 2016, Mercer

State Agriculture Development Committee  
Farmland Preservation Program  
Approved Appraisers  
As of June 23, 2016

Name	Address	City	State Zip	County	Phone	Fax	Meetings Attended
Mr. Michael Ehrenberg	37 Beach Road mehrenberg@meiappraisal.com	Monmouth Beach	NJ 07750	Monmouth	(732)571-3900	(732)571-7272	June 3rd 2015, Mercer
Mr. Robert W. Frankenfield Approved for Yellow Book	521 Middle Road Robert W. Frankenfield Associate	Hamptonton	NJ 08037	Atlantic	(609)457-9570	(609)704-8665	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Robert Gagliano MAI Approved for Yellow Book	1129 Broad Street, Suite 104 Gagliano & Company	Shrewsbury	NJ 07702	Monmouth	(732)380-0880	(732)380-1521	June 8th 2016, Mercer
Mr. Norman J. Goldberg Approved for Yellow Book	44 Leigh Street ngoldb1499@aol.com	Clinton	NJ 08809	Hunterdon	(908)730-8808	(908)730-6242	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Anthony S. Graziano Approved for Yellow Book	1415 Hooper Ave., St. 202 Integra Realty Res. Coastal NJ	Toms River	NJ 08753-2887	Ocean	(732)244-7000	(732)505-9498	June 8th 2016, Mercer
Mr. Andrew Gyetvan JE.	91 Kennedy Drive dgyetvanCM@aol.com	Fairless Hills	PA 19030		(856)795-4042		June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Ronald A. Hagel MAI, SRA Approved for Yellow Book	605 Rostan Court R. A. Hagel & Associates	Vineland	NJ 08361	Cumberland	(856)691-7055	(856)691-7017	June 3rd 2015, Mercer
Mr. Mark J. Hanson MAI, SRA	The Hanson Organization 216 Cornell Road	Audubon	NJ 08106	Camden	(609)457-7297	(609)398-6218	June 3rd 2015, Mercer
Mr. Joseph V. Heenan	615 Ocean Avenue PO Box 1405	Ocean City	NJ 08226	Cape May	(609)457-0852	(609)456-3352	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Robert F. Heffernan Approved for Yellow Book	19 Uptom Pine Rd PO Box 611	Oldwick	NJ 08858	Hunterdon	(908)236-7098	(908)236-7613	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Francis C. Heil III Approved for Yellow Book	750 Route 73, South, Suite 505 Willow Ridge Ec. Offices	Marlton	NJ 08053	Burlington	(856)985-7799	(856)985-1771	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Michael E. Hohenstein Approved for Yellow Book	Holzhauser & Hohenstein, LLC 70 Sparta Avenue-Knoll Pl Ste 20	Sparta	NJ 07871	Sussex	(973)300-0121	(973)300-0171	June 3rd 2015, Mercer
Mr. Michael D. Jones Approved for Yellow Book	Legore & Jones Appraisal, Suite 664 Washington Street, 1st Floor	Cape May	NJ 08204	Cape May	(609)770-7146	(609)770-7194	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Patrick Josephs Approved for Yellow Book	21 Crestview Drive PO Box 5055	Kendall Park	NJ 08824	Middlesex	(732)297-5400	(732)297-7220	June 8th 2016, Mercer



State Agriculture Development Committee  
Farmland Preservation Program  
Approved Appraisers  
As of June 23, 2016

Name	Address	City	State Zip	County	Phone	Fax	Meetings Attended
Mr. Edwin F. Kay Approved for Yellow Book	107 E. Commerce St. Edwin F. Kay & Associates	Bridgeton	NJ 08302 edkayinc@comcast.net	Cumberland	(856)451-2000	(856)451-2001	June 3rd 2015, Mercer
Mr. Barry J. Krauser MAI, CRE Approved for Yellow Book	Integra Realty Resources 80 S. Jefferson Road	Whippany	NJ 07981-1038 BKrauser@irr.com	Morris	(973)538-3188	(973)515-2999	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Matthew Krauser MAI, CRE Approved for Yellow Book	80 South Jefferson Road Integra Realty Resources Ste 204	Whippany	NJ 07981 MKrauser@irr.com	Morris	(973)538-3188	(973)515-2999	June 3rd 2015, Mercer June 8th 2016, Mercer
Thomas P. Lenahan MAI, CME,	Appraisal Capital Services, LLC 231 Lorraine Drive	Berkeley Heights	NJ 07922-2341 tlenahan@verizon.net	Union	(908)508-0077		June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Samuel Levi MAI	603 W. County Line Road-Suite 2 Starmark Appraisals	Lakewood	NJ 08701 sam@starmarkappraisals.com	Ocean	(732)886-6695	(732)886-7115	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Joshua D. Mackoff Approved for Yellow Book	44 Maple Avenue	Morristown	NJ 07960 jmackoff@aol.com	Morris	(973)539-0406	(973)540-1499	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Henry J. Mancini Approved for Yellow Book	Henry J. Mancini & Associates, In Manahawkin 691 Mill Creek Rd, Unit 11	Manahawkin	NJ 08050 henry@hjmancini.com	Ocean	(609)978-9750	(609)978-9180	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Thomas J. McCartney Approved for Yellow Book	James P. Casey Appraisal Assoc., P.O. Box 233	Manasquan	NJ 08736 thomas.mccartney@co.monmouth.nj.us	Monmouth	(732)974-7744	(732)974-7766	June 3rd 2015, Mercer
Mr. Charles A. McCullough Approved for Yellow Book	Giuliano, Miller & Co. 307 Andrews Lane	Moorestown	NJ 08057 camcpavalue@gmail.com	Burlington	(856)923-5879	(856)767-3500	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Jerome J. McHale Approved for Yellow Book	J McHale & Associates Inc. 693 Main St, Bldg C 2nd FL PO BX	Lumberton	NJ 08008 jmchale@jmchaleassoc.com	Burlington	(609)914-4679	(609)914-0079	June 8th 2016, Mercer
Mr. Edward T. Molinari Approved for Yellow Book	14 Harrison St., Suite 202 Harrison Professional Building	Woodbury	NJ 08096 ed@molinari.us	Gloucester	(856)853-7622	(856)853-7627	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Joseph Murray	469 Morris Avenue - PO Box 579 Professional Appraisal Associate	Summit	NJ 07902 jmurray@paaweb.com	Somerset	(908)273-2412	(908)273-9189	June 3rd 2015, Mercer
Mr. John J. Musnuff, MAI Approved for Yellow Book	Musnuff Group, LLC 17 E. Main Street - P.O. Box 517	Clinton	NJ 08809-0175 jmusnuff@musnuffgroup.com	Hunterdon	(908)735-0009	(908)735-0067	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Joseph F. Pino	572 Rt. 40	Elmer	NJ 08318 joseph.pino@verizon.net	Salem	(856)358-8049	(856)358-8899	June 3rd 2015, Mercer June 8th 2016, Mercer

State Agriculture Development Committee  
 Farmland Preservation Program  
 Approved Appraisers  
 As of June 23, 2016

Name	Address	City	State Zip	County	Phone	Fax	Meetings Attended
Mr. Ronald B. Rebish Approved for Yellow Book	Appraisal Services of NJ, Inc. 915 Hamburg Turnpike	Wayne	NJ 07470 njappraisers@gmail.com	Passaic	(973)726-9304	(973)726-9314	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Harry F. Renwick Jr	1001 Lenola Road, Bldg 2, Ste. 10 Maple Shade Renwick & Associates		NJ 08052 hrenwick@renwickandassociates.com	Burlington	(856)779-7050	(856)608-8981	June 3rd 2015, Mercer June 8th 2016, Mercer
Ms. Tracy A. Reuter	44 Leigh Street	Clinton	NJ 08809 Tracy@NormanJGoldberg.com	Hunterdon	(908)730-8808	(888)501-3398	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Thomas Rodriguez Approved for Yellow Book	74 Lambert Road Tom Rodriguez Associates	Stockton	NJ 08559 tomrod5543@comcast.net	Hunterdon	(908)788-5543	(908)788-6881	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Lee L. Romm Approved for Yellow Book	20 Westbury Drive	Cherry Hill	NJ 08003 chippyamy@verizon.net	Camden	(856)983-5500	(856)983-9523	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Ronald L. Rubinstein	Comprehensive Appraisal Corp. 16 Jefferson Ct.	Freehold	NJ 07728 ronald@comprehensiveappraisal.com	Monmouth	(732)308-0909	(732)431-5031	June 8th 2016, Mercer
Mr. William J. Sapio MAI	North Star Appraisal Company 199 New Road, Suite 61, PMB 399	Linwood	NJ 08221 jsap22@comcast.net	Camden	(856)933-1272	(856)933-1362	June 3rd 2015, Mercer
Mr. R. Michael Schaible MAI, SCGRE	7 Sanford Rd. Vanguard Appraisal Services	Stockton	NJ 08559 mickschaible@yahoo.com	Hunterdon	(609)460-4530	(609)460-4776	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Robert G. Schwarz MAI	28-30 N. Sussex St., P O Box 100 Harry L. Schwarz & Co.	Dover	NJ 07802-1008 RSchw74840@aol.com	Morris	(973)366-5600	(973)366-6594	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Timothy W. Sheehan MAI, SRA Approved for Yellow Book	T.W. Sheehan & Associates, LLC 312 Ninth Avenue	Haddon Heights	NJ 08035 tsheehan@comcast.net	Camden	(856)662-0027	(856)547-3559	June 3rd 2015, Mercer
Ms. Bettina Durmaskin Sholk Approved for Yellow Book	Solk Real Estate Appraisal & Consu East Brunswick 5 Rosemary Road		NJ 08816 bsholk2@comcast.net	Middlesex	(732)254-4410	(732)254-0451	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Peter E. Sockler MAI, CRE	299 Ward Street, Suite C Sockler Realty Services Group	Hightstown	NJ 08520 pete@srsgi.com	Mercer	(609)918-1000	(609)918-1006	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Frank J. Stearle Jr.	Associates Appraisal Agency of NJ I Trenton 1111 South Clinton Avenue		NJ 08611 AAAFJS@aol.com	Mercer	(609)695-4666	(609)695-2427	June 3rd 2015, Mercer
Mr. Russell K. Sterling Approved for Yellow Book	145 West End Ave. P O Box 977 Sterling DiSanto & Associates	Somerville	NJ 08876 rsterlingsd@advisors.com	Somerset	(908)526-4244	(908)526-3228	June 8th 2016, Mercer

State Agriculture Development Committee  
Farmland Preservation Program  
Approved Appraisers  
As of June 23, 2016

Name	Address	City	State Zip	County	Phone	Fax	Meetings Attended
Mr. James Stuart	1904 Hampden Street Stuart Appraisal Company	Oakhurst	NJ 07755	Monmouth	(732)801-8720	(732)842-0115	June 8th 2016, Mercer
Mr. Christopher J. Sullivan Approved for Yellow Book	M.A.I.S Sullivan & Company 136 Meadows Road	Lafayette	NJ 07848	Sussex	(973)875-7430	(973)875-7986	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Mark W. Sussman Approved for Yellow Book	Lasser Sussman Assoc. 469 Morris Avenue	Summit	NJ 07901	Essex	(973)535-9600	(973)535-9811	June 3rd 2015, Mercer
Mr. Merrill Taub Approved for Yellow Book	PO Box 914 4 Benjamin Street	Somerset	NJ 08873	Somerset	(908)229-5161	(908)450-1181	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Mark W. Tindler	Mark Tindler Appraisals, LLC 29 Somerset Street - 2nd Floor	Somerville	NJ 08876	Somerset	(908)526-1226	(908)526-6267	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Damian Tryjankowski	General Appraisal Services 121 Inverness Drive	Moorestown	NJ 08057	Burlington	(856)220-3182		June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. Richard M. Ward	17 Balmoral Drive	Jackson	NJ 08527	Monmouth	(732)253-7192	(732)615-0337	June 8th 2016, Mercer
Mr. Daniel C. Webb Approved for Yellow Book	Lasser Sussman Associates, LLC 469 Morris Avenue	Summit	NJ 07901-1583	Union	(973)535-9600	(973)535-9811	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. John R. Weber Jr.	Curini Appraisal Inc. 1540 Kuser Road - Suite A-7	Hamilton	NJ 08619	Mercer	(609)586-3500	(609)586-3504	June 3rd 2015, Mercer June 8th 2016, Mercer
Ms. Barbara M. Wenner	BWV Inc. Real Estate 108 Pixie Moss Trail	Medford	NJ 08055	Burlington	(609)654-7842	(609)654-2872	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. William S. Yetke Approved for Yellow Book	1315 Walnut Street Suite 808	Philadelphia	PA 19107		(215)546-3241	(215)546-3879	June 3rd 2015, Mercer June 8th 2016, Mercer
Mr. John A. Zennario	109 Green Street	Woodbridge	NJ 07095	Middlesex	(732)634-5525	(732)634-9522	June 8th 2016, Mercer



# Schedule B

State Agriculture Development Committee  
 Farmland Preservation Program  
 Appraisers Which Will Be Removed  
 Effective June 8, 2016

Name	Address	City	State	Zip	County	Phone	Fax	Meetings Attended
Mr. J. Paul Bainbridge Approved for Yellow Book	6 Woodland Road J. P. Bainbridge & Assoc., Inc.	Cape May Court House	NJ	08210	Cape May	(609)465-9978	(609)465-9969	Maintained - Special Permission June 4th 2014, Mercer
Mr. Allen Black MAI Approved for Yellow Book	Todd & Black Inc. 1209 S. Union Ave.	Cherry Hill	NJ	08002-3333	Camden	(856)662-7676	(856)662-0188	June 4th 2014, Mercer June 5th 2013, Mercer
Mr. Albert Crosby	Colliers International Valuation 109 Appaloosa Way	Sewell	NJ	08080		(609)922-4815	(856)582-4711	June 4th 2014, Mercer June 6th 2012, Mercer
Mr. Carl Fleming	2 Ridge Lane Fleming White Appraisals, Inc.	Colonia	NJ	07067-3207	Middlesex	(732)388-2177	(908)499-7233	June 4th 2014, Mercer June 5th 2013, Mercer
Mr. Richard E. Hall MAI, CRE Approved for Yellow Book	28 Hadley Avenue Hall Realty Consultants, LLC	Toms River	NJ	08753	Ocean	(732)503-4109	(856)360-8596	June 4th 2014, Mercer June 5th 2013, Mercer
Mr. Richard J. Martin Approved for Yellow Book	DePew & Martin Real Estate Appr 302 North Washington Ave. Ste. 20	Moorestown	NJ	08057	Burlington	(856)231-9300	(856)231-7419	June 3rd 2015, Mercer June 4th 2014, Mercer
Mr. Richard S. Sheldon	420 Bradshaw Avenue	Haddonfield	NJ	08033	Camden	(856)546-5992	(856)546-6311	June 4th 2014, Mercer June 5th 2013, Mercer
Mr. Dustin Tenenbaum	205 Main Street	Chatham	NJ	07928		(973)515-4700	(973)515-4720	June 4th 2014, Mercer
Mr. Michael White	2 Ridge Lane Fleming White Appraisals, Inc.	Colonia	NJ	07067-3207	Middlesex	(732)388-2177	(908)499-7233	June 4th 2014, Mercer June 5th 2013, Mercer

SCHEDULE C

STATE AGRICULTURE DEVELOPMENT COMMITTEE

LIST OF APPRAISERS TO BE APPROVED

JUNE 23, 2016

**New Appraiser:**

Name: Gary M. Wade  
Address: 12 Sylvan Way  
Metuchen, NJ 08840  
County: Middlesex County  
Phone: (732) 204-6445  
Fax: (732) 204-6445  
Email: gwade@wadeappraisal.net  
License: 42RG00214100

Name: Richard Moule  
Address: 244 Spruce Avenue  
Maple Shade, NJ 08052  
County: Burlington County  
Phone: (856) 779-7050  
Fax: (856) 608-8981  
Email: Rich@renwickandassociates.com  
License: 42RG00247000





STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION #FY2016R6(2)

SADC EASEMENT ACQUISITION  
PRELIMINARY APPROVAL  
HIGHLANDS OPEN SPACE PARTNERSHIP FUNDING PROGRAM

JUNE 23, 2016

Subject Farm: Chang Farm - Hunterdon County  
Block 9, Lots 2, 6, 6.01, 6.02, 6.03 - Tewksbury Township  
Block 27, Lot 3 - Califon Borough  
Approximately 66 net easement acres  
SADC # 10-0239-DE

WHEREAS, pursuant to N.J.A.C. 2:76-11.3, an owner of farmland may offer to sell to the State Agriculture Development Committee ("SADC") a development easement on the farmland; and

WHEREAS, on September 2, 2015 the SADC received an SADC easement acquisition application from Bennett J. LoBrace, CPA, with Power of Attorney for Rey Chin Chang and Ming Ta Chang (Owners), for the Property identified Block 9, Lots 2, 6, 6.01, 6.02, 6.03 - Tewksbury Township and Block 27, Lot 3 - Califon Borough, Hunterdon County, totaling approximately 66 net acres as shown on (Schedule A); and

WHEREAS, the Property meets the minimum eligibility criteria as set forth in N.J.A.C. 2:76-6.20; and

WHEREAS, staff evaluated this application for the sale of development easement pursuant to SADC Policy P-14-E, Prioritization criteria, N.J.A.C. 2:76-6.16 and the State Acquisition Selection Criteria approved by the SADC on July 25, 2013, which categorized applications into "Priority", "Alternate" and "Other" groups; and

WHEREAS, SADC staff determined that the Property meets the SADC's "Priority" category for Hunterdon County (minimum acreage of 49 and minimum quality score of 55) because it is approximately 66 net easement acres and has a quality score of 57.93; and

WHEREAS, the Property is located within the Highlands Agriculture Priority and Resource Areas as well as the Highlands Preservation Area's "Conservation and Protection Zones" (Schedule B); and

WHEREAS, the Owners provided a deed that shows the property was acquired in 1990, therefore, the property appears to be eligible, and must be appraised, along with current zoning, under 01/01/04 zoning and environmental conditions pursuant to the enactment of P.L.2015, c.5, which extends the dual-appraisal provision only to farms in the Highlands region; and

WHEREAS, the Property includes one (1), approximately 4-acre non-severable exception area, limited to two (2) existing single family residential units and for future flexibility of uses resulting in approximately 66 net acres to be preserved; and

WHEREAS, the portion of the Property to be preserved outside of the exception area includes one (1) single family residential unit, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application the majority of the farm's acreage is in hay and beef production; and

WHEREAS, on March 23, 2006 the SADC adopted the FY 2006 Highlands Preservation Appropriation Expenditure Policy - Amended, which approves the use of Highlands funds to support additional applications in all farmland preservation programs where demand for funding has outstripped otherwise approved SADC funding. The Property is a candidate for this funding source; and

WHEREAS, at this time there is approximately \$1.3 million available from the \$30 million originally designated as Highlands funding; and

WHEREAS, in order to maximize leverage of available SADC Highlands area funding, the SADC wishes to submit the Chang farm to the Highlands Council's Open Space Partnership Funding Program for funding consideration; and

WHEREAS, on April 18, 2016 the Highlands Council adopted regulations for its Open Space Partnership Funding Program (N.J.A.C 7:70), which is a matching grant program designed to support the acquisition of property for the protection of resources within the Highland Region, and to further the land preservation goals of the Highlands Water Protection and Planning Act and the Highlands Regional Master Plan (Schedule C); and

WHEREAS, the Property's location, quality and characteristics appears to indicate that it would be a good candidate for a Highlands Open Space Partnership Funding grant and the Owner is agreeable to the submission of an application to the Highlands Council; and

WHEREAS, the standard SADC Deed of Easement (pursuant to N.J.A.C 2:76-6.15) will be submitted to the Highlands Council for review as the proposed "Conservation Easement" on the Property; and


NOW THEREFORE BE IT RESOLVED that the SADC grants preliminary approval to the Property for an easement acquisition and authorizes staff to proceed with the following:

1. Enter into a 120 day option agreement.
2. Secure two independent appraisals to estimate the fair market value of the Property.
3. Submit an application to the Highlands Council for the Open Space Partnership Funding Program for a 50% cost share grant.
4. Review the two independent appraisals and recommend a certified fair market easement value of the property to the SADC.

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED, that this action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

6/23/14  
Date

  
Susan E. Payne, Executive Director  
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT







# Schedule B

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Application within the Highlands Preservation Area

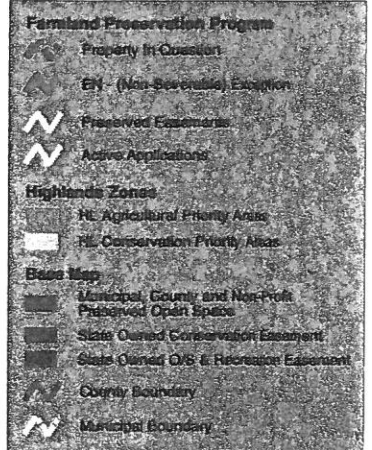
## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Dr. M. T. David Chang  
 Tewksbury Twp. - Block 9 Lots 2 (10.3 ac); P/O 6 (15.1 ac);  
 P/O 6-EN (non-severable exception - 4.0 ac);  
 6.01 (14.1 ac); 6.02 (8.3 ac); & 6.03 (5.9 ac)  
 Califon Borough - Block 27 Lot 3 (12.6 ac)  
 Gross Total = 70.2 ac  
 Hunterdon County



Sources:  
 NJ Farmland Preservation Program  
 Green Acres Conservation Easement Data  
 NJGIT/OGIS 2012 Digital Aerial Image

**NOTE:**  
 The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors

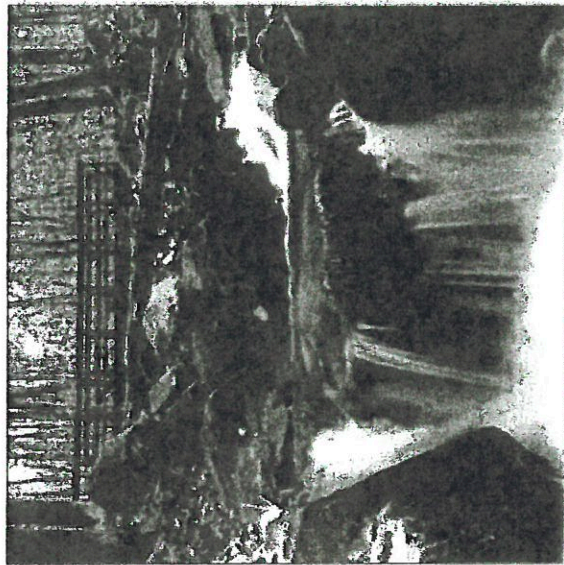




## Application Deadline:

# September 16, 2016

Applications available at:  
[www.nj.gov/njhighlands/grantprograms/](http://www.nj.gov/njhighlands/grantprograms/)  
or by contacting James Humphries,  
Highlands Open Space Coordinator, at 908-879-6737  
or [james.humphries@highlands.nj.gov](mailto:james.humphries@highlands.nj.gov).



## Program Overview

- Matching Grant up to 50%
- Fee Simple or conservation easement for any passive recreation or conservation purposes.
- State agencies, Highlands Region county or municipal governments, and charitable conservancies eligible to apply.



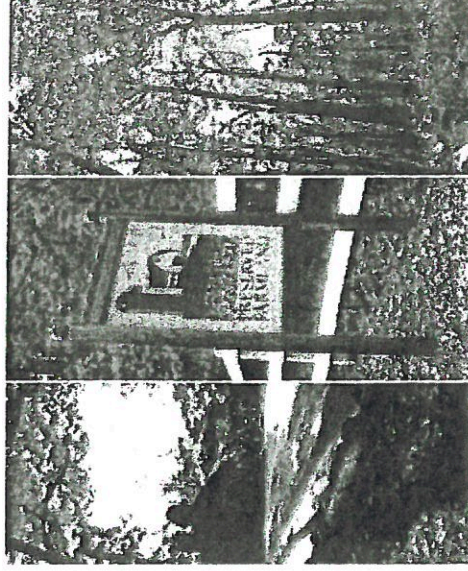
The New Jersey Highlands  
Water Protection and Planning Council

# Open Space Partnership Funding Program

Complete program details and  
applications available at:  
[www.nj.gov/njhighlands/grantprograms/](http://www.nj.gov/njhighlands/grantprograms/)

or by contacting

James Humphries  
Highlands Open Space Coordinator  
908-879-6737 or  
[james.humphries@highlands.nj.gov](mailto:james.humphries@highlands.nj.gov)



**State of New Jersey**  
Highlands Water Protection and Planning Council  
100 North Road (Route 513)  
Chester, New Jersey 07930-2322  
(908) 879-6737  
(908) 879-4205 (fax)  
[www.nj.gov/njhighlands](http://www.nj.gov/njhighlands)

**Highlands  
Council**  
New Jersey



## The Highlands Open Space Partnership Funding Program

is a matching grant program designed to support the acquisition of property for the protection of resources within the Highland Region, and to further the land preservation goals of the Highlands Water Protection and Planning Act and the Highlands Regional Master Plan.

### Eligible Applicants

- The State of New Jersey, in accordance with the State funding source requirements;
- Any of the seven counties located in the Highlands Region;
- Any of the 88 municipalities located in the Highlands Region; and
- Charitable conservancies (exempt from Federal income taxation under paragraph (3) of the subsection (c) of section 501 of the Federal Internal Revenue Code of 1986 (26 U.S.C. § 501 (c)(3)); and whose purpose includes the acquisition and preservation of lands in a natural, scenic, or other open condition.)

### Eligible Projects/Activities

Applications will be considered for acquisition of property in fee simple or through conservation easements for any passive recreation or conservation purposes.

### Match Parameters

The Highlands Council shall provide a maximum grant award of 50% of the total purchase price of the property. Applicants that provide for a higher proportion of outside matching funds will be provided with a higher priority than those that do not. Applicants shall supply written commitment letters from all agencies that intend to provide matching funds.

### Priority Ranking

- A priority ranking against other complete applications will be based on the following in no specific order:
  - Highlands Regional Master Plan (RMP) designation as special environmental zone.
  - Highlands RMP designation as high or moderate conservation and/or agricultural priority area.
  - Adjacency to existing opening space, preserved farmland, and/or recreational facilities.
  - When funding for this program is associated with a Highlands Council approved mitigation project, any mitigation criteria for that project will also be considered.

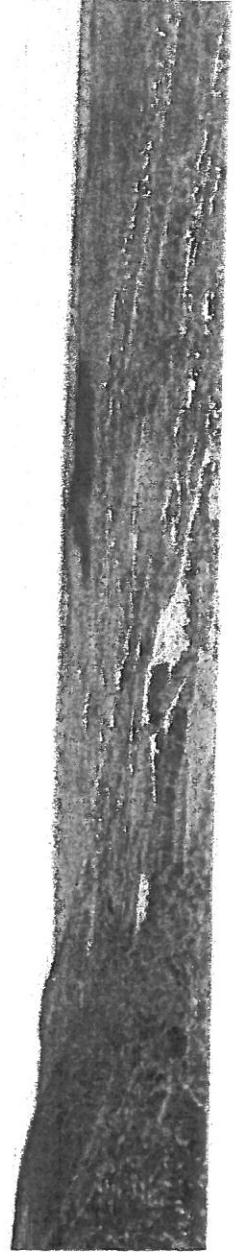
### Project Completion Deadline

Applicants shall have 12 months to complete closings from the effective date of the Highlands Council's issuance of an Approval for Funding.



Complete program details and applications available at: [www.nj.gov/njhighlands/grantprograms/](http://www.nj.gov/njhighlands/grantprograms/) or by contacting

James Humphries, Highlands Open Space Coordinator | 908-879-6737 or [james.humphries@highlands.nj.gov](mailto:james.humphries@highlands.nj.gov)





STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY2016R6(3)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO

WEST AMWELL TOWNSHIP

for the

PURCHASE OF A DEVELOPMENT EASEMENT

On the Property of

Thomas & Sharon Holcombe ("Owner")

West Amwell Township, Hunterdon County

N.J.A.C. 2:76-17A. et seq.

SADC ID# 10-0366-PG

June 23, 2016

WHEREAS, on December 15, 2007, pursuant to N.J.A.C. 2:76-17A.4, the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") plan application from West Amwell Township, Hunterdon County; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.7, West Amwell Township received SADC approval of its FY2017 PIG Plan application annual update on May 26, 2016; and

WHEREAS, on April 10, 2015 the SADC received an application for the sale of a development easement from West Amwell Township for the subject farm identified as Block 11, Lots 1 and 1.01, West Amwell Township, Hunterdon County, totaling approximately 21.83 gross acres hereinafter referred to as "the Property" (Schedule A); and

WHEREAS, the targeted Property is located in West Amwell Township's Project Area; and

WHEREAS, the Property includes one (1), approximately 2.15-acre non-severable exception area for and limited to one (1) existing single family residential unit and for future flexibility of use resulting in approximately 19.68 net acres to be preserved; and

WHEREAS, within the exception area there is a 100' tall cell tower and ancillary structures associated with the tower pursuant to a lease agreement with Crown Castle Corporation, the company currently managing and operating the cell tower, and

WHEREAS, SADC staff worked with the Holcombe's attorney and Crown Castle Corporation to amend the terms of the cellular lease agreement to be contained entirely within the exception area; and



WHEREAS, Final Approval and closing are conditioned upon SADC counsel's review and approval of a final second amendment to the cellular lease agreement before it is executed and prior to closing on the Deed of Easement; and

WHEREAS, upon approval of the cell tower, the Township and landowner signed and recorded an "100' Buffer and 200' Restricted Zone" agreement, which restricts building within 100' of the tower and restricts subdivision within 200' of the tower (Schedule A); and

WHEREAS, the appraisals and SADC certification of easement value considered the lease agreement, proposed amendments as well as the "100' Buffer and 200' Restricted Zone"; and

WHEREAS, since the 100' buffer contains restrictions that are consistent with the farmland preservation Deed of Easement, the easement will cover this area, but the SADC will not cost share on the restricted acreage, outside the exception area; and

WHEREAS, since the 200' restricted zone does not inhibit building or agricultural use, the SADC will provide a cost share grant on the area between the 100' and 200' restricted zones outside the exception area; and

WHEREAS, there is also an existing +/- .495 acre conservation easement on the Premises held by the Township of West Amwell that contains restrictions that are inconsistent with the Deed of Easement, which will be covered by the farmland preservation Deed of Easement, but the SADC will not cost share on this area; and

WHEREAS, the portion of the Property outside the exception area to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application the Property was in hay production; and

WHEREAS, the owners have read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises and Non-agricultural uses; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9A(b) on February 17, 2016 it was determined that the application for the sale of a development easement was complete and accurate and satisfied the criteria contained in N.J.A.C. 2:76-17A.9(a); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on May 26, 2016 the SADC certified a development easement value of \$5,900 per acre based on zoning and environmental regulations in place as of the current valuation date March 2016; and

WHEREAS, the Owner accepted the Township's offer of \$5,900 per acre for the development easement for the Property; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.13, on June 1, 2016 the West Amwell Township Committee approved the application and a funding commitment for \$1,025 per acre; and

WHEREAS, the Hunterdon County Agriculture Development Board approved the application on June 9, 2016 and secured a commitment of funding from the Hunterdon County Board of Chosen Freeholders for the \$1,025 required local match on June 21, 2016; and

WHEREAS, the cost share breakdown is approximately as follows (based on approximately 19.68 net easement acres):

	<u>Total</u>	
SADC	\$ 75,768	(\$3,850 per acre)
Hunterdon County	\$ 20,172	(\$1,025 per acre)
<u>West Amwell Twp.</u>	<u>\$ 20,172</u>	<u>(\$1,025 per acre)</u>
Total Easement Purchase	\$116,112	(\$5,900 per acre)

WHEREAS, West Amwell Township is requesting \$75,768 and sufficient funds are available (Schedule B); and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.15, the County shall hold the development easement since the County is providing funding for the preservation of the farm; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.14, the SADC shall approve a cost share grant for the purchase of the development easement on an individual farm consistent with the provisions of N.J.A.C. 2:76-6.11; and

WHEREAS, pursuant to N.J.A.C. 2:76-6.11, the SADC shall provide a cost share grant to the Township for up to 50% of the eligible ancillary costs for the purchase of a development easement which will be deducted from its PIG appropriation and subject to the availability of funds;

NOW THEREFORE BE IT RESOLVED, that the SADC grants final approval to provide a cost share grant to West Amwell Township for the purchase of a development easement on the Property, comprising approximately 19.68 net easement acres, at a State cost share of \$3,850 per acre, (62.25% of certified easement value and purchase price), for a total grant need of \$75,768 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in (Schedule C);



BE IT FURTHER RESOLVED, the Property includes one (1), approximately 2.15-acre non-severable exception area for and limited to one (1) existing single family residential unit and for future flexibility of use; and

BE IT FURTHER RESOLVED, the farmland preservation easement traditionally covers any conservation easement areas (.495 acre), however, the SADC does not cost share on these areas; and

BE IT FURTHER RESOLVED, the SADC will provide a cost share grant on the area between the 100' and 200' restricted zones outside the exception area because the restrictions are not found to be in conflict with the farmland preservation Deed of Easement; and

BE IT FURTHER RESOLVED, Final Approval and closing are conditioned upon SADC counsel's review and approval of a final second amendment to the lease agreement before it is executed and prior to closing on the Deed of Easement; and

BE IT FURTHER RESOLVED, the portion of the Property outside of the exception area to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses on the area; and

BE IT FURTHER RESOLVED, if the Township and County agree to the SADC providing its grant directly to Hunterdon County, the SADC shall enter into a Grant Agreement with the Township and County pursuant to N.J.A.C. 2:76-6.18, 6.18(a) and 6.18(b); and

BE IT FURTHER RESOLVED, that the SADC's cost share grant to the County for the purchase of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B Supplement; and

BE IT FURTHER RESOLVED, that all survey, title and all additional documents required for closing shall be subject to review and approval by the SADC; and

BE IT FURTHER RESOLVED, that the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and



6/23/16

Date



Susan E. Payne, Executive Director  
State Agriculture Development Committee

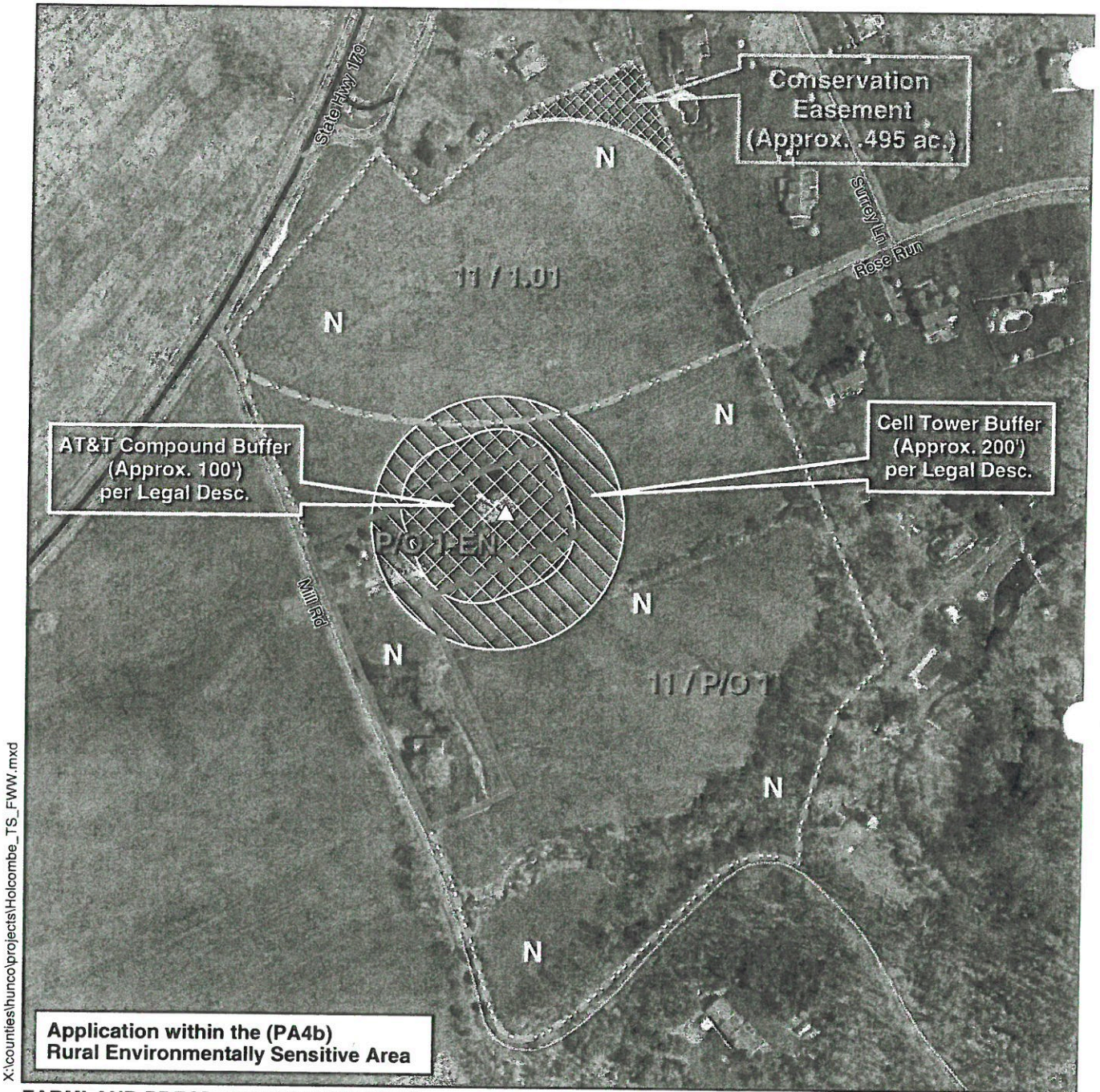
VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT



# Wetlands

02-14-2015



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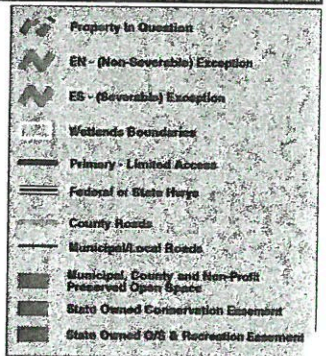
## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Holcombe, Thomas e & Sharon A  
Block 11 P/O Lot 1 (12.49 ac),  
P/O Lot 1-EN (non-severable exception – 2.5 ac)  
& Lot 1.01 (6.83 ac)  
Gross Total = 21.83 ac  
West Amwell Twp., Hunterdon County



Sources:  
NJDEP Freshwater Wetlands Data  
Green Acres Conservation Easement Data  
NJDOT Road Data  
NJOT/OGIS 2012 Digital Aerial Image

**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor



**Wetlands Legend:**  
F - Freshwater Wetlands  
L - Linear Wetlands  
M - Wetlands Modified for Agriculture  
T - Tidal Wetlands  
N - Non-Wetlands  
W - Water



# Schedule A (continued)

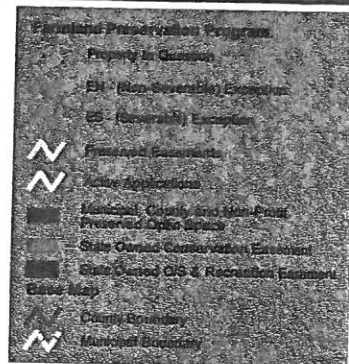
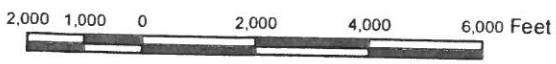
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**Application within the (PA4b)  
Rural Environmentally Sensitive Area**

## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Holcombe, Thomas e & Sharon A  
Block 11 P/O Lot 1 (12.49 ac),  
P/O Lot 1-EN (non-severable exception – 2.5 ac)  
& Lot 1.01 (6.83 ac)  
Gross Total = 21.83 ac  
West Amwell Twp., Hunterdon County



**NOTE:**  
The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors

Sources:  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJGIT/OGIS 2012 Digital Aerial Image  
Date: 4/23/2015



Municipal Planning Incentive Grant  
West Amwell Township, Hunterdon County

Schedule B

Farm	SADC ID#	Acres	Pay Acres	SADC		SADC			Federal Grant				Balance	
				Certified Per Acre	SADC Grant Per Acre	Cost Basis	Cost Share	Total Federal Grant	Encumbered	Expended	Balance			
Lambert Farm, LLC	10-0355-PG	52.641	52.461	11,300.00	6,780.00	594,843.30	356,905.98							1,250,000.00
Holcombe III	10-0366-PG	19.680	19.680	5,900.00	3,850.00	116,112.00	75,768.00				356,905.98	356,905.98		893,094.02
<b>Total Pending</b>	<b>2</b>	<b>88.500</b>					<b>531,000.00</b>							
<b>Total Encumbered</b>	<b>1</b>	<b>19.680</b>					<b>75,768.00</b>				<b>75,768.00</b>			
<b>Closed/Expended</b>	<b>1</b>	<b>52.641</b>				<b>594,843.30</b>						<b>356,905.98</b>		
<b>Total</b>														<b>817,326.02</b>

State Agriculture Development Committee  
SADC Final Review: Development Easement Purchase

Holcombe, Thomas & Sharon (Mill Rd)  
10- 0366-PG  
PIG EP - Municipal 2007 Rule  
18 Acres

Block 11	Lot 1	West Amwell Twp.	Hunterdon County
Block 11	Lot 1.01	West Amwell Twp.	Hunterdon County

<b>SOILS:</b>	Other	17% * 0	=	.00
	Prime	16% * .15	=	2.40
	Statewide	67% * .1	=	6.70
			<b>SOIL SCORE:</b>	<b>9.10</b>

<b>TILLABLE SOILS:</b>	Cropland Pastured	65% * .15	=	9.75
	Cropland Harvested	25% * .15	=	3.75
	Woodlands	10% * 0	=	.00
			<b>TILLABLE SOILS SCORE:</b>	<b>13.50</b>

**FARM USE:** Hay acres

In no instance shall the Committee's percent cost share for the purchase of the development easement exceed 80% of the purchase price of the easement. This final approval is subject to the following:

1. Available funding.
2. The allocation, not to exceed 0 Residual Dwelling Site Opportunities on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
5. Other:
  - a. Pre-existing Nonagricultural Use:
  - b. Exceptions:
    - 1st (2.15) acres for existing residence, accessory buildings & cell tower  
Exception is not to be severed from Premises  
Exception is to be limited to one existing single family residential unit(s)
  - c. Additional Restrictions: No Additional Restrictions
  - d. Additional Conditions:
    1. SADC counsel will need to review the final second amendment to the cellular lease agreement before it is executed.
  - e. Dwelling Units on Premises:  
No Structures On Premise
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
6. The SADC's grant for the acquisition of the development easement is subject to the terms of the Agriculture Retention and Development Act, N.J.S.A. 4:10-11 et seq., P.L. 1983, c.32, and N.J.A.C. 2:76-7.14.
7. Review and approval by the SADC legal counsel for compliance with legal requirements.





**STATE AGRICULTURE DEVELOPMENT COMMITTEE**  
**RESOLUTION FY2016R6(4)**  
**FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO**  
**WHITE TOWNSHIP**  
**for the**  
**PURCHASE OF A DEVELOPMENT EASEMENT**

**On the Property of**  
**Arthur and Joan Rothman ("Owners")**  
**White Township, Warren County**

**N.J.A.C. 2:76-17A. et seq.**  
**SADC ID# 21-0576-PG**

**June 23, , 2016**

WHEREAS, on December 15, 2007, pursuant to N.J.A.C. 2:76-17A.4, the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") plan application from White Township, Warren County; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.7, White Township received SADC approval of its FY2017 PIG Plan application annual update on May 26, 2016; and

WHEREAS, on January 5, 2015 the SADC received an application for the sale of a development easement from White Township for the subject farm identified as Block 33, Lots 20 and 20.02, White Township, Warren County, totaling approximately 58.32 gross acres hereinafter referred to as "the Property" (Schedule A); and

WHEREAS, the targeted Property is located in White Township's East Project Area and in the Highlands Planning Area; and

WHEREAS, the Property includes one (1), approximately 2-acre non-severable exception area for and limited to one (1) existing single family residential unit and one (1), approximately 8-acre severable exception area for future residential use and to afford future flexibility of use resulting in approximately 48.32 net acres to be preserved; and

WHEREAS, the landowner was unwilling to restrict the number of residential units in the 8-acre severable exception, however this exception will have the following restrictions in the Deed of Easement:

- the exception area shall be restricted from any further subdivision
- the "use of the exception area shall not impair, hinder or negatively impact the agricultural use of the Premises as determined by the easement holder"
- Standard Right to Farm language for severable exceptions; and

WHEREAS, the portion of the Property outside the exception areas to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and (0) non-agricultural uses; and

WHEREAS, there is an existing 30 foot wide recorded easement from Hazen-Oxford Road to provide access to Lots 19 and 20.01 (Lots not owned by Rothman); and

WHEREAS, at the time of application the Property was in hay production; and

WHEREAS, the owners have read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises and Non-agricultural uses; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9A(b) on June 2, 2015 it was determined that the application for the sale of a development easement was complete and accurate and satisfied the criteria contained in N.J.A.C. 2:76-17A.9(a); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on November 12, 2015 the SADC certified a development easement value of \$4,000 per acre based on zoning and environmental regulations in place as of 1/1/04 and \$4,000 per acre based on zoning and environmental regulations in place as of the current valuation date August 2015; and

WHEREAS, the Owner accepted the Township's offer of \$4,000 per acre for the development easement for the Property; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.13, on June 9, 2016 the White Township Committee approved the application and a funding commitment for an estimated \$600 per acre; and

WHEREAS, the Warren County Agriculture Development Board approved the application on June 16, 2016 and secured a commitment of funding from the Warren County Board of Chosen Freeholders for the \$600 per acre required local match on June 22, 2016; and

WHEREAS, the cost share breakdown is approximately as follows (based on approximately 48.32 net easement acres):

	<u>Total</u>	
SADC	\$135,296	(\$2,800 per acre)
Warren County	\$ 28,992	(\$ 600 per acre)
<u>White Twp.</u>	<u>\$ 28,992</u>	<u>(\$ 600 per acre)</u>
Total Easement Purchase	\$193,280	(\$4,000 per acre)

WHEREAS, White Township is requesting \$135,296 and sufficient funds are available (Schedule B); and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.15, the County shall hold the development easement since the County is providing funding for the preservation of the farm; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.14, the SADC shall approve a cost share grant for the purchase of the development easement on an individual farm consistent with the provisions of N.J.A.C. 2:76-6.11; and

WHEREAS, pursuant to N.J.A.C. 2:76-6.11, the SADC shall provide a cost share grant to the Township for up to 50% of the eligible ancillary costs for the purchase of a development easement which will be deducted from its PIG appropriation and subject to the availability of funds;

NOW THEREFORE BE IT RESOLVED, that the SADC grants final approval to provide a cost share grant to White Township for the purchase of a development easement on the Property, comprising approximately 48.32 net easement acres, at a State cost share of \$2,800 per acre, (70% of certified easement value and purchase price), for a total grant need of \$135,296 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in (Schedule C);

BE IT FURTHER RESOLVED, the Property includes one (1), approximately 2-acre non-severable exception area for and limited to one (1) existing single family residential unit and one (1), approximately 8-acre severable exception area for future residential use and general flexibility of use; and

BE IT FURTHER RESOLVED, the landowner was unwilling to restrict the number of residential units in the 8-acre severable exception, however this exception will have the following restrictions in the Deed of Easement:

- the exception area shall be restricted from any further subdivision
- the "use of the exception area shall not impair, hinder or negatively impact the agricultural use of the Premises as determined by the easement holder"
- Standard Right to Farm language for severable exceptions; and

BE IT FURTHER RESOLVED, the portion of the Property outside of the exception to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses; and

BE IT FURTHER RESOLVED, if the Township and County agree to the SADC providing its grant directly to Warren County, the SADC shall enter into a Grant Agreement with the Township and County pursuant to N.J.A.C. 2:76-6.18, 6.18(a) and 6.18(b); and

BE IT FURTHER RESOLVED, that the SADC's cost share grant to the County for the purchase of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B; and



BE IT FURTHER RESOLVED, that all survey, title and all additional documents required for closing shall be subject to review and approval by the SADC; and

BE IT FURTHER RESOLVED, that the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

6/23/16  
Date

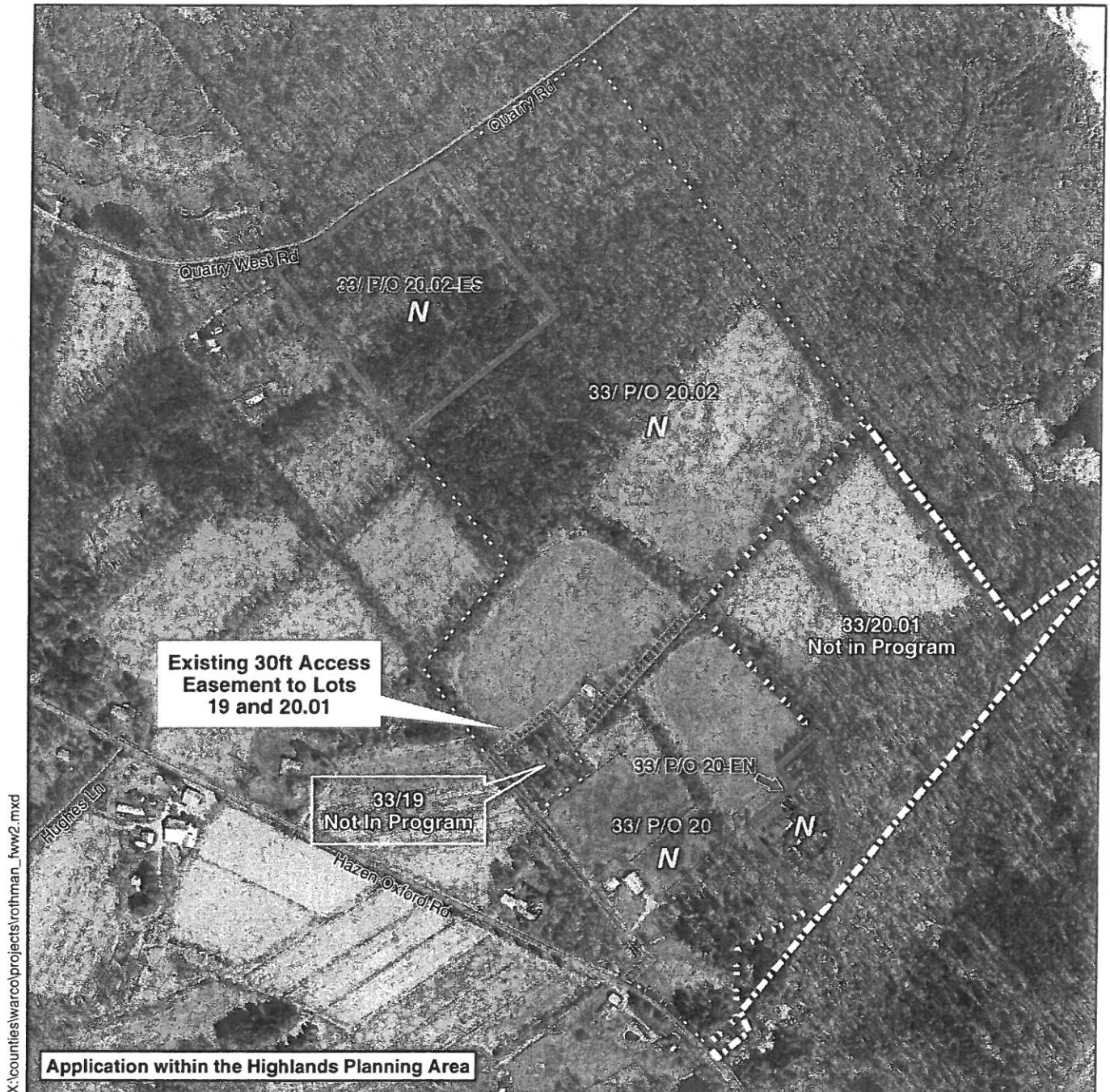


\_\_\_\_\_  
Susan E. Payne, Executive Director  
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT

# Schedule A



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## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Arthur and Joan Rothman  
 Block 33 Lots P/O 20 (13.1 ac); P/O 20-EN (non-severable exception - 2.0 ac);  
 P/O 20.02 (34.3 ac) & P/O 20.02-ES (severable exception - 8.0 ac)  
 Gross Total = 57.4 ac  
 White Twp., Warren County



**Wetlands Legend:**  
 F - Freshwater Wetlands  
 L - Linear Wetlands  
 M - Wetlands Modified for Agriculture  
 T - Tidal Wetlands  
 N - Non-Wetlands  
 B - 300' Buffer  
 W - Water

**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor

Sources:  
 NJDEP Freshwater Wetlands Data  
 Green Acres Conservation Easement Data  
 NJDOT Road Data  
 NJOT/OGIS 2012 Digital Aerial Image

March 25, 2015



# Preserved Farms and Active Applications Within Two Miles



X:\counties\warco\project\rothman\_2mile2.mxd

Application within the Highlands Planning Area

## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Arthur and Joan Rothman  
 Block 33 Lots P/O 20 (13.1 ac); P/O 20-EN (non-severable exception - 2.0 ac);  
 P/O 20.02 (34.3 ac) & P/O 20.02-ES (severable exception - 8.0 ac)  
 Gross Total = 57.4 ac  
 White Twp., Warren County



Farmland Preservation Program	
	Property in Question
	PA - Non-Severable Exception
	SE - Severable Exception
	Boundary of Exception
	Active Applications
	Preserve Allowed PDC
	Manager, County and Non-Profit Parcel of State Farms
	State Dept of Environmental Protection
	State Dept of Public Safety Assessment
	Warren County Parks
	State Dept
	County Boundary
	Unincorporated Boundary



Sources:  
 NJ Farmland Preservation Program  
 Green Acres Conservation Easement Data  
 NJ Pine Lands Conservation PDC Data  
 NJOTDGIS 2012 Digital Aerial Imagery

March 25, 2015

**NOTE:**  
 The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors



Municipal Planning Incentive Grant  
White Township, Warren County

Schedule B

Farm	SADC ID#	Acres	Pay Acres	SADC Certified Per Acre	SADC Grant Per Acre	FRPP Grant	SADC			585 - 2009 FPF		Balance
							Cost Basis	Cost Share	Encumbered	Expended		
Erhardt	21-0522-PG	26.384	26.384	7,200.00	4,500.00	8,100.00	189,964.80	118,728.00	118,728.00	118,728.00	118,728.00	1,250,000.00
Erhardt Ancillary												1,131,272.00
Walburn	21-0525-PG	23.449	23.449	5,900.00	3,850.00		138,349.10	90,278.65	90,278.65	90,278.65	6,232.00	1,125,040.00
Walburn Ancillary												1,034,761.35
Shoemaker	21-0552-PG	21.556	21.556	6,600.00	4,200.00		142,269.60	90,535.20	90,535.20	5,952.25		1,028,809.10
Rothman	21-0576-PG	48.320	48.320	4,000.00	2,800.00		193,280.00	135,296.00	135,296.00			938,273.90
												802,977.90
<b>Total Pending</b>	<b>1</b>	<b>19.970</b>							<b>225,831.20</b>			
<b>Total Encumbered</b>	<b>2</b>	<b>69.876</b>								<b>225,831.20</b>		
<b>Closed/Expended</b>	<b>2</b>	<b>49.833</b>				<b>8,100.00</b>	<b>328,313.90</b>	<b>209,006.65</b>		<b>221,190.90</b>		
<b>Total</b>												<b>802,977.90</b>

State Agriculture Development Committee  
SADC Final Review: Development Easement Purchase

Rothman, Arthur & Joan  
21- 0576-PG  
PIG EP - Municipal 2007 Rule  
47 Acres

Block 33	Lot 20	White Twp.	Warren County		
Block 33	Lot 20.02	White Twp.	Warren County		
<b>SOILS:</b>		Other	33% * 0	=	.00
		Prime	18% * .15	=	2.70
		Statewide	49% * .1	=	4.90
					<b>SOIL SCORE: 7.60</b>
<b>TILLABLE SOILS:</b>		Cropland Harvested	51% * .15	=	7.65
		Woodlands	49% * 0	=	.00
					<b>TILLABLE SOILS SCORE: 7.65</b>
<b>FARM USE:</b>		Hay	24 acres		

In no instance shall the Committee's percent cost share for the purchase of the development easement exceed 80% of the purchase price of the easement. This final approval is subject to the following:

1. Available funding.
2. The allocation, not to exceed 0 Residual Dwelling Site Opportunities on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
5. Other:
  - a. Pre-existing Nonagricultural Use:
  - b. Exceptions:
    - 1st two (2) acres for Existing single family home  
Exception is not to be severed from Premises  
Exception is to be limited to one existing single family residential unit(s)
    - 2nd eight (8) acres for Flexibility of use re: housing  
Exception is severable  
Right to Farm language is to be included in Deed of Future Lot  
The exception cannot be further subdivided
  - c. Additional Restrictions:
    1. The 8 acre severable exception shall be restricted from any further subdivision
    2. The Deed of Easement shall include the language "use of the exception area shall not impair, hinder or negatively impact the agricultural use of the Premises as determined by the easement holder."
  - d. Additional Conditions:
    1. Existing 30 foot wide access easement for Lot 19 and 20.01 not owned by the Rothman's.
  - e. Dwelling Units on Premises: No Dwelling Units
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
6. The SADC's grant for the acquisition of the development easement is subject to the terms of the Agriculture Retention and Development Act, N.J.S.A. 4:10-11 et seq., P.L. 1983, c.32, and N.J.A.C. 2:76-7.14.
7. Review and approval by the SADC legal counsel for compliance with legal requirements.

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY2016R6(5)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO

HUNTERDON COUNTY

for the

PURCHASE OF A DEVELOPMENT EASEMENT

On the Property of

John Schley ("Owner")

Readington Township, Hunterdon County

N.J.A.C. 2:76-17 et seq.

SADC ID# 10-0357-PG

June 23, 2016

WHEREAS, on December 17, 2007, the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") application from Hunterdon County, hereinafter "County" pursuant to N.J.A.C. 2:76-17.6; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.7, Hunterdon County received SADC approval of its annual PIG plan update for FY2017 PIG update on May 26, 2016; and

WHEREAS, on October 14, 2014 the SADC received an application for the sale of a development easement from Readington Township for the subject farm identified as Block 14, Lot 1.01, Readington Township, Hunterdon County, totaling approximately 21 gross acres hereinafter referred to as "the Property" (Schedule A); and

WHEREAS, prior to this Final Approval Readington Township and Hunterdon County agreed to transfer this application from the Municipal PIG program to the County PIG program; and

WHEREAS, the Property is located and targeted in Hunterdon County's North Project Area; and

WHEREAS, the Property includes zero (0) exception areas, zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application the Property was in hay production; and

WHEREAS, the Owner(s) has read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises and Non-agricultural uses; and

WHEREAS, the Property has a quality score of 70.06 which exceeds 44, which is 70% of the County's average quality score as determined by the SADC July 24, 2014; and



WHEREAS, pursuant to N.J.A.C. 2:76-17.9(b) on June 25, 2015 it was determined that the application for the sale of a development easement was complete and accurate and satisfied the criteria contained in N.J.A.C. 2:76-17.9(a); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on January 28, 2016 the SADC certified a development easement value of \$16,300 based on current zoning and environmental regulations in place as of August 2015; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.12, the Owner accepted the County's offer of \$16,300 per acre for the development easement for the Property; and

WHEREAS, on May 2, 2016 the County submitted the application to the SADC to conduct a final review of the application for the sale of a development easement pursuant to N.J.A.C. 2:76-17.14; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13, on March 8, 2016 the Readington Township Committee approved the Owner's application for the sale of development easement and a commitment of funding for \$3,260 per acre; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on March 10, 2016 the Hunterdon CADB passed a resolution granting final approval for funding the Property; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on April 5, 2016, the Board of Chosen Freeholders of the County of Hunterdon passed a resolution granting final approval and a commitment of funding for \$3,260 per acre to cover the local cost share; and

WHEREAS, the County has requested to encumber an additional 3% buffer for possible final surveyed acreage increases, therefore, 21.63 acres will be utilized to calculate the grant need; and

WHEREAS, the estimated cost share breakdown is as follows (based on 21.63 acres); and

	<u>TOTAL</u>	
SADC	\$211,541.40	(\$9,780 per acre)
Hunterdon County	\$ 70,513.80	(\$3,260 per acre)
Readington Twp.	\$ 70,513.80	(\$3,260 per acre)
Total Easement Purchase	\$352,569.00	(\$16,300 per acre)

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the Hunterdon County Agriculture Development Board is requesting \$211,541.40 in competitive grant funding which is available at this time (Schedule B); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the SADC shall approve a cost share grant for the purchase of the development easement on an individual farm consistent with the provisions of N.J.A.C. 2:76-6.11;

NOW THEREFORE BE IT RESOLVED, that the SADC grants final approval to provide a cost share grant to Hunterdon County for the purchase of a development easement on the Property, comprising approximately 21.63 net easement acres, at a State cost share of \$9,780 per acre, (60% of certified easement value and purchase price), for a total grant need of \$211,541.40 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in (Schedule C); and

BE IT FURTHER RESOLVED, the Property includes zero (0) exception areas, zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses on the area to be preserved; and

BE IT FURTHER RESOLVED, any unused funds encumbered from either the base or competitive grants at the time of final approval shall be returned to their respective sources (competitive or base grant fund); and

BE IT FURTHER RESOLVED, that if unencumbered base grant funds become available subsequent to this final approval and prior to executing the grant agreement, the SADC shall utilize those funds before utilizing competitive funding; and

BE IT FURTHER RESOLVED, should additional funds be needed due to an increase in acreage and if base grant funding becomes available the grant may be adjusted to utilize unencumbered base grant funds; and

BE IT FURTHER RESOLVED, that the SADC's cost share grant to the County for the purchase of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B Supplement; and


BE IT FURTHER RESOLVED, the SADC shall enter into a Grant Agreement with the County pursuant to N.J.A.C. 2:76-6.18, 6.18(a) and 6.18(b); and

BE IT FURTHER RESOLVED, that all survey, title and all additional documents required for closing shall be subject to review and approval by the SADC; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED, that the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

6/23/14  
Date

  
\_\_\_\_\_  
Susan E. Payne, Executive Director  
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT



# Schedule A



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**FARMLAND PRESERVATION PROGRAM  
NJ State Agriculture Development Committee**

Schley, John  
Block 14 Lot 1.01 (21.03 ac)  
Gross Total = 21.03 ac  
Readington Twp., Hunterdon County



**Wetlands Legend:**  
F - Freshwater Wetlands  
L - Linear Wetlands  
M - Wetlands Modified for Agriculture  
T - Tidal Wetlands  
N - Non-Wetlands  
W - Water

**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor.

**Sources:**  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJDEP Wetlands Data  
NJOT/OGIS 2012 Digital Aerial Image

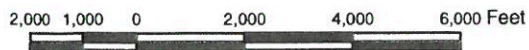
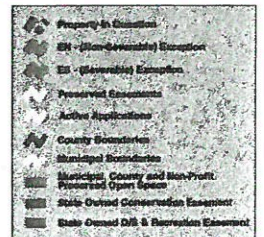


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**FARMLAND PRESERVATION PROGRAM  
NJ State Agriculture Development Committee**

Schley, John  
Block 14 Lot 1.01 (21.03 ac)  
Gross Total = 21.03 ac  
Readington Twp., Hunterdon County



Sources:  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJOT/OGIS 2012 Digital Aerial Image

**NOTE:**  
The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors







State Agriculture Development Committee  
SADC Final Review: Development Easement Purchase

Schley, John  
10- 0357-PG  
County PIG Program  
21 Acres

Block 14	Lot 1.01	Readington Twp.	Hunterdon County
<b>SOILS:</b>		Prime	39% * .15 = 5.85
		Statewide	61% * .1 = 6.10
			<b>SOIL SCORE: 11.95</b>
<b>TILLABLE SOILS:</b>		Cropland Harvested	87% * .15 = 13.05
		Woodlands	13% * 0 = .00
			<b>TILLABLE SOILS SCORE: 13.05</b>
<b>FARM USE:</b>	Hay		18 acres

In no instance shall the Committee's percent cost share for the purchase of the development easement exceed 80% of the purchase price of the easement. This final approval is subject to the following:

1. Available funding.
2. The allocation, not to exceed 0 Residual Dwelling Site Opportunities on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
5. Other:
  - a. Pre-existing Nonagricultural Use:
  - b. Exceptions: No Exceptions Requested
  - c. Additional Restrictions:
    1. No housing opportunities are associated with the Property to be preserved.
  - d. Additional Conditions: No Additional Conditions
  - e. Dwelling Units on Premises:  
No Structures On Premise
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
6. The SADC's grant for the acquisition of the development easement is subject to the terms of the Agriculture Retention and Development Act, N.J.S.A. 4:10-11 et seq., P.L. 1983, c.32, and N.J.A.C. 2:76-7.14.
7. Review and approval by the SADC legal counsel for compliance with legal requirements.

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY2016R6(6)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO  
CUMBERLAND COUNTY  
for the  
PURCHASE OF A DEVELOPMENT EASEMENT

On the Property of  
Richard G. Willis ("Owner")  
Hopewell Township, Cumberland County

N.J.A.C. 2:76-17 et seq.  
SADC ID#06-0150-PG

June 23, 2016

WHEREAS, on December 15, 2008 the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") plan application from Cumberland County, hereinafter "County" pursuant to N.J.A.C. 2:76-17.6; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.7, Cumberland County received SADC approval of its FY2017 PIG Plan application annual update on May 26, 2016; and

WHEREAS, on July 19, 2013 the SADC received an application for the sale of a development easement from Cumberland County for the subject farm identified as Block 89, Lot 3, Hopewell Township, Cumberland County, totaling approximately 79.5 gross acres hereinafter referred to as "the Property" (Schedule A); and

WHEREAS, the Property is located and targeted in Cumberland County's Hopewell South Project Area; and

WHEREAS, the Property includes one (1), approximately 1.5 acre non-severable exception area for and limited to one (1) future single family residential unit and for future flexibility of use, resulting in approximately 78 net acres to be preserved; and

WHEREAS, the portion of the Property outside the exception area to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application the Property was in field crop production; and

WHEREAS, the Owner(s) has read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises and Non-agricultural uses; and

WHEREAS, the Property has a quality score of 66.70 which exceeds 41, which is 70% of the County's average quality score as determined by the SADC on September 27, 2012; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9(b) on October 18, 2013 it was determined that the application for the sale of a development easement was complete and accurate and satisfied the criteria contained in N.J.A.C. 2:76-17.9(a); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on November 14, 2013 the SADC certified a development easement value of \$3,800 per acre based on zoning and environmental regulations in place as of the current valuation date 5/1/2013; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.12, the Owner accepted the County's offer of \$3,800 per acre for the development easement for the Property; and

WHEREAS, on April 13, 2016 the County submitted the application to the SADC to conduct a final review of the application for the sale of a development easement pursuant to N.J.A.C. 2:76-17.14; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13, on March 13, 2014 the Hopewell Township Committee approved the Owner's application for the sale of development easement and a commitment of funding for \$190.00 per acre; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on November 27, 2013 the Cumberland CADB passed a resolution granting final approval for funding the application; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on January 28, 2014, the Board of Chosen Freeholders of the County of Cumberland passed a resolution granting final approval and a commitment of for the required funding county cost share of \$930 per acre; and

WHEREAS, the County has requested to encumber an additional 3% buffer for possible final surveyed acreage increases, therefore, 80.34 acres will be utilized to calculate the grant need; and

WHEREAS, the estimated cost share breakdown is as follows (based on 80.34 acres); and

	<u>Cost Share</u>	
SADC	\$215,311.20	(\$2,680/acre)
County	\$ 74,716.20	(\$ 930/acre)
<u>Township</u>	<u>\$ 15,264.60</u>	<u>(\$ 190/acre)</u>
Total Easement Purchase	\$305,292.00	(\$3,800/acre)

WHEREAS, pursuant to N.J.A.C. 2:76 17.14 (d) (f), if there are insufficient funds available in a county's base grant, the county may request additional funds from the competitive grant fund; and



WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the Cumberland County Agriculture Development Board is requesting \$215,311.20 competitive grant funding which is available at this time (Schedule B); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the SADC shall approve a cost share grant for the purchase of the development easement on an individual farm consistent with the provisions of N.J.A.C. 2:76-6.11;

NOW THEREFORE BE IT RESOLVED, that the SADC grants final approval to provide a cost share grant to Cumberland County for the purchase of a development easement on the Property, comprising approximately 80.34 net easement acres, at a State cost share of \$2,680 per acre, (70.53% of certified easement value and purchase price), for a total grant need of \$215,311.20 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in (Schedule C); and

BE IT FURTHER RESOLVED, the Property includes one (1), approximately 1.5 acre non-severable exception area for and limited to one (1) future single family residential unit and for future flexibility of use; and

BE IT FURTHER RESOLVED, the portion of the Property outside the exception area to be preserved includes zero (0) housing opportunities, zero (0) agricultural labor units and no pre-existing non-agricultural uses; and

BE IT FURTHER RESOLVED, any unused funds encumbered from either the base or competitive grants at the time of final approval shall be returned to their respective sources (competitive or base grant fund); and

BE IT FURTHER RESOLVED, that if unencumbered base grant funds become available subsequent to this final approval and prior to executing the grant agreement, the SADC shall utilize those funds before utilizing competitive funding; and

BE IT FURTHER RESOLVED, should additional funds be needed due to an increase in acreage and if base grant funding becomes available the grant may be adjusted to utilize unencumbered base grant funds; and

BE IT FURTHER RESOLVED, that the SADC's cost share grant to the County for the purchase of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B Supplement; and

BE IT FURTHER RESOLVED, the SADC shall enter into a Grant Agreement with the County pursuant to N.J.A.C. 2:76-6.18, 6.18(a) and 6.18(b); and

BE IT FURTHER RESOLVED, that all survey, title and all additional documents required for closing shall be subject to review and approval by the SADC; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED, that the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

6/23/14  
Date



Susan E. Payne, Executive Director  
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT

# Schedule A



X:\counties\cumco\projects\willis\_fw.mxd

## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Richard G. Willis  
Block 89 Lots P/O 3 (75.9 ac)  
& P/O 3-EN (non-severable exception - 1.5 ac)  
Gross Total = 77.4 ac  
Hopewell Twp., Cumberland County



**TIDELANDS DISCLAIMER:**  
The linear features depicted on this map were derived from the NJDEP's CD ROM series 1, volume 4, "Tidelands Claims Maps". These linear features are not an official NJDEP determination and should only be used as a general reference. Only NJDEP, Bureau of Tidelands Management can perform an official determination of Tidelands/Niparian claims.

**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor

Application within the (PA4) Rural Area



**Wetlands Legend:**  
F - Freshwater Wetlands  
L - Linear Wetlands  
M - Wetlands Modified for Agriculture  
T - Tidal Wetlands  
N - Non-Wetlands  
B - 300' Buffer  
W - Water

**Sources:**  
NJDEP Freshwater Wetlands Data  
Green Acres Conservation Easement Data  
NJGIT/OGIS 2012 Digital Aerial Image

September 27, 2013



SADC County Financial Status  
Schedule B  
Cumberland County

JDC ID#	Farm	Municipality	Acres	Pay	SADC Certified Per Acre	SADC Grant Per Acre	SADC Cost Share	Federal Grant	SADC Federal Grant	Base Grant				Competitive Funds			
										Encumbered	PV	Expended	Balance	Encumbered	PV	Expended	Balance
1-PG	Shimp, Newton B. III	Slow Creek	10,915.00	101,915.00	4,500.00	3,100.00	468,175.00	214,071.50	7,147.40	235,688.00	315,528.50	2,184,093.50	210,883.50	2,789,116.70	4,851,715.18		
1-PG	Kacwch, Norma & Lynette	Slow Creek	18,983.00	189,830.00	2,000.00	1,400.00	135,704.00	80,000.00	7,147.40	87,688.90	76,704.00	2,108,339.50	648,244.00	1,799,887.20	4,851,715.18		
1-PG	Jones, Clinton & Dorothy	Greenwich	7,850.00	78,500.00	4,000.00	2,900.00	272,000.00	105,000.00	24,888.80	127,112.90	100,065.60	1,839,344.00	173,395.60	1,610,271.80	4,851,715.18		
1-PG	Dickson, Ernest et al	Shinn Boro	40,823.00	408,230.00	6,300.00	4,600.00	267,178.00	186,239.10	5,912.90	166,800.00	166,329.10	1,872,864.50	1,404,581.90	1,509,887.90	4,851,715.18		
1-PG	Coll #1, Kevin A.	Lawrence	28,407.00	284,070.00	5,200.00	3,600.00	132,116.40	93,526.50	30,125.00	90,125.00	88,924.50	1,985,040.40	1,531,724.40	1,103,664.75	4,851,715.18		
1-PG	Coll #1, Kevin A.	Slow Creek	47,660.00	476,600.00	4,500.00	3,340.00	224,102.00	153,306.90	15,189.40	151,489.40	153,206.50	1,931,724.40	1,453,315.00	1,088,958.53	4,851,715.18		
1-PG	Cum/Gr/Sp/End/Amie	Greenwich	71,550.00	715,500.00	2,100.00	2,650.00	287,175.00	181,273.00	117,588.00	146,833.50	134,450.00	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Advocate #2, Carmen	Shinn Boro	47,186.00	471,860.00	7,200.00	4,600.00	329,996.90	180,016.50	483,611.20	148,972.00	148,972.00	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Russell, Roger, Margaret & Chris	Fairfield Twp.	78,140.00	781,400.00	1,500.00	2,600.00	286,021.00	180,016.50	483,611.20	148,972.00	148,972.00	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Van Meter, Alfred #1	Howell	28,250.00	282,500.00	5,700.00	4,200.00	131,955.00	98,459.00	102,886.00	137,560.00	43,183.20	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Keown, Lam Real	Lawrence	69,200.00	692,000.00	4,300.00	2,800.00	297,630.00	206,216.00	137,560.00	137,560.00	137,560.00	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Ballinger, Vincent	Howell	20,860.00	208,600.00	7,000.00	4,400.00	184,842.00	118,195.40	182,930.19	182,930.19	182,930.19	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Palumbo, Frank R. III	Howell	70,610.00	706,100.00	6,000.00	4,100.00	452,664.00	288,010.20	182,930.19	182,930.19	182,930.19	1,456,500.00	1,008,203.40	756,250.00	4,851,715.18		
1-PG	Duffy, Robert #1, Adam #1	Shinn Boro	84,770.00	847,700.00	7,000.00	4,400.00	411,625.70	258,610.24	225,910.00	47,670.00	2,114.46	1,024,785.94	7,827.41	1,024,785.94	4,851,715.18		
1-PG	Dawidow, Baker Jr., Adam #1	Shinn Boro	84,340.00	843,400.00	6,000.00	3,900.00	500,184.00	281,619.80	311,141.00	87,700.00	87,700.00	1,024,785.94	7,827.41	1,024,785.94	4,851,715.18		
1-PG	Cum/Gr/Sp/End/Amie	Greenwich	23,445.00	234,450.00	3,900.00	4,225.00	156,943.20	97,849.15	52,447.20	99,072.03	96,969.53	1,000,000.00	374,388.60	374,483.25	4,851,715.18		
1-PG	Cross #1	Howell	32,487.00	324,870.00	3,300.00	2,400.00	132,824.70	81,241.25	65,271.91	78,654.60	75,869.09	924,130.91	111,758.10	108,972.58	4,851,715.18		
1-PG	Cross #2	Howell	66,672.00	666,720.00	6,500.00	4,100.00	361,868.00	231,028.80	183,098.00	227,268.80	231,028.80	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Cross #3	Howell	67,892.00	678,920.00	5,000.00	3,400.00	329,410.00	230,118.80	149,600.00	227,868.80	230,118.80	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Cross #4	Howell	68,570.00	685,700.00	5,000.00	3,400.00	403,177.60	280,822.00	200,600.00	278,139.00	230,118.80	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Griffin, Baker Jr., Adam #3	Shinn Boro	38,370.00	383,700.00	8,000.00	4,000.00	403,177.60	280,822.00	200,600.00	278,139.00	230,118.80	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Dawidow, Baker Jr., Adam #5	Howell	37,024.00	370,240.00	4,000.00	2,800.00	236,621.50	162,828.00	117,481.70	142,206.30	142,206.30	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Advocate #1, Carmen Sr.	Howell	102,400.00	1,024,000.00	5,900.00	3,800.00	626,688.00	414,739.00	320,328.00	320,328.00	320,328.00	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	St. System Company (heppard)	Lawrence	43,870.00	438,700.00	4,000.00	3,040.00	192,882.80	133,384.48	172,820.20	172,820.20	172,820.20	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	DeVos, Brian & Susan	Upper Deerfield	45,240.00	452,400.00	3,400.00	2,400.00	150,782.00	101,200.00	135,230.20	135,230.20	135,230.20	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	DeVos, Brian & Susan	Upper Deerfield	46,177.00	461,770.00	5,000.00	3,400.00	226,627.00	169,310.65	158,632.30	158,632.30	158,632.30	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Blaw	Howell	22,050.00	220,500.00	5,400.00	3,600.00	124,480.80	82,872.20	88,632.30	88,632.30	88,632.30	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Cum/Gr/Sp/End/Amie	Howell	70,800.00	708,000.00	5,000.00	3,500.00	329,320.00	241,180.00	194,800.00	194,800.00	194,800.00	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Cum/Gr/Sp/End/Amie	Howell	81,920.00	819,200.00	5,100.00	3,700.00	329,320.00	241,180.00	194,800.00	194,800.00	194,800.00	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Cum/Gr/Sp/End/Amie	Howell	112,420.00	1,124,200.00	3,000.00	2,440.00	382,244.80	274,439.68	214,398.88	214,398.88	214,398.88	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Van Der Veer	Howell	16,778.00	167,780.00	5,900.00	3,850.00	88,999.20	64,585.20	64,585.20	64,585.20	64,585.20	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Porter	Howell	43,930.00	439,300.00	5,300.00	3,550.00	230,939.20	164,723.20	164,723.20	164,723.20	164,723.20	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Sorton #2	Fairfield	24,550.00	245,500.00	3,900.00	2,850.00	131,988.40	101,387.40	125,827.40	125,827.40	125,827.40	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,100.00	2,180.00	78,784.20	58,154.70	90,316.70	90,316.70	90,316.70	653,092.11	162,029.00	162,029.00	4,851,715.18		
1-PG	Valton #2	Howell	67,250.00	672,500.00	2,												

State Agriculture Development Committee  
SADC Final Review: Development Easement Purchase

Willis, Richard G.  
06- 0150-PG  
County PIG Program  
78 Acres

Block 89	Lot 3	Hopewell Twp.	Cumberland County
<b>SOILS:</b>		Prime	51% * .15 = 7.65
		Statewide	17% * .1 = 1.70
		Unique zero	32% * 0 = .00
			<b>SOIL SCORE: 9.35</b>
<b>TILLABLE SOILS:</b>		Cropland Harvested	62% * .15 = 9.30
		Other	2% * 0 = .00
		Wetlands	16% * 0 = .00
		Woodlands	20% * 0 = .00
			<b>TILLABLE SOILS SCORE: 9.30</b>
<b>FARM USE:</b>	Wheat-Cash Grain	53 acres	rotate with soybeans

In no instance shall the Committee's percent cost share for the purchase of the development easement exceed 80% of the purchase price of the easement. This final approval is subject to the following:

1. Available funding.
2. The allocation, not to exceed 0 Residual Dwelling Site Opportunities on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
5. Other:
  - a. Pre-existing Nonagricultural Use:
  - b. Exceptions:
    - 1st (1.5) acres for future single family residence
    - Exception is not to be severed from Premises
    - Exception is to be limited to one future single family residential unit(s)
  - c. Additional Restrictions: No Additional Restrictions
  - d. Additional Conditions: No Additional Conditions
  - e. Dwelling Units on Premises:
    - No Structures On Premise
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
6. The SADC's grant for the acquisition of the development easement is subject to the terms of the Agriculture Retention and Development Act, N.J.S.A. 4:10-11 et seq., P.L. 1983, c.32, and N.J.A.C. 2:76-7.14.
7. Review and approval by the SADC legal counsel for compliance with legal requirements.



# Schedule A (continued)

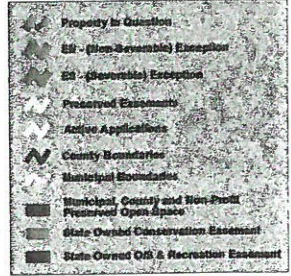
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**Application within the (PA4) Rural Area**

## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Richard G. Willis  
Block 89 Lots P/O 3 (75.9 ac)  
& P/O 3-EN (non-severable exception - 1.5 ac)  
Gross Total = 77.4 ac  
Hopewell Twp., Cumberland County



Sources:  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJGIT/OGIS 2012 Digital Aerial Image

**NOTE:**  
The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors



STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY2016R6(7)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO

BURLINGTON COUNTY

for the

PURCHASE OF A DEVELOPMENT EASEMENT

On the Property of

Samuel J. and Dolores M. Henry ("Owners")

nka

(Dolores M. Henry, widow)

Southampton Township, Burlington County

N.J.A.C. 2:76-17 et seq.

SADC ID# 03-0407-PG

June 23, 2016

WHEREAS, on December 15, 2007, the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") plan application from Burlington County, hereinafter "County" pursuant to N.J.A.C. 2:76-17.6; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.7, Burlington County received SADC approval of its FY2017 PIG Plan application annual update on May 26, 2016; and

WHEREAS, on June 26, 2015 the SADC received an application for the sale of a development easement from Burlington County for the subject farm identified as Block 802, Lot 3 and Block 1601, Lot 3, Southampton Township, Burlington County, totaling approximately 68 gross acres hereinafter referred to as "the Property" (Schedule A); and

WHEREAS, the targeted Property is located in Burlington County's East Project Area and in the Pinelands Agricultural Production Area; and

WHEREAS, the Property includes one (1), approximately 2-acre non-severable exception area, for future flexibility of use and limited to zero (0) housing opportunities, resulting in approximately 66 net acres to be preserved;

WHEREAS, the portion of the Property outside of the exception area to be preserved includes one (1) existing single family residential unit, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application the Property was in corn and soybean production; and

WHEREAS, the Owner has read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises, Division of the Premises and Non-agricultural uses; and

WHEREAS, the Property has a quality score of 66.77 which exceeds 48, which is 70% of the County's average quality as determined by the SADC on July 24, 2014; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9(b) on November 6, 2015 it was determined that the application for the sale of a development easement was complete and accurate and satisfied the criteria contained in N.J.A.C. 2:76-17.9(a); and

WHEREAS, the New Jersey Pinelands Commission Letter of Interpretation #949 allocated 2.75 Pinelands Development Credits (PDCs) to Block 1601, Lot 3 and Interpretation #950 allocated 0.25 PDCs to Block 802, Lot 3 for a total of 3.0 PDCs to the Property; and

WHEREAS, as a result of the conveyance of the deed of easement to the County, the 3.0 PDCs will be retired; and

WHEREAS, as per N.J.A.C. 2:76-19.3 landowners shall have a choice of having their development easement appraised as per the Pinelands Valuation Formula (Formula) or pursuant to N.J.S.A. 4:1C-31; and

WHEREAS, the Formula takes into consideration the PDC's for a particular parcel and the presence of important agricultural and environmental features. The Formula provides for certain base values to be adjusted upward in varying percentages depending on factors such as site-specific environmental quality, access to highways, septic suitability and agricultural viability; and

WHEREAS, pursuant to N.J.A.C. 2:76-19.13 a landowner may choose to receive a higher base value pursuant to N.J.A.C. 2:76-19.4(c) by placing a deed restriction on his or her property that limits impervious coverage on the Property to 10% of the total property acreage; and

WHEREAS, pursuant to N.J.A.C. 2:76-19.13, impervious coverage shall include, but is not limited to, houses, barns, stables, sheds, silos, outhouses, cabanas, and other buildings, swimming pools, docs or decks. Temporary greenhouses or other temporary coverings which do not have impervious floors are not included; and

WHEREAS, on November 4, 2015, a Pinelands Valuation Formula (Formula) was finalized between SADC and CADB staff as per N.J.A.C. 2:76-19.3, yielding:

Formula Valuation without impervious cover option: \$2,881 per acre

Formula Valuation with 10% impervious cover option: \$3,241 per acre; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on November 12, 2015 the SADC certified a development easement value of \$2,227 per acre based on zoning and environmental regulations in place as of August 20, 2015; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.12, the Owner accepted an offer from the County to purchase their development easement for \$3,241 per acre; and

WHEREAS, on April 25, 2016 the County submitted its application to the SADC to conduct a final review of the application for the sale of a development easement pursuant to N.J.A.C. 2:76-17.14; and

WHEREAS, the County has requested to encumber an additional 3% buffer above the net acreage to be preserved for possible final surveyed acreage increases, therefore, 67.98 acres will be utilized to calculate the grant need; and

WHEREAS, currently the County is eligible for up to \$122,685.33 in SADC competitive grant funding, subject to available funds (Schedule B); and

WHEREAS, based on the agreed per acre price of \$3,241, the SADC's cost share would have been \$2,344.60 per acre for a total of \$159,385.91 (a \$36,700.58 shortfall); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13, on April 19, 2016 the Southampton Township Committee approved the Owner's application for the sale of a development easement, but is not participating financially in the easement purchase; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on January 14, 2016 the Burlington CADB passed a resolution granting final approval for funding the Property; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on February 24, 2016 the Board of Chosen Freeholders of the County of Burlington passed a resolution granting final approval and a commitment of funding approximately \$1,436.27 per acre to cover the entire local cost share and the shortfall of SADC grant funding; and

WHEREAS, the estimated cost share breakdown is as follows (based on 67.98 acres):

	<u>Cost Share</u>
SADC	\$122,685.33 (\$1,804.73 per acre)
Burlington County	\$ 97,637.85 (\$1,436.27 per acre)
Total Easement Purchase	\$220,323.18 (\$3,241.00 per acre); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the County is requesting the remaining \$7,554.44 from FY11 competitive funds and the remaining \$115,130.89 from its FY13 competitive grant leaving a cumulative competitive grant balance of zero (Schedule B); and

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the SADC shall approve a cost share grant for the purchase of the development easement on an individual farm consistent with the provisions of N.J.A.C. 2:76-6.11;



NOW THEREFORE BE IT RESOLVED, that the SADC grants final approval to provide a cost share grant to Burlington County for the purchase of a development easement on the Property, comprising approximately 67.98 net easement acres, at a State cost share of \$1,804.73 per acre, (81.04% of certified easement value and 55.68% purchase price), for a total grant of \$122,685.33 pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in (Schedule C); and

BE IT FURTHER RESOLVED, that the County has been informed of the fact that there is no opportunity for future reimbursement of the shortfall of funds; and

BE IT FURTHER RESOLVED, the Property includes one (1), approximately 2-acre non-severable exception area, for future flexibility of use and limited to zero (0) housing opportunities; and

BE IT FURTHER RESOLVED, the portion of the Property outside of the exception area to be preserved includes one (1) existing single family residential unit, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

BE IT FURTHER RESOLVED, that if base grant funds become available and are needed due to an increase in acreage the grant may be adjusted so long as it does not impact any other applications' encumbrance; and

BE IT FURTHER RESOLVED, any unused funds encumbered from either the base or competitive grants at the time of final approval shall be returned to their respective sources (competitive or base grant fund); and

BE IT FURTHER RESOLVED, that the SADC's cost share grant to the County for the purchase of a development easement on the approved application shall be based on the final surveyed acreage of the Property to be preserved outside of any exception area adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries of the premises as identified in Policy P-3-B Supplement; and

BE IT FURTHER RESOLVED, the SADC shall enter into a Grant Agreement with the County pursuant to N.J.A.C. 2:76-6.18, 6.18(a) and 6.18(b); and

BE IT FURTHER RESOLVED, that all survey, title and all additional documents required for closing shall be subject to review and approval by the SADC; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED, that the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.



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Date

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Susan E. Payne, Executive Director  
State Agriculture Development Committee

**VOTE WAS RECORDED AS FOLLOWS:**

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT



# Schedule A

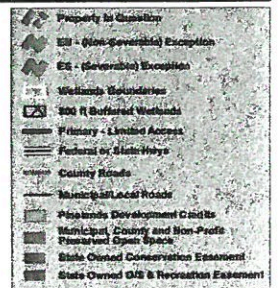
Application within the Pinelands Ag Production Area



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## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Samuel and Dolores Henry  
Block 802 Lot 3 (10.7 ac); Block 1601 Lots P/O 3 (55.2 ac);  
& P/O 3-EN (non-severable exception - 2.0 ac)  
Gross Total = 67.9 ac  
Southampton Twp., Burlington County



**Wetlands Legend:**  
F - Freshwater Wetlands  
L - Linear Wetlands  
M - Wetlands Modified for Agri  
T - Tidal Wetlands  
N - Non-Wetlands  
B - 300' Buffer  
W - Water

**Sources:**  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJDEP Wetlands Data  
NJ Pinelands Commission PDC Data  
NJ017/OGIS 2012 Digital Aerial Image

**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor.



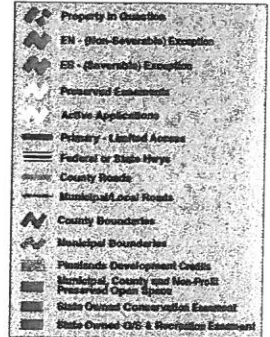
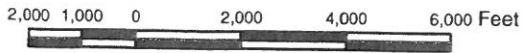
Application within the Pinelands Ag Production Area



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**FARMLAND PRESERVATION PROGRAM  
NJ State Agriculture Development Committee**

Samuel and Dolores Henry  
Block 802 Lot 3 (10.7 ac); Block 1601 Lots P/O 3 (55.2 ac);  
& P/O 3-EN (non-severable exception - 2.0 ac)  
Gross Total = 67.9 ac  
Southampton Twp., Burlington County



**NOTE:**  
The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors

Sources:  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJ Pinelands Commission FDC Data  
NJGIT/OGIS 2012 Digital Aerial Image

SADC County PIG Financial Status  
Schedule B

Burlington County

SADC ID#	Fam	Municipality	Acres	Pw Acres	SADC Certified or Negotiated Per Acre	SADC Grant Per Acre	SADC		Total Federal Grant	Base Grant		Competitive Funds		Fund Balance
							Cost Basis	Cost Share		Federal Grant	Fiscal Year 09	Fiscal Year 11	Fiscal Year 13	
03-0348-PG	Bur Civ/Griffin	North Hanover	164,0730		2,746.00	2,021.50	307,533.75	139,846.86	210,332.57	199,846.86	1,657.50	3,000,000.00	5,000,000.00	1,844,368.86
03-0351-PG	Bur Civ/Krause	New Hanover	98,0725		6,000.00	4,250.00	643,702.50	405,846.26	408,319.74	395,846.26	1,800,000.00			
03-0345-PG	Bur Civ/Wainwright	North Hanover	136,7230		2,500.00	1,701.11	448,986.59	291,847.72	402,351.17	291,847.72	1,000,000.00			
03-0355-PG	Bur Civ/Wainwright/Curtis	Mansfield	108,9000		9,000.00	5,760.00	1,310,467.20	684,881.41	602,351.17	602,351.17				
03-0356-PG	Bur Civ/Murphy	North Hanover	80,3480		6,500.00	4,875.00	307,469.30	239,911.65	239,911.65	239,911.65				
03-0355-PG	Bur Civ/Murphy	North Hanover	80,3480		6,500.00	4,875.00	307,469.30	239,911.65	239,911.65	239,911.65				
03-0351-PG	Bur Civ/Stein	Mansfield	112,0410		17,200.00	10,350.00	1,913,290.04	1,487,874.02	1,487,874.02	1,487,874.02				
03-0355-PG	Bur Civ/Stein	Mansfield	112,0410		17,200.00	10,350.00	1,913,290.04	1,487,874.02	1,487,874.02	1,487,874.02				
03-0372-PG	Bur Civ/Stein	Pemberton	110,6830		3,900.00	1,917.00	482,814.34	292,151.00	292,151.00	292,151.00				
03-0372-PG	Bur Civ/Stein	Pemberton	110,6830		3,900.00	1,917.00	482,814.34	292,151.00	292,151.00	292,151.00				
03-0375-PG	Bur Civ/Alloway Family	Shamong	80,8890		4,400.00	3,064.00	688,981.60	425,633.00	425,633.00	425,633.00				
03-0375-PG	Bur Civ/Alloway Family	Shamong	80,8890		4,400.00	3,064.00	688,981.60	425,633.00	425,633.00	425,633.00				
03-0376-PG	Bur Civ/Stein	Shamong	87,9030		3,650.00	2,654.00	312,322.82	225,192.99	225,192.99	225,192.99				
03-0376-PG	Bur Civ/Stein	Shamong	87,9030		3,650.00	2,654.00	312,322.82	225,192.99	225,192.99	225,192.99				
03-0381-PG	Cramer	Tabernacle	278,9390		45,000.00	1,307.00	482,707.00	73,400.00	482,707.00	482,707.00				
03-0381-PG	Cramer	Tabernacle	278,9390		45,000.00	1,307.00	482,707.00	73,400.00	482,707.00	482,707.00				
03-0381-PG	Thompson - Goose Pond	Tabernacle	217,7420		1,735.00	2,141.20	634,064.71	465,953.36	465,953.36	465,953.36				
03-0381-PG	Thompson - Goose Pond	Tabernacle	217,7420		1,735.00	2,141.20	634,064.71	465,953.36	465,953.36	465,953.36				
03-0381-PG	Thompson - Pesch	Southampton	128,8030		2,800.00	2,313.40	410,114.97	240,675.16	240,675.16	240,675.16				
03-0381-PG	Thompson - Pesch	Southampton	128,8030		2,800.00	2,313.40	410,114.97	240,675.16	240,675.16	240,675.16				
03-0381-PG	Alloway - Pickett	Southampton	66,9610		3,400.00	2,985.00	515,485.86	357,529.58	357,529.58	357,529.58				
03-0381-PG	Alloway - Pickett	Southampton	66,9610		3,400.00	2,985.00	515,485.86	357,529.58	357,529.58	357,529.58				
03-0384-PG	Whalen South	Shamong	113,7760		7,400.00	4,600.00	192,685.60	119,778.40	119,778.40	119,778.40				
03-0384-PG	Whalen South	Shamong	113,7760		7,400.00	4,600.00	192,685.60	119,778.40	119,778.40	119,778.40				
03-0378-PG	Thompson - Vincetown	Southampton	140,3070		782.00	2,081.70	378,840.67	276,643.97	276,643.97	276,643.97				
03-0378-PG	Thompson - Vincetown	Southampton	140,3070		782.00	2,081.70	378,840.67	276,643.97	276,643.97	276,643.97				
03-0381-PG	Whalen Home	Pemberton	188,4710		8,400.00	1,323.60	289,648.37	215,404.66	215,404.66	215,404.66				
03-0381-PG	Whalen Home	Pemberton	188,4710		8,400.00	1,323.60	289,648.37	215,404.66	215,404.66	215,404.66				
03-0381-PG	Hubbick Estate	N. Hanover	78,8320		4,410.00	2,889.00	334,229.78	242,516.90	242,516.90	242,516.90				
03-0381-PG	Hubbick Estate	N. Hanover	78,8320		4,410.00	2,889.00	334,229.78	242,516.90	242,516.90	242,516.90				
03-0464-PG	Abrams Homestead Farms	Shamong	83,2710		3,670.00	2,436.40	191,892.29	127,145.97	127,145.97	127,145.97				
03-0464-PG	Abrams Homestead Farms	Shamong	83,2710		3,670.00	2,436.40	191,892.29	127,145.97	127,145.97	127,145.97				
03-0388-PG	Wells	Tabernacle	78,1000		3,650.00	2,200.00	274,887.00	171,390.00	171,390.00	171,390.00				
03-0463-PG	Abrams	Southampton	65,0000		3,241.00	1,604.73	220,323.18	122,698.33	122,698.33	122,698.33				
03-0463-PG	Abrams	Southampton	65,0000		3,241.00	1,604.73	220,323.18	122,698.33	122,698.33	122,698.33				
Total Encumbered														116,130.89
Total Expended														2,992,448.56
Total														4,894,889.11



State Agriculture Development Committee  
 SADC Final Review: Development Easement Purchase  
 June 23, 2016

Henry, SJ & Dolores M  
 03- 0407-PG  
 County PIG Program  
 66 Acres

Block 1601	Lot 3	Southampton Twp.	Burlington County		
Block 802	Lot 3	Southampton Twp.	Burlington County		
<b>SOILS:</b>		Other	17% *	0	= .00
		Prime	11% *	.15	= 1.65
		Statewide	72% *	.1	= 7.20
					<b>SOIL SCORE: 8.85</b>
<b>TILLABLE SOILS:</b>		Cropland Harvested	66% *	.15	= 9.90
		Wetlands	17% *	0	= .00
		Woodlands	17% *	0	= .00
					<b>TILLABLE SOILS SCORE: 9.90</b>
<b>FARM USE:</b>	Corn-Cash Grain		44 acres		

In no instance shall the Committee's percent cost share for the purchase of the development easement exceed 80% of the purchase price of the easement. This final approval is subject to the following:

1. Available funding.
2. The allocation, not to exceed 0 Residual Dwelling Site Opportunities on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
5. Other:
  - a. Pre-existing Nonagricultural Use:
  - b. Exceptions:
    - 1st two (2) acres for Future flexibility of use
    - Exception is not to be severed from Premises
    - Exception is to be limited to zero future single family residential unit(s)
    - No housing opportunities
  - c. Additional Restrictions: No Additional Restrictions
  - d. Additional Conditions: No Additional Conditions
  - e. Dwelling Units on Premises: Standard Single Family
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
6. The SADC's grant for the acquisition of the development easement is subject to the terms of the Agriculture Retention and Development Act, N.J.S.A. 4:10-11 et seq., P.L. 1983, c.32, and N.J.A.C. 2:76-7.14.
7. Review and approval by the SADC legal counsel for compliance with legal requirements.





STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION #FY2016R6(8)

Final Approval and Authorization to Execute Closing Documents  
Authorization to Contract for Professional Services  
SADC Easement Purchase

On the Property of  
Kenneth Lustgarten ("Owner")

June 23, 2016

Subject Property: Kenneth Lustgarten ("Owner")  
Block 35, Lot 23, (the "Property")  
Upper Freehold Township, Monmouth County  
SADC ID# 13-0073-DE  
Approximately 128 Net Easement Acres

WHEREAS, on June 29, 2015, the State Agriculture Development Committee ("SADC") received a development easement sale application from Kenneth Lustgarten, hereinafter "Owner," identified as Block 35, Lot 23, Upper Freehold Township, Monmouth County, hereinafter "the Property," totaling approximately 128 net easement acres, identified in (Schedule A); and

WHEREAS, the SADC is authorized under the Garden State Preservation Trust Act, pursuant to N.J.S.A. 13:8C-1 et seq., to purchase development easements directly from landowners; and

WHEREAS, staff evaluated this application for the sale of development easement pursuant to SADC Policy P-14-E, Prioritization criteria, N.J.A.C. 2:76-6.16 and the State Acquisition Selection Criteria approved by the SADC on July 24, 2014, which categorized applications into "Priority", "Alternate" and "Other" groups; and

WHEREAS, Monmouth County did not have a quality score for FY2016 because the County had no farms that were granted preliminary approval for the three previous fiscal years; and

WHEREAS, SADC staff determined that the Property meets the SADC's "Priority" category for Monmouth County based on criteria set for FY2015 (minimum acreage of 35 and minimum quality score of 68) because it is approximately 128 easement acres and has a quality score of 80.52; and

WHEREAS, the Property includes one (1) approximately 4-acre non-severable exception area for and limited to one (1) existing single family residential unit and for future flexibility of uses and one (1) existing dormitory-style agricultural labor unit that can sleep up to 48 workers; and

WHEREAS, the portion of the Property outside of the exception area to be preserved has zero (0) housing opportunities, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application, the Property was devoted to nursery stock production; and

WHEREAS, the Owner has read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises, and Non-agricultural uses; and

WHEREAS, on March 24, 2016, the SADC certified the development easement value at \$12,400 per acre based on current zoning and environmental conditions as of January 12, 2016; and

WHEREAS, on May 4, 2016 the Owner accepted the SADC's offer to purchase the development easement for \$12,400 per acre; and

WHEREAS, to proceed with the SADC's purchase of the development easement it is recognized that various professional services will be necessary including but not limited to contracts, survey, title search and insurance and closing documents; and

WHEREAS, contracts and closing documents for the acquisition of the development easement will be prepared and shall be subject to review by the Office of the Attorney General;

NOW THEREFORE BE IT RESOLVED that the SADC grants final approval for its acquisition of the development easement at a value of \$12,400 per acre for a total of approximately \$1,587,200 subject to the conditions contained in (Schedule B); and

BE IT FURTHER RESOLVED, the Property includes one (1) approximately 4-acre non-severable exception area for and limited to one (1) existing single family residential unit and for future flexibility of uses and one (1) existing dormitory-style agricultural labor unit that can sleep up to 48 workers; and

BE IT FURTHER RESOLVED, the portion of the Property outside of the exception area to be preserved has zero (0) housing opportunities, zero (0) agricultural labor units, and no pre-existing non-agricultural uses

BE IT FURTHER RESOLVED, that the SADC's purchase price of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B Supplement; and

BE IT FURTHER RESOLVED, that contracts and closing documents shall be prepared subject to review by the Office of the Attorney General; and

BE IT FURTHER RESOLVED, the SADC authorizes Secretary of Agriculture Douglas H. Fisher, Chairperson, SADC or Executive Director Susan E. Payne, to execute an Agreement to Sell Development Easement and all necessary documents to contract for the professional services necessary to acquire said development easement, including but not limited to a survey and title search and to execute all necessary documents required to acquire the development easement; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and



BE IT FURTHER RESOLVED, that this action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.



\_\_\_\_\_  
Date

\_\_\_\_\_  
Susan E. Payne, Executive Director  
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT



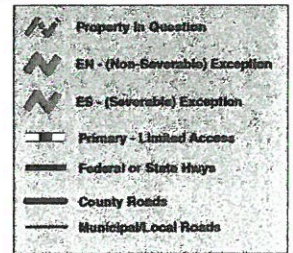
# Schedule A



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## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Kenneth Lustgarten  
Block 35 P/O Lot 23 (128.3 ac)  
&P/O Lot 23-EN (non-severable exception – 4.04 ac)  
Gross Total -132.34 ac  
Upper Freehold Twp. Monmouth County



**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The configuration and geo-referenced location of parcel polygons in this data layer are approximate and were developed primarily for planning purposes. The geodetic accuracy and precision of the GIS data contained in this file and map shall not be, nor are intended to be, relied upon in matters requiring delineation and location of true ground horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Land Surveyor

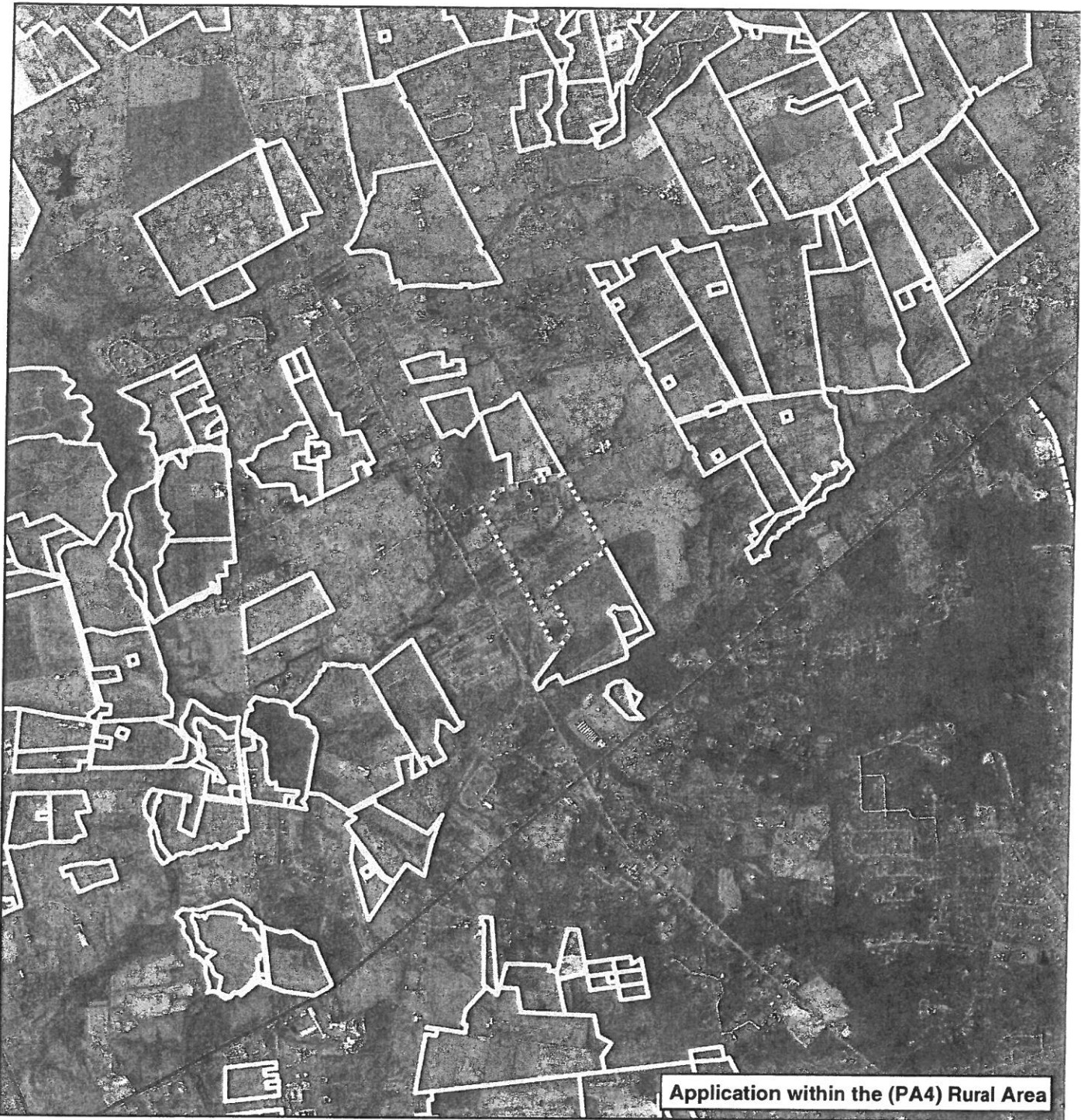
**Sources:**  
Green Acres Conservation Easement Data  
NJGIT/OGIS 2012 Digital Aerial Image

December 2, 2015



# Preserved Farms and Active Applications Within Two Miles

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Application within the (PA4) Rural Area

## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Kenneth Lustgarten  
Block 35 P/O Lot 23 (128.3 ac)  
& P/O Lot 23-EN (non-severable exception – 4.04 ac)  
Gross Total -132.34 ac  
Upper Freehold Twp. Monmouth County



- Property in Question
- EM - (Non-Severable) Exception
- ES - (Severable) Exception
- Preserved Easements
- Active Applications
- County Boundaries
- Municipal Boundaries
- Pinelands Development Credits
- Highlands Development Credits
- Municipal, County and Non-Profit Preserved Open Space
- State Owned Conservation Easement
- State Owned O/S & Recreation Easement



Sources:  
NJ Farmland Preservation Program  
Green Acres Conservation Easement Data  
NJ Pinelands Commission PDC Data  
NJ Highlands Council Data  
NJ01/OGIS 2012 Digital Aerial Image

**NOTE:**

The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors



SADC Final Review: Development Easement Purchase

Lustgarten Farm (Lot 23)  
 No Value Selected  
 Easement Purchase - SADC  
 128 Acres

Block 35	Lot 23	Upper Freehold Twp.	Monmouth County		
<b>SOILS:</b>		Other	12% * 0	=	.00
		Prime	69% * .15	=	10.35
		Statewide	19% * .1	=	1.90
					<b>SOIL SCORE: 12.25</b>
<b>TILLABLE SOILS:</b>		Cropland Harvested	80% * .15	=	12.00
		Woodlands	20% * 0	=	.00
					<b>TILLABLE SOILS SCORE: 12.00</b>
<b>FARM USE:</b>	Ornament Nursery Products		acres		

**This final approval is subject to the following:**

1. Available funding.
2. The allocation of 0 Residual Dwelling Site Opportunity(ties) on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
4. Other:
  - a. Pre-existing Nonagricultural Use: No Nonagricultural Uses
  - b. Exceptions:
    - 1st four (4) acres for flexibility around existing ag structures and single family residential unit
    - Exception is not to be severable from Premises
    - Exception is to be limited to one existing single family residential unit(s)
  - c. Additional Restrictions: No Additional Restrictions
  - d. Additional Conditions:
    - Note: In the exception there is a dormitory-style agricultural labor unit which can sleep up to 48 workers.
  - e. Dwelling Units on Premises: No Dwelling Units
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
5. Review and approval by the Office of the Attorney General for compliance with legal requirements.

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION #FY2016R6(9)

Final Approval and Authorization to Execute Closing Documents  
Authorization to Contract for Professional Services  
SADC Easement Purchase

On the Property of  
Wickie Hom et al ("Owners")  
Hom Family Farm

June 23, 2016

Subject Property: Wickie Hom et al ("Owners")  
Block 31, Lot 19, East Windsor Township, Mercer County  
Block 8, Lot 1, Millstone Township, Monmouth County  
SADC ID#: 13-0075-DE  
Approximately 94.4 Net Easement Acres

WHEREAS, on July 9, 2015, the State Agriculture Development Committee ("SADC") received a development easement sale application from Wickie Hom, Frank W. Hom, Fay Moy Hom, Helen Sue Lin Hom Moore, and Alexandra Holzman, hereinafter "Owners," identified as Block 31, Lot 19, East Windsor Township, Mercer County, and Block 8, Lot 1, Millstone Township, Monmouth County hereinafter "the Property," totaling approximately 98.4 gross acres, identified in (Schedule A); and

WHEREAS, the SADC is authorized under the Garden State Preservation Trust Act, pursuant to N.J.S.A. 13:8C-1 et seq., to purchase development easements directly from landowners; and

WHEREAS, staff evaluated this application for the sale of development easement pursuant to SADC Policy P-14-E, Prioritization criteria, N.J.A.C. 2:76-6.16 and the State Acquisition Selection Criteria approved by the SADC on July 23, 2015, which categorized applications into "Priority", "Alternate" and "Other" groups; and

WHEREAS, SADC staff determined that the Property (combined Mercer and Monmouth) meets the SADC's "Priority" category for Mercer County (minimum acreage of 54 and minimum quality score of 65) because it is approximately 94.4 net easement acres and has a quality score of 78.84; and

WHEREAS, the Property includes one (1), approximately 4-acre non-severable exception area limited to one (1) existing single family residential unit and for future flexibility of use, resulting in approximately 94.4 net acres to be preserved; and

WHEREAS, the portion of the Property to be preserved outside of the exception area includes zero (0) housing opportunities, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

WHEREAS, at the time of application, the Property was devoted to vegetable production; and

WHEREAS, the Owners have read and signed SADC Guidance Documents regarding Exceptions, Division of the Premises and Non-agricultural uses; and

WHEREAS, on March 24, 2016, the SADC certified the development easement value at \$10,800 per acre based on current zoning and environmental conditions as of February 8, 2016; and

WHEREAS, on May 11, 2016 the Owners accepted the SADC's offer to purchase the development easement for \$10,800 per acre; and

WHEREAS, to proceed with the SADC's purchase of the development easement it is recognized that various professional services will be necessary including but not limited to contracts, survey, title search and insurance and closing documents; and

WHEREAS, contracts and closing documents for the acquisition of the development easement will be prepared and shall be subject to review by the Office of the Attorney General;

NOW THEREFORE BE IT RESOLVED that the SADC grants final approval for its acquisition of the development easement at a value of \$10,800 per acre for a total of approximately \$1,019,520 subject to the conditions contained in (Schedule B); and

BE IT FURTHER RESOLVED, the Property includes one (1), approximately 4-acre non-severable exception area for and limited to one (1) existing single family residential unit and for future flexibility of uses; and

BE IT FURTHER RESOLVED, the portion of the Property to be preserved outside of the exception area includes zero (0) housing opportunities, zero (0) agricultural labor units, and no pre-existing non-agricultural uses; and

BE IT FURTHER RESOLVED, that the SADC's purchase price of a development easement on the approved application shall be based on the final surveyed acreage of the area of the Property to be preserved outside of any exception areas, adjusted for proposed road rights-of-way, other rights-of-way or easements as determined by the SADC, streams or water bodies on the boundaries as identified in Policy P-3-B Supplement; and

BE IT FURTHER RESOLVED, that contracts and closing documents shall be prepared subject to review by the Office of the Attorney General; and

BE IT FURTHER RESOLVED, the SADC authorizes Secretary of Agriculture Douglas H. Fisher, Chairperson, SADC or Executive Director Susan E. Payne, to execute an Agreement to Sell Development Easement and all necessary documents to contract for the professional services necessary to acquire said development easement, including but not limited to a survey and title search and to execute all necessary documents required to acquire the development easement; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and



BE IT FURTHER RESOLVED, that this action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

6/23/16

Date



Susan E. Payne, Executive Director  
State Agriculture Development Committee

**VOTE WAS RECORDED AS FOLLOWS:**

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	YES
James Waltman	ABSENT



# Schedule A



## FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Fay Hom/ET AL  
 East Windsor Twp., Mercer County - Block 31 Lots P/O 19 (64.5 ac)  
 & P/O 19-EN (non-severable exception - 4.1 ac)  
 Millstone Twp., Monmouth County - Block 8 Lots P/O 1 (29.8 ac)  
**Gross Total = 98.4 ac**



**DISCLAIMER:** Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user. The user shall be responsible for all uses of this product. The data herein are approximate and were developed primarily for planning purposes. The geospatial data herein are not intended to be relied upon in matters requiring delineation and location of true ground vertical controls as would be obtained by an actual ground survey conducted by a licensed Professional Surveyor.

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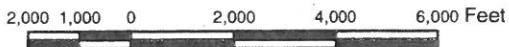


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**FARMLAND PRESERVATION PROGRAM  
NJ State Agriculture Development Committee**

Fay Hom/ET AL  
 East Windsor Twp., Mercer County - Block 31 Lots P/O 19 (64.5 ac)  
 & P/O 19-EN (non-severable exception - 4.1 ac)  
 Millstone Twp., Monmouth County - Block 8 Lots P/O 1 (29.8 ac)  
 Gross Total = 98.4 ac



	Property in Question		County Boundaries
	EN - (Non-Severable) Exception		Municipal Boundaries
	EG - (Severable) Exception		Pinelands Development Credits
	Preserved Easements		Highlands Development Credits
	Active Applications		State-owned County Parks
	Primary - Limited Access		Municipal, County and Non-Profit Preserved Open Space
	Federal or State Highways		State Owned Conservation Easement
	County Roads		State Owned OS & Recreation Easement
	Municipal/Local Roads		

Sources:  
 NJ Farmland Preservation Program  
 Green Acres Conservation Easement Data  
 NJ Pinelands Commission PDC Data  
 NJOIT/OGIS 2012 Digital Aerial Image

**NOTE:**

The parcel location and boundaries shown on this map are approximate and should not be construed to be a land survey as defined by the New Jersey Board of Professional Engineers and Land Surveyors



State Agriculture Development Committee  
SADC Final Review: Development Easement Purchase

Lustgarten Farm (Lot 23)  
No Value Selected  
Easement Purchase - SADC  
128 Acres

Block 35	Lot 23	Upper Freehold Twp.	Monmouth County
<b>SOILS:</b>			
		Other	12% * 0 = .00
		Prime	69% * .15 = 10.35
		Statewide	19% * .1 = 1.90
			<b>SOIL SCORE: 12.25</b>
<b>TILLABLE SOILS:</b>			
		Cropland Harvested	80% * .15 = 12.00
		Woodlands	20% * 0 = .00
			<b>TILLABLE SOILS SCORE: 12.00</b>
<b>FARM USE:</b>	Ornament Nursery Products		acres

**This final approval is subject to the following:**

1. Available funding.
2. The allocation of 0 Residual Dwelling Site Opportunity(ties) on the Premises subject to confirmation of acreage by survey.
3. Compliance with all applicable statutes, rules and policies.
4. Other:
  - a. Pre-existing Nonagricultural Use: No Nonagricultural Uses
  - b. Exceptions:
    - 1st four (4) acres for flexibility around existing ag structures and single family residential unit
    - Exception is not to be severable from Premises
    - Exception is to be limited to one existing single family residential unit(s)
  - c. Additional Restrictions: No Additional Restrictions
  - d. Additional Conditions:
    - Note: In the exception there is a dormitory-style agricultural labor unit which can sleep 30-48 workers during high season.
  - e. Dwelling Units on Premises: No Dwelling Units
  - f. Agricultural Labor Housing Units on Premises: No Ag Labor Housing
5. Review and approval by the Office of the Attorney General for compliance with legal requirements.

**STATE AGRICULTURE DEVELOPMENT COMMITTEE**

**RESOLUTION #FY2016R6(10)**

**KEVIN WHITE**

**June 23, 2016**

**DIVISION OF PREMISES**

Subject Property: Block 22, Lot 14  
Cranbury Township, Middlesex County  
62.30 Acres

WHEREAS, Kevin White, hereinafter "Owner", is the record owner of Block 22, Lot 14, in the Township of Cranbury, Middlesex County, by Deed dated September 23, 1992, and recorded in the Middlesex County Clerk's Office in Deed Book 4014, Page 341, totaling approximately 62.30 acres, hereinafter referred to as "Premises" (as shown on Schedule "A"); and

WHEREAS, the development easement on the original Premises, was conveyed to Middlesex County, by the previous owner, Margaret White, on April, 27, 1992, pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq., PL 1983, as a Deed of Easement recorded in Deed Book 3977, Page 260; and

WHEREAS, the Owner is requesting to divide the Premises into two parcels, as shown in Schedule "A"; and

WHEREAS, on September 26, 2002, the SADC previously approved a division of this Premises with a slightly different configuration that envisioned moving the existing single family residence to another location on the parcel, however the potential sale that was the cause of that request never transpired and nothing has changed with the property since that time; and

WHEREAS, the current configuration contemplates the existing house remaining in its current location and increases the size of the smaller of the two parcels by approximately two acres; and

WHEREAS, paragraph 15 of the Deed of Easement states that no division of the Premises shall be permitted without the approval in writing of the Grantee; and

WHEREAS, in order to grant approval, the SADC must find that the division is for an agricultural purpose and will result in agriculturally viable parcels such that each parcel is capable of sustaining a variety of agricultural operations that yield a reasonable economic return under normal conditions, solely from the parcel's agricultural output; and

WHEREAS, the Deed of Easement references one existing residence, no agricultural labor residences, no residual dwelling site opportunities (RDSO) and no exception areas on the Premises; and

WHEREAS, proposed Parcel-A would result in a 31+/- acre property that is 82% (26 acres) tillable with 13% (4 acres) prime soils and 87% (27 acres) soils of statewide importance; and

WHEREAS, proposed Parcel-A would include the single family residence and garage; and

WHEREAS, proposed Parcel-B would result in a 31+/- acre property that is 100% tillable (31 acres) with 59.5% (18.45 acres) prime soils and 40.5% (12.55 acres) soils of statewide importance; and

WHEREAS, proposed Parcel-B is unimproved; and

WHEREAS, as a condition of approval the Owner has agreed to merge proposed Parcel-B with his adjacent preserved farm, Block 22, Lot 2, consisting of approximately 79 acres to create a 110 acre combined parcel; and

WHEREAS, the adjacent 79 acre parcel has one residual dwelling site opportunity associated with it; and

WHEREAS, the SADC makes the following findings related to its determination of whether this application meets the agricultural purpose test:

- 1) The division is being undertaken for the purpose of transferring title of Parcel-A to Kin Lum, hereinafter "Purchaser", who proposes to convert the property into fresh market vegetable production; and
- 2) The Purchaser owns and has been operating a neighboring 49 acre preserved farm for approximately 20 years; and



- 3) The transfer of ownership of Parcel-A to the Purchaser would provide the Purchaser with a property to expand his vegetable operation and offers better road frontage and a building to increase his onsite direct marketing opportunities; and

WHEREAS, the SADC finds that the operation proposed by the Purchasers will diversify and intensify the agricultural production on Parcel-B; and

WHEREAS, the SADC makes the following findings related to its determination of whether the division will result in agriculturally viable parcels such that each parcel is capable of sustaining a variety of agricultural operations that yield a reasonable economic return under normal conditions, solely from the parcel's agricultural output:

- 1) Parcel-A, at 31 acres, with 26 tillable acres of prime and statewide important soils, includes a sizeable amount of high quality tillable soils;
- 2) Parcel-B, at 31 acres, with 31 tillable acres of prime and statewide important soils, includes a sizeable amount of high quality tillable soils;
- 3) Parcel-B includes 100% soils considered either prime or soils of statewide importance;
- 4) Parcel-B will be will have deed language associated with it which will prevent it from being sold separate and apart from the Owner's adjacent preserved farm, Block 22, Lot 2; and

WHEREAS, the RDSO allocated to Block 22, Lot 2, will remain with that lot and shall not be exercised on Parcel-B; and

WHEREAS, the Owner shall provide a survey and legal description to the SADC and the CADB showing the new division line and describing the new parcels A and B; and

NOW THEREFORE BE IT RESOLVED, that the SADC finds that the division is for an agricultural purpose and does result in agriculturally viable parcels capable of sustaining a variety of agricultural operations; and

BE IT FURTHER RESOLVED, that the SADC hereby approves the division of premises request subject to the following conditions:

-The Owner shall provide a survey and metes and bounds description of the new parcels A and B to the SADC and CADB;

-The Owner shall include deed language on Parcel-B stating that it shall be permanently associated with adjacent Block 22, Lot 2 requiring the two not be sold separate and apart from one another;

-The existing residual dwelling site opportunity associated with Block 22, Lot 2 shall remain solely with that lot and shall not be exercised on Parcel-B; and

BE IT FURTHER RESOLVED, that upon receipt of the updated survey and metes and bounds description the SADC shall record a copy of its approval with the Middlesex County Clerk's office; and

BE IT FURTHER RESOLVED, this approval is not effective until the SADC records its approval resolution with the Middlesex County Clerk; and

BE IT FURTHER RESOLVED, that this approval is not transferrable to another purchaser; and


BE IT FURTHER RESOLVED, that this approval shall be valid for three years from the date of this resolution; and

BE IT FURTHER RESOLVED, that the SADC hereby rescinds its previous Division of Premises approval, SADC Resolution #FY03R9(30) from September 26, 2002; and

BE IT FURTHER RESOLVED, that this approval is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey; and

BE IT FURTHER RESOLVED that this action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

6/23/16  
Date

  
\_\_\_\_\_  
Susan E. Payne, Executive Director  
State Agriculture Development Committee

**VOTE WAS RECORDED AS FOLLOWS:**

Douglas H. Fisher, Chairperson	YES
Cecile Murphy (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Commissioner Richman)	YES
Ralph Siegel (rep. Acting State Treasurer Scudder)	YES
Jane Brodhecker	YES
Alan Danser, Vice Chairman	ABSENT
W. Scott Ellis	YES
Denis C. Germano, Esq.	YES
Peter Johnson	ABSENT
Brian Schilling (rep. Executive Dean Goodman)	RECUSED
James Waltman	ABSENT



White Farm



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**FARMLAND PRESERVATION PROGRAM**  
**NJ State Agriculture Development Committee**

Kevin White Farm  
 Block 22, Lot 14  
 Cranbury Township, Middlesex County  
 62.30 Acres



6/8/2016

Farmland Preservation Program		State Planning Areas	
	PRESERVED EASEMENT		(PA1) METRO
	EXCEPTION AREA		(PA2) SUBURBAN
	PRESERVED EASEMENT / NR		(PA3) FRINGE
	EXCEPTION AREA / NR		(PA4) RURAL
	FINAL APPROVAL		(PA4B) RURAL ENV SENS
	PRELIMINARY APPROVAL		(PA5) ENV SENS
	ACTIVE APPLICATION		(PA5B) ENV. SENSITIVE BARRIER IS
	8 YEAR PRESERVED		(P10) PINELANDS
	TARGETED FARM		PARK
	INACTIVE APPLICATION		MILITARY
	NO CORRESPONDING DATA		NEW JERSEY MEADOWLANDS
			WATER
			ELLIS ISLAND- NJ
			ELLIS ISLAND- NY
		<b>Base Map</b>	
			County Boundaries
			Municipal Boundaries
			Highlands Planning Area
			Highlands Preservation Area
			Pinelands Area
			Green Acres Preserved Easements