New Jersey Highlands Council Sustainable Agriculture Technical Advisory Committee Meeting Summary 21 July 2005

Summary:

The opening session of the Sustainable Agriculture Technical Advisory Committee (TAC) was held on Thursday, July 21, 2005 at the New Jersey Highlands Council office in Chester, New Jersey. Notice of the meeting was provided to the public on the Highlands Council's web site. Council staff members present at the meeting were: Steve Balzano, Maryjude Haddock-Weiler, and Chuck Gallagher. Chuck Gallagher served as moderator and point of contact for the Committee. Technical advisors present at the meeting included: Barry Ableman, Karen Anderson, David Clapp, Greg Donaldson, Larry Freeborn, David GaNun, Nicole Goger, Kent Hardmeyer, Hank Klumpp, Devlen Mackey, Richard Nieuwenhuis, Debbie Pasquarelli, Greg Romano, Joel Schnetzer, and Donna Traylor.

Steve Balzano began the meeting by outlining the objectives and format of the Committee. The TAC is to explore ways of promoting agriculture by strongly upholding the right to farm, promoting agricultural infrastructure and markets, while maintaining consistency with the resource conservation goals of the Highlands Act. This first meeting is a brainstorming session about the various issues and concerns related to this mission. Three more Committee meetings are envisioned, the next one tentatively scheduled for September.

Chuck Gallagher opened discussion by emphasizing the goal of the Highlands Act to protect landowner equity but also to craft the Regional Plan in ways supportive of agriculture and forestry. Chuck referenced a number of documents, reports and handbooks available to the Council staff on the topic of Sustainable Agriculture including the Department of Agriculture's 2003 Agricultural Smart Growth Plan. He also mentioned the recent Farm Bureau tour of Highlands agricultural operations on July 18. This tour highlighted Highlands' farm families and businesses dependent upon agriculture's continued success and was provided for the benefit of the Highlands Council and staff working to craft a Highlands Regional Master Plan.

Three broad areas of interest were discussed: *existing difficulties* of farming in New Jersey, *additional problems anticipated* for farmers under the Highlands Act, and *potential solutions*. The **existing difficulties** that were identified are as follows:

 Municipal ordinances tend to discourage or complicate farming activities, especially through the levying of permit and approval fees. Farm buildings and structures are often subject to the same fee schedule as other more intensive commercial uses causing one farmer to observe that farm stands incur as many permitting costs as a Wal-Mart. Fair and consistent fee scheduling should be in place across municipalities in order for farming to proceed in an economically sustainable way.

- Pursuant to the previous point, inheritance taxes discourage farmers from keeping land ownership within the family, resulting in a general exodus away from the farming profession and increased willingness to sell the land. Incentives for reducing the burden of inheritance taxation might be an effective strategy in preserving agriculture in the Highlands and elsewhere. Keeping farmland in the family is increasingly difficult. There was discussion that the inheritance taxes should reflect the loss of value under the new DEP highlands rules.
- New Jersey farmers must work around a greatly reduced "agricultural
 infrastructure" and they lack the general ag-support systems available in other
 states where farming survives as a major land use. Parcels that can be farmed are
 generally smaller and scattered. Equipment is expensive given the scale of Jersey
 operations. A method of subsidizing access to affordable agricultural equipment
 would help maintain what is generally considered a beneficial land use in the
 Highlands.
- The high property taxes that are levied in the Highlands are particularly prohibitive for land-intensive uses like farming.
- Although considered a favorable use of land in the Highlands, farming practices can run counter to water resource protection goals. The farmers' need to use pesticides, herbicides and fertilizer raises environmental issues under the Regional Plan which is primarily directed at water quality protection. While most farm operations work to prevent instances of environmental impact, the plan should look at ways to assist farmers and landowners to put appropriate management practices in place that protect water quality. Cost sharing programs already exist to provide such assistance but these should be augmented.

Additional problems that may be experienced because of Highlands or other land preservation regulations and procedures:

- The primary issues raised in discussions of the impact of the Highlands Act and DEP rules for the Highlands region is the loss of equity in land. One suggestion for attempting to address this issue is to compensate landowners for any loss of land value is to conduct equity loss appraisals based upon pre-Highlands Act land values.
- The requirement of maintaining a 300' buffers from waterways has the potential to take a large percentage of land out of agricultural production, particularly on small farms traversed by streams. Compensation for this acreage is difficult to calculate as losses are sustained over multiple harvest seasons and investments in costly infrastructure improvements serve fewer acres.

- Restrictions placed on preserved land are not always practical for active agricultural production, making farmland preservation a less attractive option for farmers. Reviewing and revising some of these restrictions would encourage farmland preservation.
- Stewardship of publicly-owned or managed property should account for adjacent agricultural uses. Noxious weeds and other invasive species reduce the productivity of neighboring farms if not kept in check by stewardship practices.
- Preserving farmland often requires the land owner to go through a process that is perceived as excessively bureaucratic and time-consuming, thereby making it a less attractive option. Reducing the amount of time and energy expended by the landowner to achieve preservation status would be of help.
- Consistency between the various State, local, and non- profit agencies is necessary in order to make the process of preserving land as easy and 'userfriendly' as possible.

Potential solutions offered to these issues included:

- Municipalities need to be educated about the benefits of having farmland in their communities. Farms cost towns roughly 36 cents per dollar of tax revenue generated while developed properties cost about 125 cents or 25% more in service costs than that collected in taxes. Protection of agriculture pays for itself. Unfortunately this is not always reflected in local ordinance and tax policy toward agriculture. We should try to find ways to reduce local costs and taxes on active farmers. The Hunterdon County "toolbox" was mentioned as a good resource to build upon.
- It was suggested that all, or at least preserved, farmlands be designated tax exempt. Residential units, and not acreage, should be the basis of the local tax schedule.
- Cost-sharing to help mitigate potential environmental impact of agriculture in the Highlands was discussed.
- 1. Subsidizing innovative technologies or methods that conserve water or otherwise further the water protection goals of the Highlands Act. New York programs might serve as a model for such innovation and cost sharing. The Highlands Council should explore funding/revitalizing struggling programs like IPM (integrated pest management) and bolstering private markets for services like pest forecasting.
- 2. Long-term leases should be extended to younger farmers as a way of providing incentive to invest in infrastructure and equipment whose benefits will only

- accrue after many years of use. They might also help reverse the current trend away from professional farming in New Jersey.
- 3. Additional incentives, such as rewarding excellence in land stewardship or rewarding farming practices that are a model for sustainability and watershed protection, should be put in place. Good practices need to be highlighted and made financially rewarding.
- 4. The misconception that preserved land does not need farm management should be addressed. 'No management' parcels are more easily infested with invasive species and noxious weeds. Agencies, towns, and individuals who hold easements should be educated about their responsibilities as stewards of preserved land and be provided with information that will help them in such an effort.

The Highlands Council would like to thank everyone who participated in this opening meeting of the Sustainable Agriculture TAC. We greatly appreciate any follow-up comments and questions about this summary report. Please contact Chuck Gallagher via email: chuck.gallagher@highlands.state.nj.us. Notice of future meetings will be provided to the public on the Highlands Council website, www.highlands.state.nj.us, and via email to Committee participants.

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