

STATE AGRICULTURE DEVELOPMENT COMMITTEE

**Department of Agriculture
Market and Warren Streets
1st Floor Auditorium
Trenton, NJ 08625**

REGULAR MEETING

April 27, 2012

Vice Chairman Danser called the meeting to order at 9:10 a.m. He indicated that Chairman Fisher would be arriving at the meeting a few minutes late and he would preside over the meeting until Chairman Fisher arrived.

Ms. Payne read the notice indicating the meeting was held in compliance with the Open Public Meetings Act.

Roll call indicated the following:

Members Present

Douglas Fisher, Chairperson (Arrived at 9:15 a.m.)
Fawn McGee (rep. DEP Commissioner Martin)
Jim Requa (rep. DCA Acting Commissioner Constable)
Ralph Siegel (rep. State Treasurer Sidamon-Eristoff)
Jane R. Brodhecker
Alan A. Danser
James Waltman
Brian Schilling (rep. Executive Dean Goodman)

Members Absent

Torrey Reade
Denis C. Germano

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

Others present as recorded on the attendance sheet: Heidi Winzinger, Brian Smith, Timothy Brill, Paul Burns, Ed Ireland, Stefanie Miller, Dave Kimmel, Dan Knox, Charles Roohr, Judy Andrejko, Hope Gruzlovic, Steven Bruder, Patricia Riccitello, Sandy Giambrone, SADC staff; Barbara Ernst, Cape May CADB; Nicki Goger, New Jersey Farm Bureau; Amy Hanson, New Jersey Conservation

Foundation; Dave GaNun, Farm Credit East; Harriet Honigfeld, Monmouth County Agriculture Development Board; Bernard Guthertz, BAM Energy Group, Ocean County; Nicole Crifo and Kerstin Sundstrom, Governor's Authorities Unit.

Minutes

A. SADC Regular Meeting of March 22, 2012 (Open and Closed Session)

It was moved by Ms. Brodhecker and seconded by Mr. Requa to approve the open session minutes and the closed session minutes of the SADC regular meeting of March 22, 2012. The motion was unanimously approved.

REPORT OF THE EXECUTIVE DIRECTOR

Ms. Payne discussed the following with the Committee:

- **New SADC Personnel**

New SADC staff person Judy Andrejko was introduced to the Committee. Ms. Andrejko is the SADC's new Legal Specialist replacing Cassandra McCloud who took another position in the State some time ago. Ms. Andrejko comes from the Attorney General's Office and has a broad range of expertise in various aspects of state government.

- **Renewable Energy Rules**

The Committee has been awaiting the rules regarding renewable energy facilities on preserved farmland. The staff draft is now complete and was sent this week to the Working Group that had been assembled to review this information. The Working Group is comprised of the NJ DEP, the Department of Agriculture, the Board of Public Utilities (BPU), and the Division of Taxation. Staff has asked for a quick turn-around time on comments, and the draft is scheduled to be presented to the Committee at its next meeting. If the Committee is comfortable with it, it can be published as a formal rule proposal. She stated that possibly the wind draft rules will be done at the same time.

COMMUNICATIONS

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

PUBLIC COMMENT

None

REPORT OF THE CHAIRPERSON (Chairman Fisher arrived at 9:15 a.m.)

None at this time.

NEW BUSINESS

A. Resolution for Final Approval – Municipal Planning Incentive Grant Program

1. Bertholf Farm, Knowlton Township, Warren County

Ms. Winzinger referred the Committee to one request for final approval under the Municipal Planning Incentive Grant Program. She reviewed the specifics of the request with the Committee. The landowners have acknowledged that they understand that no division of the land shall be permitted without the joint approval in writing of the County and the SADC. She stated that staff recommendation is to grant final approval, subject to any conditions of said Resolution.

It was moved by Mr. Requa and seconded by Mr. Siegel to approve Resolution FY2012R4(1) granting final approval to the following landowner, as presented and discussed, subject to any conditions of said Resolution:

1. 48 Delaware LLC/Kenneth Bertholf (SADC #21-0514-PG)
Block 47, Lot 16; Block 48, Lot 24, Knowlton Township, Warren County, 57.3 Acres
State cost share grant of \$3,160.00 per acre for an estimated total of \$181,068.00 (68.70% of the certified market value and estimated total cost).

The motion was unanimously approved. (A copy of Resolution FY2012R4(1) is attached to and is a part of these minutes.)

B. Resolution for Final Approval – County Planning Incentive Grant Program

1. Mooneyham Farm, Upper Deerfield Township, Cumberland County

Ms. Winzinger referred the Committee to one request for final approval under the County Planning Incentive Grant Program. She reviewed the specifics of the request with the Committee. The landowners have read and signed the SADC Exception Area, Division of the Premises and Nonagricultural Use guidance documents indicating that they fully understand these important aspects of the program and benefits of requesting an exception area. There are approximately 7 acres of ground covered with hoop

houses growing containerized nursery stock. At the time of preliminary approval, SADC staff conducted a site inspection, which revealed that no soil disturbance occurred in preparation for the existing hoop houses, which have sheet plastic flooring. The soil underneath the majority of the existing hoop houses is AuhB-Aura gravely sandy loam, 2 – 5 percent slopes. The inclusion of the area under the hoop houses as “tillable” acreage yielded approximately 55.9 percent of the total acreage being considered tillable for scoring and evaluation purposes.

Ms. Winzinger stated that staff recommendation is to grant final approval, subject to any conditions of said Resolution.

Mr. Danser asked if the landowners are aware of the limitations under those hoop houses if the property becomes preserved as far as soil disturbance or paving. Ms. Winzinger stated that normally if there were a large amount of greenhouses on an applicant farm, staff would suggest exception areas, especially if there were some type of disturbance. However, staff visited this farm and the owners felt there was no need in the future to do anything different from what they are doing now. Underneath the fabric is virgin soil. Mr. Danser stated he wanted to make sure that the owners are aware that it needs to stay that way and they cannot just decide to make them permanent in concrete after the farm is preserved. Ms. Payne stated that she believes there is language in the green light approval letters. Ms. Winzinger stated that it does say that the SADC is currently working on soil disturbance limitations, however there is no solid standard to give landowners at this time. Ms. Payne stated that staff is definitely giving owners the heads-up in the green light approval letters that they need to be aware of the fact that soil disturbance matters.

It was moved by Mr. Siegel and seconded by Mr. Danser to approve Resolution FY2012R4(2) granting final approval to the following landowners, as presented and discussed, subject to any conditions of said Resolution:

1. Cumberland County/Carl and Geraldine A. Mooneyham (SADC#06-0097-PG)
Block 607, Lot 16.05, Upper Deerfield Township, Cumberland County, 23.449 Acres
State cost share grant of \$4,225.00 per acre (62.13% of the certified value and 63.53% of the purchase price). Base grant funds will be utilized for this property.

The motion was unanimously approved. (A copy of Resolution FY2012R4(2) is attached to and is a part of these minutes.)

D. Resolution for Final Approval – State Acquisition Program

1. Dougan Farm, Quinton/Alloway Townships, Salem County

Mr. Knox referred the Committee to one request for final approval under the State Acquisition Program. There is one existing single-family residence and one recreational cabin on the property outside of an exception area. The owner conducts a consulting business from his home, which will be recognized as a nonagricultural use in Schedule "B" of the deed of easement. The owner has requested a three acre nonseverable exception area on the property for a future single-family residence. There are approximately 30 acres of tidelands that the SADC will not pay on. The purchase price is based on approximately 190 acres. Staff recommendation is to grant final approval, subject to any conditions of said Resolution.

It was moved by Mr. Siegel and seconded by Mr. Danser to approve Resolution FY2012R4(3) granting final approval to the following landowners, subject to any conditions of said Resolution:

1. Robert A. Dougan and Kathleen D. Dougan (SADC #17-0239-DE)
Block 14, Lot 23, Quinton Township, Salem County
Block 19, Lot 25, Alloway Township, Salem County
Approximately 220 net acres (net of the exception area); Approximately 190 Acres (net of exception and tidal area)
Direct Acquisition of the development easement at a value of \$6,300.00 per acre for a total of approximately \$1,197,000.00 (based on 190 non-tidelands acres) subject to the conditions contained in Schedule B.

The motion was unanimously approved. (A copy of Resolution FY2012R4(3) is attached to and is a part of these minutes.)

E. Resolution for Preliminary Approval – State Acquisition Program

1. NJ Agricultural Land Trust/Gary and Kathy Droppa, Lower Alloways Creek and Quinton Townships, Salem County

Note: Mr. Schilling left the room during the discussion/action pertaining to this agenda item.

Mr. Knox referred the Committee to one request for preliminary approval under the State Acquisition Program. He reviewed the specifics of this request with the Committee. He stated that staff recommendation is to grant preliminary approval, subject to any conditions of said Resolution.

It was moved by Ms. Brodhecker and seconded by Mr. Danser to approve Resolution FY2012R4(4) granting preliminary approval to the following landowners, subject to any conditions of said Resolution:

1. NJ Agricultural Land Trust/Gary and Kathy Droppa (SADC#17-0242-DE)
Block 10, Lot 2, Lower Alloways Creek Township, Salem County
Block 29, Lot 2, Quinton Township, Salem County
70 Net Acres

The motion was approved. (Mr. Schilling was absent for the vote.) (A copy of Resolution FY2012R4(4) is attached to and is a part of these minutes.)

Note: Mr. Schilling returned to the meeting at this point.

F. Draft 2012 Appraisal Handbook Amendments – Discussion Only

Mr. Burns referred the Committee to the Draft Summary of Changes to the SADC Appraisal Handbook-2012, showing the following recommended changes to the handbook:

1. Page 5&6: SADC Appraisal Policy – (a.)

This policy discusses the appraisal update letter policy. The reference to County is replaced with Contracting Agent.

Reason: To reflect the multiple agents that are now responsible for ordering appraisals.

2. Page 6: SADC Appraisal Policy

Statement Added (e): All appraisals requiring federal funding in the Farm and Ranchland Protection Program are not eligible for letter updates.

Reason: To ensure a current and relevant valuation of the subject property in compliance with federal standards issued by NRCS.

3. Page 13: Exceptions paragraph 4 (example)

Statement removed: This is not required or necessary, but the appraiser always has this option.

Statement Added: Typically, there will be no measurable impact to the per acre value. In instances where the exception(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.

Reason: Replaces the stricken statement and provides more clarity.

4. Page 18: Appraisal Format; Certification of Appraisal

Statement Added: The appraiser is now required by USPAP to certify that they have or have not performed any services, appraisal or otherwise, regarding the subject property over the past three years. The appraiser should explain the nature of any such services and for whom they were performed.

Reason: Reminder that USPAP now requires reporting of any services rendered regarding the subject property in the last three years.

Mr. Danser asked if it should say “property or property owner” in this change. Mr. Burns stated that it’s taken from USPAP so it’s the property. If the SADC wanted to address services performed for the property owner, it would need to do that in its rules. Mr. Danser stated that it doesn’t say they can’t do it, they would just have to certify whether they had. Mr. Burns stated that if someone did a mortgage appraisal on the property we probably wouldn’t care but if they had worked for the landowner directly the SADC would question that but we don’t at the present time. That is something that needs to go through the rule-making process.

It was moved by Mr. Danser and seconded by Mr. Waltman to approve the changes to the SADC Appraisal Handbook-2012 and to authorize staff to send out the draft summary for public comment. The motion was unanimously approved. (A copy of the Draft Summary of Changes to the SADC Appraisal Handbook-2012 is attached to and is a part of these minutes.)

G. Farmland Stewardship

1. Agricultural Labor Housing Request

Dak Wah Farm, Chesterfield Township, Burlington County

Mr. Roohr referred the Committee to a request for the construction of onsite agricultural labor housing by Dak Wah Farm LLC, owners of Block 600, Lot 7.01 in Chesterfield Township, Burlington County, comprising 98.28 acres. The property was preserved in 1985. The Deed of Easement identifies one residual dwelling site opportunity, no existing residences, no units used for agricultural labor purposes and no exceptions areas. During the annual monitoring visit in 2011, the Burlington CADB found that a mobile home trailer had been placed on the site to house seasonal agricultural laborers. The owner had not received approval for this trailer on the property. The CADB worked with the landowner to bring this into compliance. The SADC subsequently received a request from the CADB on behalf of the owner to utilize a mobile home trailer, consisting of approximately 800 square feet, as an agricultural labor unit on the property in the location shown on Schedule “A” of Resolution FY2012R4(5). The owners propose to use the trailer to house four to five employees on a regular basis and up to eight employees during the peak season. The laborers are seasonal employees working full-time from

March through November, and their primary duties are directly related to production and include planting, cultivation, harvesting and packing of fruits and vegetables raised on the farm. Staff recommendation is to grant approval to the request for agricultural labor housing as presented and discussed.

It was moved by Mr. Danser and seconded by Mr. Schilling to approve Resolution FY2012R4(5) granting approval to a request to utilize a trailer, consisting of approximately 800 square feet, in the location shown on Schedule "A" of said Resolution, to house up to eight seasonal agricultural laborers. Only agricultural labor employed on the Premises, and their immediate family, may live in the agricultural labor units. The agricultural laborers shall be engaged in the day-to-day production activities on the Premises, which at this time include planting, cultivating, harvesting and packing of fruits and vegetables raised on the Premises. The owner's use of any structures for housing agricultural laborers shall be in compliance with all applicable Federal, State, County and local regulations. This approval is also subject to any other conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY2012R4(5) is attached to and is a part of these minutes.)

2. Review of Activities on Preserved Farmland

Laurita Winery, Plumsted Township, Ocean County

- a. Construction of Solar Array
- b. Nonagricultural Activities

Note: Court Reporting Services were on hand for this agenda item (Renzi Court Reporting Services)

Mr. Roohr stated that this farm was originally a 368-acre farm in Plumsted Township, Ocean County, preserved in 1993 by the county. Since that time there have been two divisions of the premises, which have severed off approximately 185 acres. That leaves the current farm at 183 acres. The issues being discussed today are nonagricultural activities occurring on the property and the installation of a large solar array that did not get SADC approval. The less complicated issue is the solar array.

Mr. Roohr stated that there are three entities involved. Laurita Winery is owned by Ray Shea and Randy Johnson who also own the farm. Greenstreet Energy is the financing entity that is financing the solar project. They are located in New York City. The third is BAM Energy Group, which is the installation/project manager. Bernard Gutherz is the main contact for BAM Energy Group.

Mr. Roohr stated that on September 23rd, 2011, the SADC received the standard packet request for a solar array on this property. The request is for a 295 kw ground-mounted system. While the law would allow for a ground-mounted system on a preserved farm, the regulations have not been finalized for that. In the summer of 2011 staff received

advice from the Attorney General's Office that it could review and approve certain applications if they very tightly met the conditions of the legislation. Since there is a provision regarding how to address impervious cover, the Deputy Attorney General's (DAG) advice to the SADC was that it could not approve any projects that created any new impervious cover prior to adopting regulations. That basically means the SADC at this time can act on applications only for roof-mounted systems or systems to be installed on an existing impervious area. In this case, Laurita Winery has a substantial parking lot that is paved. Staff did suggest that if the winery built the system on the parking lot, the SADC might be able to provide a quicker review. However, because of physical conditions on this site -- there are some large trees that would have shaded the system and other conditions that were not ideal -- the owners did not want to do that. The owners' concept was to place this ground-mounted system, which is four very large arrays, in a field. It is a green field in grass, and pieces of it have been used at times by the adjacent farmer, Mr. Hallock. But most recently, when Laurita Winery has had a very large event, they have used portions of this field for overflow parking. Their concept is to build a ground-mounted solar array that is high enough off the ground that cars could be parked underneath it. Therefore, it would serve a dual purpose.

Mr. Roohr stated that at that time and at the present time, the SADC does not have the authority to approve ground-mounted systems that create new impervious cover. Staff advised the owners of this and that the SADC couldn't approve the project until the regulations were adopted. In December, staff had a meeting with BAM Energy Group to discuss the issue. Several concerns that staff had were discussed, but staff still had no authority to give approval for them to move forward on the project. At the January 2012 SADC meeting, Mr. Guthertz made a brief presentation to the Committee seeking any assistance to help get the project off the ground or at a minimum get the regulations moving forward as quickly as possible. He was advised at that time that the Committee could not legally give any authorization to start the project. In early April, staff was notified that some solar activity was occurring on the property. Mr. Roohr stated that earlier in the week he went to check out the property and there was some solar activity occurring. He met with Mr. Guthertz and he related that they have installed the bulk of the system. Mr. Roohr provided various pictures to the Committee of the solar installations. He stated that the solar array is in the location that they had originally indicated it would be, and the size is what was related to the SADC. They just installed it without prior approval from the SADC.

Mr. Roohr stated that so far there are four rows of panels and the inverter pad, and the related electronics are there and were being wired up the day he visited the property. There is a 900-foot trench that needs to be dug from the inverter box that will go over to the winery basement. He stated that there was already a pole-mounted system on the property from before, the kind that follows the sun. All told, this system will provide approximately 90-95 percent of the energy demand for the winery. The system would be just for the winery itself.

Ms. Payne stated that when BAM Energy Group came to the January SADC meeting, staff advised them that the SADC couldn't do an approval because it doesn't know what the rules will say. The Committee will see those rules next month so the over-arching concern is that the development of these arrays may not be in compliance with those regulations. The second issue is, depending on the rest of the conversation and the activities of the winery, what is causing the need for the parking area? The Committee is going to have to address that as well. For example, in the agricultural management practice (AMP) that dealt with solar, there is a standard that said concrete footings cannot be used unless it is absolutely necessary, from an engineering standpoint. The pictures the Committee just saw show concrete footings so there are a lot of issues that are going to be raised. The biggest issue is that they proceeded without authority. The Committee will be going into closed session to discuss all of these issues so that it has an opportunity to take advice from the Attorney General's Office on what paths it may want to take and what the legal implications are. The Committee will be coming back after closed session. Chairman Fisher stated that when the Committee comes back into open session it would not be taking any action this month. Ms. Payne stated that was correct. The property owners have advised staff that they were not able to come to today's meeting and they have asked that the matter be postponed until next month. Ms. Payne stated that next month's agenda is going to be very full and she advised the owners that the Committee would have a discussion today and ask questions of staff. Staff did pledge not to seek final action at today's meeting. She stated that staff would want to take final action next month with a resolution so it needs to hear from the Committee in order to draft that resolution. She didn't perceive that as a delay on staff's end.

Mr. Roohr stated that the winery is a three-story building, approximately 20,000 square feet in total. The basement has the production, processing, storing, bottling aspects. All of the winery's grapes come into that first floor, they get crushed there and everything that needs to happen to make wine happens there. Then it goes into stainless steel containers, each temperature-controlled and holding between 500-1,000 gallons of wine. There are a lot of containers in the basement. The second floor is the display area; that is the most open square footage, where a customer can walk in and there is a bar or an area for purchase on each side of the room. The wine is displayed typically in the middle or up on the shelves, and that is where you wine tasting occurs. That is also an open area and a seating area. There is a small kitchen/deli that serves some cheeses and meats, and the types of things one would eat with wine. The third floor is just space for seatings and the like. Production, processing and sales all happen out of the winery. Those things are not a concern of the SADC. The concern lies with the events. There is a lot of open space and there are events of varying different natures that occur both inside and outside that are the topic of the main discussion today.

Mr. Roohr referred the Committee to a Memorandum dated April 19th 2012, to give the Committee background information for reviewing the nonagricultural activities on a preserved farm in violation of the program's deed of easement (DoE). He reviewed the specifics with the Committee as outlined in the memorandum as follows:

- A. Weddings/Corporate Events/Catered Events/Nonagricultural Activities
- B. Solar Energy Generation Facility

Mr. Roohr also provided a timeline document for Laurita Farm from November 1993 through October 2009 for the Committee's review as follows:

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|---------------|---|
| Nov. 1993 | 368 acre farm is preserved by current landowners; sold easement to Ocean Co. for \$1,084,420. |
| Dec. 1993 | SADC approves subdivision of 152 acres to Hallock's U-Pick Farm |
| July 1994 | SADC approves subdivision of 39 acres to Gasser & Emery
Total remaining Laurita farm is 183 acres in size. |
| Aug. 2001 | SADC pond excavation work occurring on the farm; compliance with NRCS conservation plan required; pond found to be compliant with the DoE. |
| June 2005 | Mr. Shea invites SADC reps to the farm to review plans for winery; staff notifies owner that use of the property for weddings/corporate retreats, etc. is not permitted. |
| June 17, 2005 | Mr. Shea writes a letter in which he states " <i>I readily agreed that no weddings would take place and we wouldn't be doing any catering of any kind whatsoever.</i> " |
| Sept. 2005 | SADC reviews the construction plans for the winery facilities "to evaluate the anticipated uses of the preserved farm and determine if those uses are permitted pursuant to the DoE." SADC approves the construction plans subject to certain conditions including acknowledgement that the use of the winery for weddings and catering of any kind are prohibited. |
| Sept. 2008 | Laurita Winery holds its grand opening. |
| May 2009 | SADC becomes aware that a catering company, Conroy Catering, has a web link on Laurita Farm's webpage soliciting reservations for wedding events; contacts to CADB to request further information. |

- May 19, 2009 Ray Shea writes a letter to the Ocean CADB stating *"they have never had a wedding to date at our place, but we very much need to accommodate that activity for our winery to be retail successful."* Acknowledges that when he previously appeared before the SADC he *"flat out asserted that we no interest in arranging for and conducting wedding activities at our winery because we were not in that business. We still are not in that business but we have learned since that there is an extraordinary demand for young brides to host their wedding and celebration at our farm."*
- July 8, 2009 Ray Shea appears before the Ocean CADB and requests that the issue of weddings not being permitted on preserved farmland be "revisited."
- July 2009 CADB coordinator Dave McKeon discusses it with SADC Exec. Director Susan Payne (nee Craft) who indicates she is not receptive to "revisiting an issue which was clearly decided in 2005." McKeon sends a letter dated July 31, 2009 reiterating that *"nothing has changed regarding the restrictions outlined by the SADC in September 2005"* and that *"weddings at the winery are specifically prohibited unless and until this restriction is formally amended by the SADC, and agreed to by the OCADB"*.
- Sept. 15, 2009 SADC receives information that country line dancing is being held at Laurita Winery. SADC contacts OCADB for further information.
- October 2009 OCADB becomes aware that weddings are being held at Laurita winery. Ocean County Counsel sends a letter dated November 4, 2009 stating it has comes to the County's attention *"that Laurita Winery is currently hosting catered wedding receptions and has booked multiple dates for future catered wedding receptions. As you know, the hosting of catered wedding receptions is not permitted at the Laurita Winery as it is a preserved farm under the Farmland Preservation Program administered by the SADC."* The letter further states *"Therefore, please cease all catered wedding receptions at Laurita Winery or the Board will be forced to take any and all necessary legal action."*

In the summer of 2010, the OCADB created a subcommittee to review the issue of events on preserved farms. In November 2010, Assembly Bill A-3460 was introduced that would allow certain types of tourism and celebratory life events to occur, including weddings, on preserved farms. In August 2011, the OCADB reports the findings of the subcommittee that, under certain conditions, the Board could support some events on preserved farms as a form of marketing. The Board also at that time clarified that if the

SADC felt there were violations of its 2005 approval, that was an SADC approval and that it was their opinion that it would be the SADC that would enforce the terms of that approval.

Mr. Roohr stated that where staff is with the activities is that some seem perfectly fine, some seem to be clearly a violation and some the SADC would need more detail on. He provided a summary of the events and services advertised on the winery's site, in other business publications, and on at least one television show: 2 catering companies, one for indoor weddings and one for all other events; three indoor room rentals and the availability of outdoor rental space; private events including weddings, corporate events, retirement parties, holiday parties, luncheons and fund-raisers; public events including include art shows, concerts, Sunday brunch, family dinner night, theme dinner night, movie nights, and also some public events that staff would need more information on. These include singing competitions, country line-dance night, holiday festivals, wine festivals and vintners dinners. He again reviewed various additional photos with the Committee.

Ms. Payne referred the Committee to the "SADC Record Related to Evaluation of Activities Occurring at Laurita Winery" dated April 25, 2012. She stated that the following language came straight out of the SADC's September 2005 review and approval of the proposed winery activities. A lot of ground was covered regarding this issue and there were many types of questions, not all of which are on the table today. She stated that the Committee determined that the proposed construction of the winery was acceptable subject to the following:

- The **primary purpose of any function** (public or private) held at the winery facility or surrounding premises shall be related to the sale of the agricultural product, in this case wine.
- Other activities such as **conducting weddings and corporate events are prohibited** because their primary purpose is not the sale of wine.
- The sale of artwork or other non-agricultural items on display is not permitted since it is not considered a "related commodity" as contained in the definition of "Agricultural Use" in the DOE.
- The sale of meats, cold cuts, cheese, pies and food stuffs are permitted **provided they are offered to complement the tasting of wines, and the area dedicated for this purpose shall not be used for general catering purposes.**
- The Committee clarified that at least 51% of the annual gross sales of the retail farm market shall be generated from sales of agricultural output of the farm. The

remaining annual gross sales of the retail market may be achieved through the sale of related commodities.

- The Committee also clarified that at least 51% of the grapes processed at the winery shall be grown on the farm's farm management unit (relief from this provision could be provided in cases of crop failure of the owner's grapes).

Ms. Payne stated that staff tried to flesh out the basics of what they believed would be activities consistent with the deed of easement. Some of these will find their way into rule-making processes but this is the guidance that was given to the applicant at the time. She stated that the exact language of the deed of easement for this property is also outlined as applicable, in the document provided to the Committee. The document also provides information regarding the SADC recent right to farm decision related to winery uses.

Ms. Payne stated that it is clear that right-to-farm and farmland preservation are not the same thing. However, the Committee and she have been trying to emphasize the fact that the Right to Farm Act and Farmland Preservation are two very closely related statutes. While there are differences at times, her overall approach in administering issues is that they should line up as often as possible. If we think about the farmland that we are preserving, in 50 years, all the farmland in New Jersey that is going to have been preserved is going to be preserved with our easement on it or a TDR easement. The Right to Farm Act needs to be consistent with what is permitted on preserved farms and vice-versa, to the extent that makes sense, and it should make sense 95 percent of the time. One example where that is not the case is with solar. When the statute passed, it said right-to-farm protection can be provided to a farm generating up to 2 megawatts of power on a farmland assessed property, but much less than that can be generated on a preserved property. This is an example where the Legislature separated what can be done under right to farm as opposed to what can be done on a preserved farm. Aside from those types of clear lines of distinction, she is approaching the program as the two should be highly consistent. That is why staff is providing the summary of the Committee's decision in the Hopewell Valley Vineyards case. It informed her thinking as she was reviewing the issue. Basically, there the Committee said that all of the straight production and wine-tasting makes complete sense. The Committee went further and talked about things like festivals and the like. We consider those normal agricultural practices on something like a winery. But the Committee specifically said even in that decision that things like wedding receptions, corporate retreats and the like are not protected, and that the primary purpose of somebody attending a wedding at a winery is not to drink wine but rather to go to a wedding.

Ms. Payne stated that is leading to an issue of a property owner marketing their facility more than marketing their product. On pages 5 and 6 of the document, staff provided bullets regarding the things that the Committee determined were protected versus not

protected in the Hopewell Valley Vineyard case. Finally, the staff provided some operative language from the draft AMP for On-Farm Direct Marketing, which discusses facilities, activities, and events, and which are eligible for right to farm protection. Staff thought some of this, which again is a draft document, was an expression of the SADC's intent.

Chairman Fisher stated that regarding solar, there was an installation need that permission was not given for, and that is one issue. The second issue is the violation of the deed of easement. Ms. Payne stated that the Committee has to make a decision with respect to the winery that will have to be expressed in a resolution next month, about what aspects of the activities being conducted on this winery, the Committee feels are a violation of the DoE. Chairman Fisher asked if the third issue would be what right to farm protections a landowner would have based on those events. Ms. Payne stated that is not on the table for this matter. The landowner is not claiming right to farm protection.

Mr. Waltman stated that we've seen a number of cases where an owner doesn't ask first. In this instance, we have an owner who sought permission in the one case and was denied, and in the other case was told that permission would never be allowed -- this is the weddings. In fact, he wrote to the Committee committing himself to never engaging in those activities. It is hard not to be sympathetic to landowners when it's unclear whether they knew, but he feels that staff has done a very good job of pulling the record together on both these instances demonstrating that it is very clear that it isn't an absence of clarity but rather an absence to adherence. He asked if the owner of the winery has a response or a new interpretation on the 2005 letter in which they agreed to never hold weddings or catered events. Mr. Roohr responded he does, and he isn't sure how much he should speak on the owner's behalf, but in 2009 he presented to the OCADB and that question was raised. The owner does have a fairly articulate answer. Chairman Fisher stated that the landowner should make that argument.

Mr. Roohr stated that how the solar and nonagricultural activities are linked is that the solar generates nearly 100 percent of the winery's electric demand. However, if some of the activities that are causing electrical need are not permitted, then 100 percent of electrical demand should be 100 percent of a lesser number. If the need for overflow parking is because of a need for parking for events that shouldn't be happening, then overflow parking is not needed. Those two issues do have that common link. Chairman Fisher stated that the most important thing that the Committee has to decide is was there a violation and was there permission on these two items.

PUBLIC COMMENT

Tom Gilbert, Chairman of the Keep It Green Campaign, stated that this coalition now includes over 160 organizations all working to sustain funding for preservation and stewardship of New Jersey's farmland and natural areas, parks and historic sites. He

wanted to thank and congratulate everyone on the final approval of a number of important farmland preservation projects today. His coalition worked very hard to support the 2009 bond measure and was very pleased to see the first half of those funds move forward last year and be signed by the Governor. He stated that they think it is very important that the second half of those funds move forward in a timely manner. There are many farmland preservation projects waiting in the wings and relying on those funds. They will be keeping a close eye out for those wheels continuing to stay in motion and projects going forward in the Garden State Preservation process. He also wanted to mention that beyond that, the top priority is to see a long-term funding measure be referred to the ballot. It is their hope that it will occur this year. He noted Ms. Payne's point that 100 years from now farms that are still left and in active agriculture will, by and large, be those farms that we had the foresight to preserve today. The reality is that the future is very uncertain right now. There is only about a year's worth of funding left. Beyond that there is a huge question mark. The work is far from complete.

Amy Hansen from the N.J. Conservation Foundation stated that she wanted to mention their concerns regarding, from what she has heard, is a flagrant abuse of the SADC's trust by the Laurita Winery. She stated that she is concerned that wineries should receive extra scrutiny when preserved, like the Hopewell Valley Vineyard and other cases. She stated that if this is allowed to continue, what is to stop anyone else from doing this with preserved farmland that the public has paid for? She appreciates that the SADC is looking at these questions. As far as the Mooneyham farm is concerned, she wondered if the hoop houses are required to be moved after a certain period of time and if that is required in the deed of easement or should be required going forward. She also wondered about the timeline for the soil disturbance subcommittee.

Ms. Payne stated that there is no requirement today regarding how long plastic can be kept on a property outside of the FRPP impervious cover requirements. That is all part of the SADC's impervious cover discussion. The subcommittee is working and concluding its examination. It met last month and staff will now prepare a draft for the subcommittee to review to see if it is a report that captures their recommendations to the Committee.

Ms. Payne stated that when the Committee goes into closed session, it will review the certifications of value, discuss legal issues with its counsel and then come back out to see if the Committee has any additional direction it wants to give staff with respect to any item that has been discussed today, but Laurita Winery in particular. Based on the Committee's input, staff will draft a resolution for next month. There will be no resolution or action today.

TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: Thursday, May 24, 2012, beginning at 9:00 a.m. Location: Health/Agriculture Building, First Floor Auditorium.

CLOSED SESSION

At 10:58 a.m. Mr. Siegel moved the following resolution to go into Closed Session. The motion was seconded by Mr. Danser 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 NJ 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. Real Estate Matters - Certification of Values

It was moved by Mr. Danser and seconded by Ms. Brodhecker to certify the development easement values and the Fee Simple values (where applicable) for the following landowners, as presented and discussed in closed session:

1. Brian and Dorothy Kargman (Kargman Farm # 1), SADC #08-0134-PG
Block 7002, Lot 8, Franklin Township, Gloucester County, 29 Acres (SADC)
2. Brian and Dorothy Kargman (Kargman Farm # 2), SADC #08-0138-PG
Block 7102, Lots 11, 12; Franklin Township, Gloucester County, 10 Acres (SADC)
3. Brian and Dorothy Kargman (Kargman Farm # 3), SADC # 08-0139-PG
Block 7102, Lot 14, Franklin Township, Gloucester County, 26 Acres (SADC)
4. Brian and Dorothy Kargman (Kargman Farm # 4), SADC # 08-0140-PG
Block 7102, Lot 18, Franklin Township, Gloucester County, 9 Acres (SADC)
5. Norman and Deborah Stiles, SADC # 08-0135-PG
Block 6401, lot 44, Franklin Township, Gloucester County, 25 Acres
6. Estate of Helen Cicalese, c/o Veronica and Dominic, SADC # 13-0426-PG
Block 20, Lot 5, Colts Neck Township, Monmouth County, 16 Acres
7. Jose Domingues, SADC # 21-0503-PG
Block 26, Lot 26, Greenwich Township, Warren County, 63 Acres (SADC)

Direct Easement Purchase Program

1. Capozzi Family Foundation (Frank Capozzi), SADC #08-0018-DE
Block 7101, Lots 53, 63, 83, Franklin Township, Gloucester County, 245 Acres
2. Summit City Farms (Dubois Farm), SADC # 08-0026-DE
Block 18, Lots 1, 4, Upper Pittsgrove Township, Salem County; Block 40, Lots 1, 22, Elk Township, Gloucester County, 157 Total Acres
3. Summit City Farms (Harrell Farm), SADC # 08-0024-DE
Block 28, Lot 15.01, Block 33, Lot 12.13, Elk Township, Gloucester County, 112 Acres
4. Estate of Rosemary and Donna Anthony, SADC #17-0237-DE
Block 11, Lot 50, Upper Pittsgrove Township, Salem County; Block 2, Lots 1, 1.02, 49, 56, Elmer Boro, Salem County, 117 Total Acres

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

B. Attorney/Client Matters

1. Review of Activities on Preserved Farmland
 - a. Laurita Winery, Plumsted Township, Ocean County
 1. Construction of Solar Array
 2. Nonagricultural Activities

Note: Court Reporting Services by Renzi Court Reporting Services was provided for this agenda item.

Ms. Payne stated that with respect to the review of activities on Laurita Winery, the Committee had the opportunity to discuss the matter with its legal advisor and as indicated in open session, the Committee will be scheduling formal action on that matter next month. But certainly there does seem to be evidence that has been submitted on the record that there are several violations of the Deed of Easement that are occurring. The Committee has asked staff to draft a resolution reflecting those issues for the next meeting.

ADJOURNMENT

There being no further business, it was moved by Mr. Waltman and seconded by Mr. Danser and unanimously approved to adjourn the meeting at 12:35 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Susan E. Payne".

Susan E. Payne, Executive Director
State Agriculture Development Committee

Attachments

S:\minutes\2012\REG March 22 2012.docx

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY12R4(1)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO

**KNOWLTON TOWNSHIP
for the
PURCHASE OF A DEVELOPMENT EASEMENT**

**On the Property of
48 Delaware LLC / Kenneth Bertholf
Knowlton Township, Warren County**

**N.J.A.C. 2:76-17A. et seq.
SADC ID# 21-0514-PG**

APRIL 27, 2012

WHEREAS, on December 15, 2007, the State Agriculture Development Committee ("SADC") received a Planning Incentive Grant ("PIG") plan application from Knowlton Township, which included the Bertholf Farm, identified as Block 47, Lot 16 and Block 48, Lot 24, Knowlton Township, Warren County, totaling approximately 57.3 acres hereinafter referred to as "Property" and as identified on the attached map Schedule A; and

WHEREAS, the farms agricultural production at the time of application is corn and soybeans; and

WHEREAS, the Bertholf Farm includes a 2-acre non-severable exception for and restricted to one (1) single family residence and a 2-acre severable exception for one (1) future single family residence; and

WHEREAS, the landowners have also acknowledged that they understand that no division of the land shall be permitted without the joint approval in writing of the County and the SADC, pursuant to N.J.A.C. 2:76-6.15 and the conditions of the Deed of Easement; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.7, the SADC granted final approval of Knowlton Township's PIG on March 26, 2009; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9A(b) on October 26, 2011 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, to date \$1,250,000 of FY09 and FY11 funding has been appropriated for the purchase of development easements on the eligible list of farms identified in the Township's approved PIG Project Area; and

WHEREAS, to date Knowlton Township has expended \$323,250 of its SADC grant funds leaving a cumulative balance of \$926,750; and

WHEREAS, Knowlton Township has no other projects currently pending against this balance; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.11, on February 23, 2012 the SADC certified a value of \$4,600/acre based on the "current value" date of December 2011 for the development easement for the Property; and

WHEREAS, pursuant to N.J.A.C. 2:76-17A.13, by resolution the Knowlton Township Committee approved the application and its funding commitment for \$720/acre or 15.65% of the easement purchase on the Bertholf Farm on March 12, 2012, and the Warren County Agriculture Development Board approved the application on March 15, 2012 and secured a commitment of funding for \$720/acre or 15.65% of the easement purchase from the Warren County Board of Chosen Freeholders for the required local match on March 28, 2012; and

WHEREAS, the estimated cost share break down is as follows:

SADC	\$181,068	(\$3,160/acre - 68.70%)
Knowlton Twp & Warren County	\$ 82,512	(\$1,440/acre - 15.65% each)
Total	\$263,580	(\$4,600/acre)

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 Knowlton Township for the purchase of a development easement on the Bertholf Farm by Warren County, comprising approximately 57.3 acres, at a State cost share of \$3,160 per acre for an estimated total of \$181,068 (68.70% of certified market value and estimated total cost) pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule 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 premises 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 for residual dwelling site opportunities allocated pursuant to Policy P-19-A; 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 final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

4/27/12
Date



Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS

Douglas H. Fisher, Chairperson	YES
Fawn McGee (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Acting Commissioner Constable)	YES
Ralph Siegel (rep. State Treasurer Sidamon-Erstoff)	YES
Brian Schilling (rep. Executive Dean Goodman)	YES
Jane R. Brodhecker	YES
Alan A. Danser	YES
James Waltman	YES
Denis C. Germano	ABSENT
Torrey Reade	ABSENT

SHEGWW U

State Agriculture Development Committee
SADC Final Review: Development Easement Purchase

Bertholf Farm / 48 Delaware LLC
21- 0514-PG
FY 2009 PIG EP - Municipal 2007 Rule
58 Acres

Block 47	Lot 16	Knowlton Twp.	Warren County
Block 48	Lot 24	Knowlton Twp.	Warren County

SOILS:	Other	100% *	0	=	.00	
					SOIL SCORE:	.00

TILLABLE SOILS:	Cropland Harvested	57% *	.15	=	8.55	
	Other	2% *	0	=	.00	
	Woodlands	41% *	0	=	.00	
					TILLABLE SOILS SCORE:	8.55

FARM USE:	Corn-Cash Grain	acres
	Soybeans-Cash Grain	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: No Nonagricultural Uses
 - b. Exceptions:
 - 1st two (2) acres for existing residence on Lot 16
Exception is not to be severed from Premises
Exception is to be restricted to one single family residential unit(s)
 - 2nd two (2) acres for future residence on Lot 24
Exception is severable
Exception is to be restricted to one single family residential unit(s)
 - c. Additional Restrictions: No Additional Restrictions.
 - d. Additional Conditions: No Additional Conditions
 - 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 FY2012R4(2)

FINAL REVIEW AND APPROVAL OF A PLANNING INCENTIVE GRANT TO

CUMBERLAND COUNTY

for the

PURCHASE OF A DEVELOPMENT EASEMENT

SADC FY2011 Funding

On the Property of

Cumberland County/Carl and Geraldine A. Mooneyham ("Owner")

Upper Deerfield Township, Cumberland County

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

SADC ID# 06-0097-PG

April 27, 2012

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, on January 15, 2010 the SADC received an application for the sale of a development easement from Cumberland County for the Mooneyham farm identified as Block 607, Lot 16.05, Upper Deerfield Township, Cumberland County, totaling 23.449 acres hereinafter referred to as "Property" and as identified on the attached map Schedule A; and

WHEREAS, the Property is located in Cumberland County's Deerfield-Upper Deerfield North - Cumberland County Project Area; and

WHEREAS, the Property has one single family residence on the land to be preserved; and

WHEREAS, the Property has approximately 75% Prime soils; and

WHEREAS, the farm currently produces ornamental nursery products; and

WHEREAS, approximately 7 acres of ground are covered with hoop houses growing containerized nursery stock; and

WHEREAS, at the time of preliminary approval, SADC staff conducted a site inspection which revealed that no soil disturbance occurred in preparation for the existing hoop houses which have sheet plastic flooring; and

WHEREAS, the soil underneath the majority of the existing hoop houses is AuhB - Aura gravely sandy loam, 2 to 5 percent slopes; and

WHEREAS, the inclusion of the area under the hoop houses as "tillable" acreage yielded approximately 55.9 % of the total acreage being considered tillable for scoring and evaluation purposes; and

WHEREAS, the Owners have read and signed the SADC Exception Area, Division of the Premises and Non-Ag use Guidance documents indicating that they fully understand these important aspects of the program and benefits of requesting an exception area; and

WHEREAS, the Property has a rank score of 55.19 which exceeds 41, which is 70% of the County's average quality score as determined by the SADC on July 28, 2011; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.9(b) on January 6, 2011 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. 2:76-17.7, the SADC granted preliminary approval of Cumberland County's PIG plan on May 28, 2009 and final approval of the plan on December 10, 2009; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.11, on July 28, 2011 the SADC certified a development easement value of \$6,800 per acre based on zoning and environmental regulations in place as of May 1, 2011; and

WHEREAS, Cumberland County purchased the easement on the Premises of 23.449 acres on May 5, 2009 for \$155,935.85 (\$6,650 per acre on 23.449 acres which is less than the certified easement value of \$6,800 per acre) and recorded in the Cumberland County Clerk's office on May 7, 2009 in Deed Book 4057, Page 2814; and

WHEREAS, since the County has already closed on the Property the exact acreage of 23.449 will be used to calculate the grant need; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on August 10, 2011 the Cumberland CADB passed a resolution granting final approval for reimbursement funding from the SADC for the pre-acquisition of the development easement on the Property based on the current easement value of \$6,650/acre equating to a per acre cost share of \$4,225 as per N.J.A.C. 2:76-6.11; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13, on July 5, 2007 the Upper Deerfield Township Committee approved the Owner's application for the sale of a development easement, but did not participate financially in the easement purchase; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.13 on October 25, 2011, the Board of Chosen Freeholders of the County of Cumberland passed a resolution granting approval to request reimbursement of per acre cost of \$4,225 for a total of \$99,072.03, based on 23.449 acres from the SADC; and

WHEREAS, on February 2, 2012 the County prioritized its farms and submitted its applications in priority order 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. 2:76-17.8, on July 22, 2010 the SADC established FY11 funding allocations to provide eligible counties with a base grant of \$1,500,000 with the ability to obtain an additional competitive grant not to exceed \$3,000,000 to purchase development easements on eligible farms, subject to available funds; and

WHEREAS, pursuant to N.J.A.C. 2:76-17.14, the Cumberland County Agriculture Development Board is requesting \$99,072.03 from its base grant, leaving a cumulative balance of \$93.67 (Schedule B); and

WHEREAS, no competitive grant funding is needed for the SADC cost share grant on this Property, therefore the entire estimated SADC grant need will be encumbered from the County's base grant; 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 23.449 acres, at a State cost share of \$4,225 per acre (62.13 % of the certified value and 63.53% of purchase price) pursuant to N.J.A.C. 2:76-6.11 and the conditions contained in Schedule C; and

BE IT FURTHER RESOLVED, that if additional base grant funds 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 premises 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 for residual dwelling site opportunities allocated pursuant to Policy P-19-A; 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 the SADC's final approval is conditioned upon the Governor's review pursuant to N.J.S.A. 4:1C-4.

4/27/12

Date

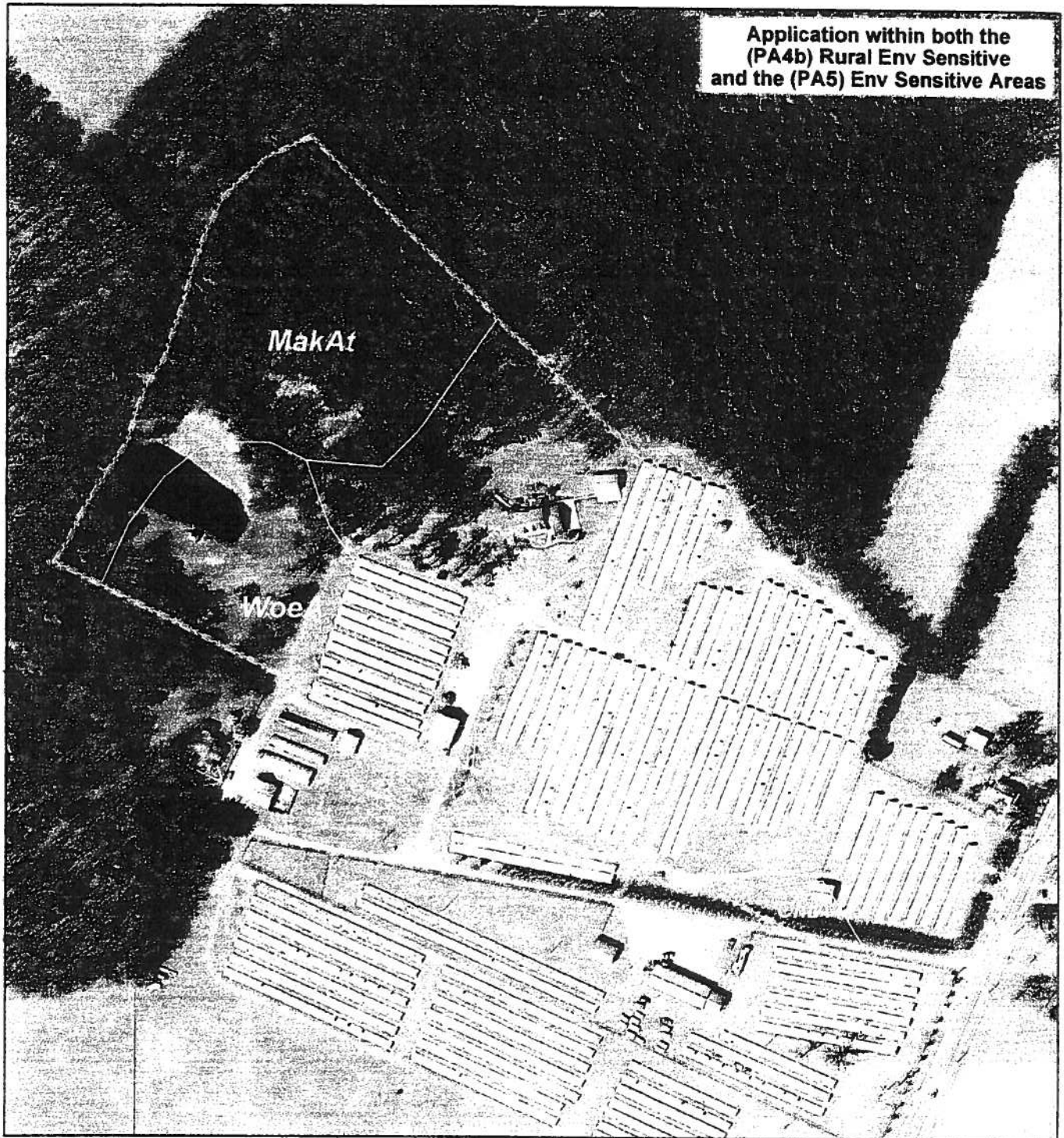


Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS

Douglas H. Fisher, Chairperson	YES
Fawn McGee (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Acting Commissioner Constable)	YES
Ralph Siegel (rep. State Treasurer Sidamon-Erstoff)	YES
Brian Schilling (rep. Executive Dean Goodman)	YES
Jane R. Brodhecker	YES
Alan A. Danser	YES
James Waltman	YES
Denis C. Germano	ABSENT
Torrey Reade	ABSENT

Application within both the
(PA4b) Rural Env Sensitive
and the (PA5) Env Sensitive Areas

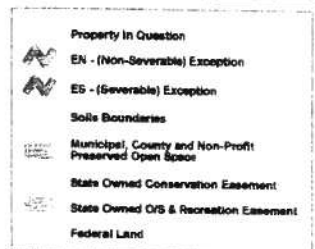


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FARMLAND PRESERVATION PROGRAM
NJ State Agriculture Development Committee

Carl and Geraldine Mooneyham
Block 607 Lot 16.05 (21.8 ac)
Gross Total = 21.8 ac
Upper Deerfield Twp., Cumberland County

250 125 0 250 500 Feet



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:
NRCS - SSURGO 2008 Soil Data
Green Acres Conservation Easement Data
NJOT/OGIS 2007/2003 Digital Aerial Image

January 21, 2010

State Agriculture Development Committee
SADC Final Review: Development Easement Purchase

Cumberland Cnty/Mooneyham
06- 0097-PG
FY 2011 County PIG Program
16 Acres

Block 607 Lot 16.05 Upper Deerfield Twp. Cumberland County

SOILS:	Prime	75% *	.15	=	11.25
	Unique zero	25% *	0	=	.00

SOIL SCORE: 11.25

TILLABLE SOILS:	Cropland Harvested	57% *	.15	=	8.55
	Wetlands	35% *	0	=	.00
	Woodlands	8% *	0	=	.00

TILLABLE SOILS SCORE: 8.55

FARM USE: Ornament Nursery Products 14 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.
4. Execution of a Grant Agreement between the County and the State Agriculture Development Committee in compliance with N.J.A.C. 2:76-6.18.
5. Other:
 - a. Pre-existing Nonagricultural Use: No Nonagricultural Uses
 - b. Exceptions: No Exceptions Recorded
 - 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 #FY2012R4(3)

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

**On the Property of
Robert A. Dougan and Kathleen D. Dougan
April 27, 2012**

Subject Property: Dougan Farm
Block 14, Lot 23 Quinton Township, Salem County
Block 19, Lot 25, Alloway Township, Salem County
SADC ID#: 17-0239-DE
Approximately 220 net acres (net of the exception area)
Approximately 190 acres (net of exception and Tidal Area)

WHEREAS, on November 23, 2011, the State Agriculture Development Committee ("SADC") received a development easement sale application from Robert A. Dougan and Kathleen D. Dougan, hereinafter "Owner," identified as Block 14, Lot 23 Quinton Township, and Block 19, Lot 25, Alloway Township, Salem County, hereinafter "Property," totaling approximately 220 net 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 28, 2011 which categorized applications into "Priority", "Alternate" and "Other" groups; and

WHEREAS, the Property has a quality score of 71.79 which exceeds the Priority Quality score for Salem County of 62, and the Property's 220 acres exceeds the Priority acreage for Salem County of 95 acres, and therefore the Property is categorized as a Priority farm; and

WHEREAS, the Property is currently devoted to corn-cash grain (110 acres) production and has 61.88% prime soils; and

WHEREAS, there is one existing single family residence and one recreational cabin on the Property outside of the exception area; and

WHEREAS, the Owner conducts a consulting business from his home which will be recognized as a non-agricultural use in Schedule B of the deed of easement; and

WHEREAS, the Owner has requested one 3-acre non-severable exception area on the Property for a future single family residence; and

WHEREAS, on February 23, 2012, the SADC certified the development easement value of the Property at \$6,300 per acre based on current zoning and environmental conditions; and

WHEREAS, on April 19, 2012 the Owner accepted the SADC's offer to purchase the development easement on the Property at \$6,300 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 to the Dougan Farm application, for the direct acquisition of the development easement at a value of \$6,300 per acre for a total of approximately \$1,197,000 (based on 190 non-tidelands acres) subject to the conditions contained in Schedule B; and

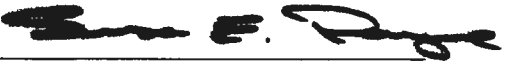
BE IT FURTHER RESOLVED, that the SADC's cost share shall be based on the final surveyed acreage of the Property adjusted for proposed road rights of way, other rights of way or easements as determined by the SADC, tidelands claim and streams or water bodies on the boundaries of the Property as identified 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 on the Property; 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.

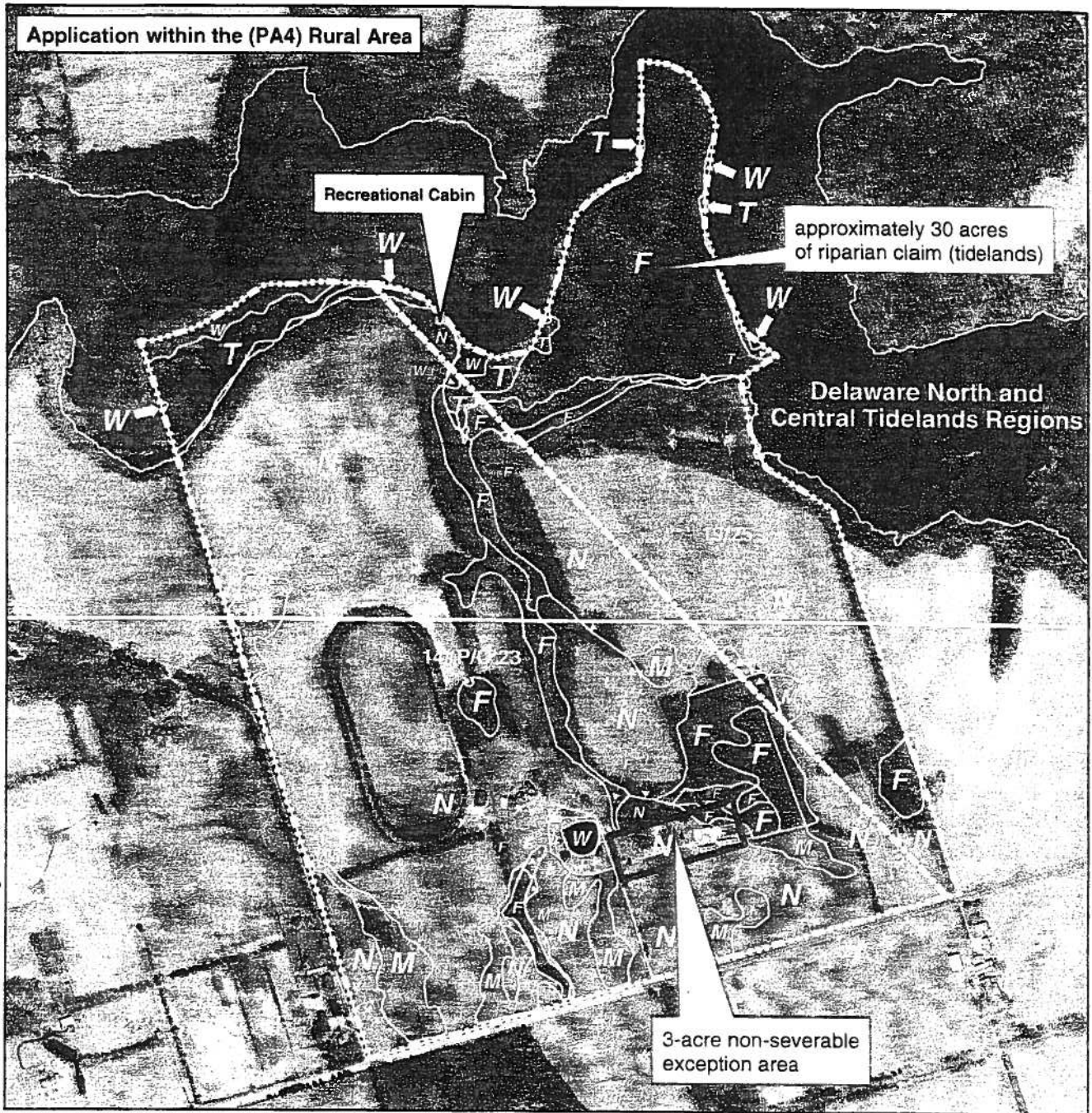
4/27/12
Date


Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS

Douglas H. Fisher, Chairperson	YES
Fawn McGee (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Acting Commissioner Constable)	YES
Ralph Siegel (rep. State Treasurer Sidamon-Erstoff)	YES
Brian Schilling (rep. Executive Dean Goodman)	YES
Jane R. Brodhecker	YES
Alan A. Danser	YES
James Waltman	YES
Denis C. Germano	ABSENT
Torrey Reade	ABSENT

Schedule A



FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Robert and Kathleen Dougan/NJCF
Block 14 Lots P/O 23 (156.0 ac)
& P/O 23-EN (non-severable exception - 3.0 ac)
Quinton Twp.
Block 19 Lot 25 (64.8 ac)
Alloway Twp.
Gross Total = 223.8 ac
Salem County

500 250 0 500 1,000 1,500 Feet

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/Riparian 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.



	Property in Question
	EN - (Non-Severable) Easement
	ES - (Severable) Exception
	Wetlands Boundaries
	Municipal, County and Non-Profit Preserved Open Space
	State Owned Conservation Easement
	State Owned OES & Recreation Easement
	Federal Land
	Tidelands Boundaries

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
NJOT/OGIS 2007/2008 Digital Aerial Image

November 22, 2011

State Agriculture Development Committee
SADC Final Review: Development Easement Purchase

Schedule B

Dougan
State Acquisition
Easement Purchase - SADC
220 Acres

Block 14	Lot 23	Quinton Twp.	Salem County
Block 19	Lot 25	Alloway Twp.	Salem County
SOILS:			
		Other	27.06% * 0 = .00
		Prime	61.88% * .15 = 9.28
		Statewide	9.5% * .1 = .95
		Unique zero	1.56% * 0 = .00
			SOIL SCORE: 10.23
TILLABLE SOILS:		Cropland Pastured	14% * .15 = 2.10
		Cropland Harvested	50% * .15 = 7.50
		Wetlands	6% * 0 = .00
		Woodlands	30% * 0 = .00
			TILLABLE SOILS SCORE: 9.60
FARM USE:		Corn-Cash Grain	80 acres
		Hay	30 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:
Consulting business
 - b. Exceptions:
1st three (3) acres for flexibility of use/future SF residence
Exception is not to be severable from Premises
Right to Farm language is to be included in Deed of Easement
Exception is to be restricted to one single family residential unit
 - c. Additional Restrictions: No Additional Restrictions
 - d. Additional Conditions: No Additional Conditions
 - e. Dwelling Units on Premises:
Cabin - restricted to recreational use
Standard Single Family
 - 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 #FY2012R4(4)

**SADC EASEMENT ACQUISITION
PRELIMINARY APPROVAL
of an
ALTERNATE FARM**

New Jersey Agricultural Land Trust/Gary & Kathy Droppa

April 27, 2012

Subject Farm: New Jersey Agricultural Land Trust/Gary & Kathy Droppa
Block 10, Lot 2
Lower Alloways Creek Twp., Salem County
Block 29, Lot 2
Quinton Twp., Salem County
SADC ID#: 17-0242-DE
70 Net Acres

WHEREAS, New Jersey Agricultural Land Trust (NJALT) submitted a 2009 round Nonprofit application. The application and \$825,000 of nonprofit funding was approved by the SADC for NJALT's use in preserving three farms, including the Droppa farm. Due to limited funding availability from non-SADC sources, NJALT worked with the landowner and has now determined that it would be better to submit the Droppa application as a contract purchaser through the State Acquisition-direct easement program; and

WHEREAS, because NJALT could not reach an agreement with the owners of the other two farms identified in the 2009 Nonprofit Program application landowners, NJALT is withdrawing its 2009 nonprofit application and understands that any funds previously allocated to NJALT will be reprogrammed; and

WHEREAS, on March 15, 2012 the SADC received an application to sell an agriculture development easement from New Jersey Agricultural Land Trust (NJALT) as a contract purchaser for property identified as Block 10, Lot 2 Lower Alloways Creek Twp., Salem County Block 29, Lot 2 Quinton Twp., Salem County, consisting of 70 net acres and has a quality score of 73.29, hereinafter "Property" as identified in Schedule "A"; and

WHEREAS, this application meets the minimum eligibility criteria set forth in N.J.A.C. 6.20; and

WHEREAS, the Property supports a field crop (corn/cash grain) operation, has approximately 59% prime soils, 24% statewide soils and 66 acres of tillable land, as identified in Schedule B; and

WHEREAS, the applicant is requesting one (1) one-acre non-severable exception for a future single family residence; 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 28, 2011 which categorized applications into "Priority", "Alternate" and "Other" groups; and

WHEREAS, staff finds that the Property does not meet the SADC's "Priority" category for Salem County because it is 70 acres and must be 95 acres or larger to meet this Salem County "Priority" criteria, however, the Property's quality score of 73.29 does satisfy the "Priority" criteria for Salem County farms; and

WHEREAS, the Property is considered an "Alternate" farm as per N.J.A.C. 2:76-11.6 which requires SADC approval; and

WHEREAS, pursuant to N.J.A.C. 2:76-11.6 (b) 1.i., there are no "Priority" ranked applications at this time which have not already been accepted for processing and have funding earmarked; 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 with NJALT (as contract purchaser).
2. Secure two independent appraisals to estimate the fair market value of the Property.
3. 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 action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

4/27/12
Date

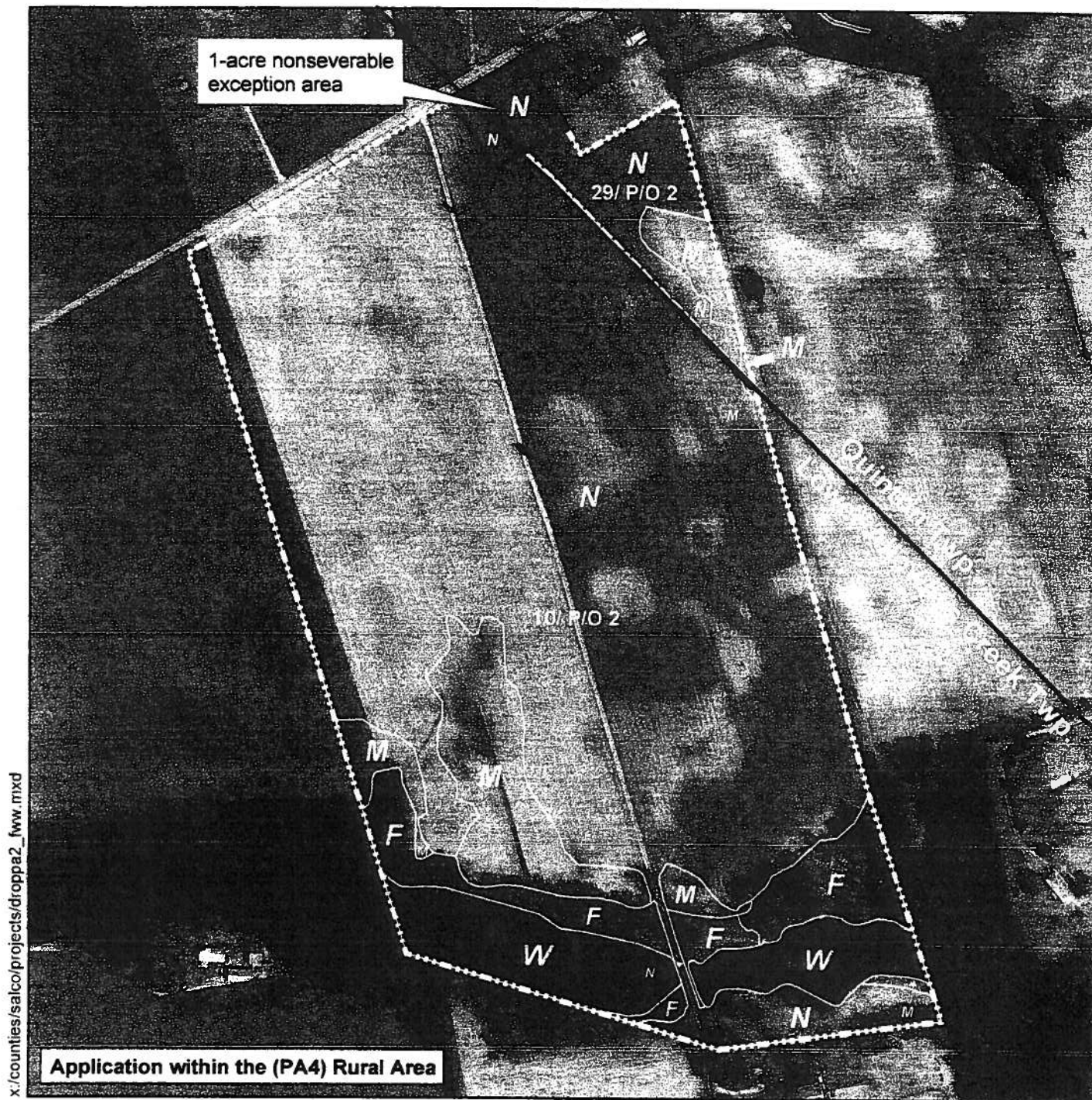

Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS

Douglas H. Fisher, Chairperson	YES
Fawn McGee (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Acting Commissioner Constable)	YES
Ralph Siegel (rep. State Treasurer Sidamon-Erstoff)	YES
Brian Schilling (rep. Executive Dean Goodman)	ABSENT FOR THE VOTE
Jane R. Brodhecker	YES
Alan A. Danser	YES
James Waltman	YES
Denis C. Germano	ABSENT
Torrey Reade	ABSENT

S:\DIRECT EASEMENT PURCHASE\All Counties\SALEM\NJALT (Droppa)\Preliminary Approval resolution.doc

Schedule A



x:\counties\saco\projects\droppa2_fw.mxd

FARMLAND PRESERVATION PROGRAM NJ State Agriculture Development Committee

Gary S. Droppa
Lower Alloways Creek Twp. - Block 10 Lots P/O 2 (65.6 ac) &
P/O 2-EN (non-severable exception - 0.3 ac)
Quinton Twp. - Block 29 Lots P/O 2 (3.5 ac)
& P/O 2-EN (non-severable exception - 0.7 ac)
Gross Total = 71.1 ac
Salem County

TIDELANDS DISCLAIMER:
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horizontal and/or vertical controls as would be obtained by an actual ground survey conducted by a licensed
Professional Land Surveyor.



Property in Question	
	EN - (Non-Severable) Exception
	ES - (Severable) Exception
Wetlands Boundaries	
	Municipal, County and Non-Profit Preserved Open Space
	State Owned Conservation Easement
	State Owned O&B & Recreation Easement
	Tidelands Boundaries

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
NJOT/OGIS 2007/2008 Digital Aerial Image

March 19, 2012

State of New Jersey
State Agriculture Development Committee
Farmland Preservation Program
Quality Ranking Score
State Acquisition Easement Purchase - SADC Funding Round
April 5, 2012

GENERAL INFORMATION

COUNTY OF Salem Lower Alloways Creek Twp. 1704
APPLICANT NJALT\Dropa, G & K

Blocks and Lots

Lower Alloways Creek Twp.	1704	Block 10	Lot 2	63.82 ACRES
Quinton Twp.	1711	Block 29	Lot 2	4.98 ACRES

Exceptions

<u>Acres</u>	<u>Reason</u>	<u>Justification</u>	<u>Restrictions</u>	<u>Negative Impact</u>	<u>SADC Impact</u>	<u>Total Score</u>
1	future single family residence				0	0
Location: Sal - Lower Alloways Creek Twp. Block:10 Lot:2 Sal - Quinton Twp. Block:29 Lot:2 -						
The Exception will be restricted to one single family residential unit.						
The Exception is Nonseverable.						

NET ACRES 69

USGS Grid Map Description:

HOUSING, BUILDINGS AND OTHER STRUCTURES

<u>Structure</u>	<u>Ag Use</u>	<u>Leased</u>	<u>Notes</u>
No Structures On Premise	N	N	

RDSO's

ELIGIBLE 0
SADC APPROVED 0

TYPE OF AGRICULTURAL OPERATION

Field Crop Except Cash Grain

SUBDIVISION OF THE PREMISES

<u>Status</u>	<u>Preliminary</u>	<u>Final Approval</u>	<u>Scale</u>	<u>Notes</u>
No Subdivisions are being Considered				

PRE-EXISTING NON-AG USES ON PREMISE

<u>Type</u>	<u>Extent</u>	<u>Size</u>	<u>Ag Use</u>
No Pre-Existing Uses Considered.			None
<u>Lessee</u>	<u>Business</u>	<u>Purpose</u>	<u>Frequency</u>

EASEMENTS AND RIGHT OF WAYS

<u>Type</u>	<u>Description</u>	<u>Dsc Notes</u>
Road	20' wide access easement to adj. prc	
<u>Affect</u>	<u>Viability</u>	

Additional Concerns:

State of New Jersey
State Agriculture Development Committee
Farmland Preservation Program
Quality Ranking Score

GENERAL INFORMATION

COUNTY OF Salem Lower Alloways Creek Twp. 1704
APPLICANT NJALT\Droppe, G & K

PRIORITIZATION SCORE

SOILS:	Other	6% *	0	=	.00
	Prime	59% *	.15	=	8.85
	Statewide	24% *	.1	=	2.40
	Unique zero	11% *	0	=	.00

SOIL SCORE: 11.25

TILLABLE SOILS:	Cropland Harvested	94% *	.15	=	14.10
	Wetlands	6% *	0	=	.00

TILLABLE SOILS SCORE: 14.10

BOUNDARIES	Deed Restricted Farmland (Permanent)	70% *	.2	=	14.00
AND BUFFERS:	Farmland (Unrestricted)	30% *	.06	=	1.80

BOUNDARIES AND BUFFERS SCORE: 15.80

CONTIGUOUS	David A. Fogg	Restricted Farm or Current Application	2
PROPERTIES	Albert Bell	Restricted Farm or Current Application	2
/ DENSITY:	Bowers	Restricted Farm or Current Application	2
	Wayde Allen	Restricted Farm or Current Application	2
	Droppe	Restricted Farm or Current Application	2

DENSITY SCORE: 10.00

LOCAL COMMITMENT:	100% *	19	=	19.00
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LOCAL COMMITMENT SCORE: 19.00

SIZE:	SIZE SCORE:	2.70
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IMMINENCE OF CHANGE: SADC Impact factor = .44

IMMINENCE OF CHANGE SCORE: .44

COUNTY RANKING:

EXCEPTIONS:	EXCEPTION SCORE:	.00
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TOTAL SCORE: 73.29

STATE AGRICULTURE DEVELOPMENT COMMITTEE
April 27, 2012

Draft Summary of Changes to the SADC Appraisal Handbook –2012

1. Page 5&6: SADC Appraisal Policy – (a.)

This policy discusses the appraisal update letter policy. The reference to County is replaced with Contracting Agent.

Reason: To reflect the multiple agents that are now responsible for ordering appraisals.

2. Page 6: SADC Appraisal Policy

Statement Added (e): All appraisals requiring federal funding in the Farm and Ranchland Protection Program are not eligible for letter updates.

Reason: To insure a current and relevant valuation of the subject property in compliance with federal standards issued by NRCS.

3. Page 13: Exceptions paragraph 4 (example)

Statement removed: This is not required or necessary, but the appraiser always has this option.

Statement Added: Typically, there will be no measurable impact to the per acre value. In instances where the exception(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.

Reason: Replaces the stricken statement and provides more clarity

4. Page 18: Appraisal Format; Certification of Appraisal

Statement Added: The appraiser is now required by USPAP to certify that they have or have not performed any services, appraisal or otherwise, regarding the subject property over the past three years. The appraiser should explain the nature of any such services and for whom they were performed.

Reason: Reminder that USPAP now requires reporting of any services rendered regarding the subject property in the last three years.

ZONING VALUATION: See Section Appraisals (d) page 8. (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 the property. Refer to SADC Appraiser Handbook Supplement Pinelands Area and Agricultural Use Applications.

SADC APPRAISAL POLICY:

Appraisals submitted to the SADC must not have a date of value greater than 12 months prior to the date of submission to the SADC unless exempted under N.J.A.C. 2:76-17.11, rule for pre acquisition.

The State Agriculture Development Committee at its March 25, 1999 meeting approved the following Appraisal Policy:

- a. For farms appraised under the 1999 funding round and thereafter (as of September 1, 1998) The Contracting Agent ~~County~~ 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 ~~County~~ 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 means full self contained appraisals.

Note: Substantive Change will mean any change to the dollar per acre value of the 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.

NOTE: This policy remains in effect. However, the "funding round" and "as of" dates should reflect the most current funding round.

- 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 submission to the SADC. Any errors or omissions identified by the Contracting Agent, its reviewer or landowners shall be rectified prior to the submission of the appraisals to the SADC. One corrected 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.)

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 deed-restricted farm.

The appraiser should also keep in mind that in keeping with the principle of consistency the appraiser should also consider the impact of the exception in the before value as well. Usually this will have a disproportionate effect as the before value of the excepted land will be negligible to the per acre value. The appraiser should be conscious that the SADC certifies the per acre value and not the total dollars. For administrative purposes, when reporting value in the letter of transmittal, certification and summary the appraiser must use the number of acres in the appraisal order checklist multiplied by the per acre conclusions. The total dollars are typically always subject to a survey that will not be completed until after the appraisal process.

For example: If a property is actually 100 acres, but the owner has retained a 3 acre exception, the appraiser if he so chooses, can report 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. ~~This is not required or necessary, but the appraiser always has this option.~~ Typically, there will be no measurable impact to the per acre value. In instances where the exception(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 only under the condition that 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):** The CADB is 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

valuation has shifted to sales comparison and away from economic productivity. Sales data has frequently shown sales prices to be substantially above that supported by the agricultural capability of these properties. In fact, this has nearly always been the case in New Jersey (the reader is referred to the sales in the Addendum of this handbook and the list of resales posted on the SADC website).

APPRAISAL FORMAT

Original and All Copies must be in Color and Bound at the Spine.

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 will be examined and rejected if not 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.

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 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 is now required by USPAP to certify that they have or have not performed any services, appraisal or otherwise, regarding the subject property over the past three years. The appraiser should explain the nature of any such services and for whom they were performed.

Summary of Salient Facts.....

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

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

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION #FYR2012R4(5)

Construction of Onsite Agricultural Labor Housing

Dak Wah Farm

April 27, 2012

WHEREAS, Dak Wah Farm LLC, hereinafter ("Owner") is the current record owner of Block 600, Lot 7.01, as identified in the Township of Chesterfield, County of Burlington, as recorded in the Burlington County Clerk's office by deed dated December 22, 2008, in Deed Book 6618, Page 439, totaling 98.28 acres, hereinafter referred to as "Premises", see attached Schedule "A"; and

WHEREAS, the development easement on the Premises was conveyed to Burlington County on May 8, 1985 pursuant to the Agriculture and Development Act, N.J.S.A. 4:1C-11 et seq., PL 1983, c. 32 as recorded in Deed Book 300, Page 49; and

WHEREAS, the farmland preservation Deed of Easement identifies one Residual Dwelling Site Opportunity, no existing residences, no units used for agricultural labor purposes and no exception areas; and

WHEREAS, during the annual monitoring visit in 2011 the Burlington CADB found that a mobile home trailer had been placed on the site to house seasonal agricultural laborers; and

WHEREAS, on March 23, 2012, the SADC received a request from the CADB on behalf of the Owner to utilize a mobile home trailer, consisting of approximately 800 sq./ft., as an agricultural labor unit on the Premises in the location as shown on Schedule "A"; and

WHEREAS, the farm is primarily a fruit, vegetable and greenhouse operation consisting of approximately 62 acres of vegetables and melons and 10 (30 x 100) hoopouses; and

WHEREAS, paragraph 12 of the Deed of Easement states: "No new residential units or recreation buildings or improvements to existing buildings for purposes other than agricultural production shall be allowed except for such new residential structure or structures or improvements or converted residential structures as will provide housing for agricultural labor for the subject farm...."; and

WHEREAS, the owners propose to use the trailer to house four to five employees on a regular basis and up to eight employees during the peak season; and

WHEREAS, the agricultural laborers are seasonal employees working full-time from March through November; and

WHEREAS, the primary duties of the agricultural laborers residing on the Premises are directly related to production, and include planting, cultivation, harvest and packing of the fruits and vegetables raised on the Premises; and

WHEREAS, since acquiring the farm in 2008, the Owner has made significant improvements to the Premises to facilitate the change in operation to a high intensity vegetable operation which include the construction of an equipment/packing barn, construction of 10 hoop houses, bringing electric and water to the site and the renovation of fallow fields to bring them back into production; and

WHEREAS, the Owner believes that having on-farm housing for agricultural labor is essential to meet the labor demands of this intense and diversified operation; and

WHEREAS, the Owner finds that on-site housing helps to ensure a consistent, stable workforce during the season; and

WHEREAS, the SADC has reviewed the Owner's request to utilize a mobile trailer on the Premises for the purpose of housing agricultural labor and has determined that the size and location of the unit minimizes any adverse impact on the agricultural operation; and

WHEREAS, the SADC finds that the landowners' proposal, to use a mobile trailer as an agricultural labor unit, is consistent with the requirements of the Deed of Easement; and

WHEREAS, the amount of labor needed to sustain the production related activities on the Premises warrants the need for the requested agricultural labor unit on the Premises;

WHEREAS, on March 8, 2012, the Burlington CADB reviewed and approved the Owners request for a replacement agricultural labor unit; and

NOW THEREFORE BE IT RESOLVED, that the SADC approves the request to utilize a trailer, consisting of approximately 800 sq./ft., in the location shown on Schedule "A", on the Premises to house up to eight seasonal agricultural laborers;

BE IT FURTHER RESOLVED, that only agricultural labor employed on the Premises, and their immediate family, may live in the agricultural labor units; and

BE IT FURTHER RESOLVED, that the agricultural laborers shall be engaged in the day-to-day production activities on the Premises, which at this time include planting, cultivating, harvest and packing of fruits and vegetables raised on the Premises; and

BE IT FURTHER RESOLVED, that the Owner's use of any structures for housing agricultural laborers shall be in compliance with all applicable Federal, State, County and local regulations; and

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

4/27/12

DATE



Susan E. Payne, Executive Director
State Agriculture Development Committee

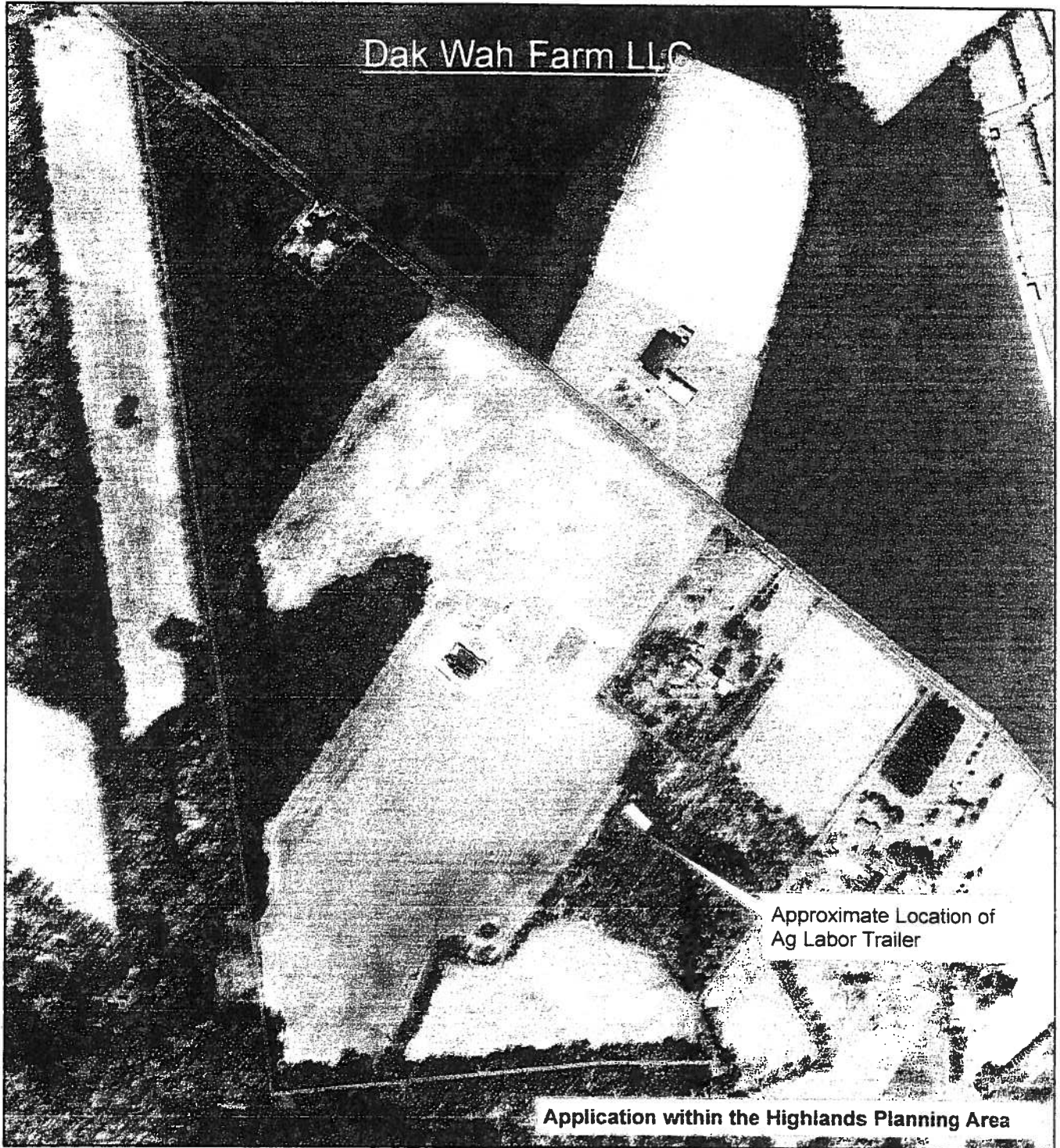
VOTE WAS RECORDED AS FOLLOWS

Douglas H. Fisher, Chairperson	YES
Fawn McGee (rep. DEP Commissioner Martin)	YES
James Requa (rep. DCA Acting Commissioner Constable)	YES
Ralph Siegel (rep. State Treasurer Sidamon-Erstoff)	YES
Brian Schilling (rep. Executive Dean Goodman)	YES
Jane R. Brodhecker	YES
Alan A. Danser	YES
James Waltman	YES
Denis C. Germano	ABSENT
Torrey Reade	ABSENT

Schedule "A"

Dak Wah Farm LLC

x:/projects/farmview mxd



Farmland Preservation Program NJ State Agriculture Development Committee

Dak Wah Farm LLC
Block 600 Lot 7.01
Chesterfield Township, Burlington County
98.28 acres



50

month/day/year

Farmland Preservation Program

- PRESERVED EASEMENT
- EXCEPTION AREA
- PRESERVED EASEMENT / NR
- EXCEPTION AREA / NR
- FINAL APPROVAL
- PRELIMINARY APPROVAL
- ACTIVE APPLICATION
- 8 YEAR PRESERVED
- TARGETTED FARM
- INACTIVE APPLICATION
- NO CORRESPONDING DATA

State Planning Areas

- ☐ SPAN 1 MET VERT
- ☐ SPAN 2 SUBURBAN
- ☐ SPAN 3 FRINGE
- ☐ SPAN 4 RURAL
- ☐ SPAN 5 RURAL, ENV SENS
- ☐ SPAN 6 ENV SENS
- ☐ SPAN 7 ENV SENSITIVE SUBURBAN
- ☐ SPAN 8 ENV SENSITIVE
- ☐ SPAN 9
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- ☐ SPAN 100

Base Map

- ☐ County Boundaries
- ☐ Municipal Boundaries
- ☐ Highlands Planning Area
- ☐ Highlands Preservation Area
- ☐ Preserves Area