

STATE AGRICULTURE DEVELOPMENT COMMITTEE

Regular Meeting

February 22, 2024

Assistant Secretary of Agriculture Joseph Atchison called the meeting to order at 9:03 a.m.

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

Roll call indicated the following:

Members Present

Joseph Atchison, III (Acting Chairman)
Martin Bullock
Scott Ellis
Pete Johnson
Richard Norz
Gina Fischetti
Julie Krause
Lauren Procida
Brian Schilling

Members Absent

Tiffany Bohlin
Charles Rosen

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

Minutes

Mr. Norz commented that in the section of the minutes regarding Soil Protection Standards, Ms. Payne had stated that she would provide a summary of the public comments received, but they had not been received by the SADC members. He asked for that conversation to be included in the minutes.

Mr. Ellis requested a correction be made under the Report of the Executive Director. "State Board Agricultural Convention" should read "State Agricultural Convention".

SADC Regular Meeting of January 25, 2024 (Open and Closed Session)

It was moved by Mr. Ellis and seconded by Mr. Schilling to approve the Open Session with amendments as noted and Closed session minutes of the SADC regular meeting of January 25, 2024. The motion was unanimously approved.

Report of the Chairman

Mr. Atchison reported that the State Agricultural Convention took place on February 7th and 8th and there were 47 resolutions passed as a result. Survey results from the convention found that farm viability was the number one concern and Soil Protection Standards was in the top 5. Overall, it was a very good convention with high attendance from legislative leaders.

Mr. Atchison stated that the search for the new Secretary of Agriculture is ongoing, and an announcement is expected in the next month or two.

Report of the Executive Director

Ms. Payne reported that Stewardship staff conducted the last of its three municipal outreach training sessions on the farmland program and that appraisal staff conducted a webinar to train SADC approved appraisers on access and use the various online mapping tools available such as Conservation Blueprint, the NJ web soil survey, DEP GEO web, and NJ Flood mapper.

Ms. Payne indicated that David Kimmel attended an American Farmland Trust (AFT) land access in-person training in Savannah, Georgia aimed at teaching nonprofit and state programs how to help landowners deal with farm transition planning and farm access. Ms. Roberts and Mr. Kimmel also attended the NOFA Conference for networking and education purposes.

Ms. Payne announced that the US Agricultural Census was released. The census reflects that NJ farmland decreased about 3% from approximately 734,000 acres in 2017 to 711,000 acres in 2022. During that same period SADC preserved an estimated 21,000 acres. NJ still ranks 3rd in eggplant production, 4th in asparagus and cranberries and 5th in blueberry production across the country.

Ms. Payne indicated that the public comment period for the Soil Protection Standards ends February 23rd. The SADC's Soil Protection Standards subcommittee will meet on Monday to review the latest comments, and staff will update the comment summary and provide it to the committee. Staff proposes a special meeting of the full SADC membership to be held in mid-March dedicated exclusively to soil protection to discuss comments, major themes, and the thoughts of the subcommittee going forward.

Mr. Norz stated that the Soil Protection subcommittee met with the State Board after the last SADC meeting and asked for the results of that meeting. Ms. Payne stated that discussion is ongoing as the State Board subcommittee was invited to meet with the SADC subcommittee next Monday to continue to get their feedback. Mr. Norz asked for the opinions of the staff or committee on the Soil Protection resolution passed at the Agricultural Convention. Ms. Payne stated the convention resolution recommends the committee not proceed with adopting the standard and to offer an approach that is more guidance-based, and that will be part of the discussion on Monday.

Mr. Schilling commented that he thought the convention went very well and the Vegetable Growers, under new leadership, also did well. He stated that the Federal Ag census stated that revenue was outpaced by expenses over the 5-year period, so the net position of the industry is weaker than it was 5 years ago. Mr. Atchison stated that income went up 36% and expenses went up 37%.

Ms. Payne stated that she would like to get a detailed briefing through Rutgers or NASS to senior staff in the department and members of the SADC. Mr. Schilling stated that Rutgers would be happy to do that. Mr. Norz stated that talking with farmers would be helpful because the census only reflects 2022, and economic conditions have gotten significantly worse. Mr. Ellis agreed with Mr. Norz.

Public Comment

Ms. Patricia Springwell from Hunterdon County stated that she needs nutritious locally grown food grown in natural fertile soil. She stated that there has been over 250,000 acres preserved in NJ and if the 12% disturbance is allowed and doesn't exclude unproductive land, there will be 30,000 acres of permanent coverage which is unacceptable. She stated that preserved land with fertile soil should not be covered.

Ms. Jennifer Hlubik commented that she comes from a NJ farm family and has heard of the SADC but never attended one of its meetings until today. She stated that it is nice to see what goes on and thanked the committee for its work. Ms. Payne welcomed her.

Ms. Christina Chrobokowa from 360 Earthworks stated that she found out about the SADC last year and since has applied for a grant from the Highlands Council for a sustainable agriculture stewardship trial on a 160-acre farm located in the Tewksbury area. She stated that she has partnered with NOFA and, as seen at the Agricultural Convention, farm viability is a big concern. The grant allows

her to diversify pastures, create adaptive grazing and do compost applications to jumpstart soil biology. She stated that her land contains prime farmland but there has been nothing but negative results in the last five years in trying to convert the soil. She stated that she's happy to introduce "operation diversification" which includes the sharing of information with farmers from groups such as Understanding Ag to improve soil quality and production.

Ms. Monica Podgurski from New Egypt, NJ asked how the SADC will correct issues with an existing farm that has been dumping contaminated fill. There have been truckloads of contaminated debris being brought onto Canka farm since spring 2023. Ms. Podgurski stated that she saw the fill which contained construction debris, asphalt, and bricks, and her main concern is that well water supplied to her entire town will become contaminated from the leeching of chemicals and asked the SADC how this can be fixed.

Old Business

A. Interim Policy for applications pending adoption of Statewide Farmland Preservation Formula

Ms. Payne stated that the SADC held a special meeting February 11th to discuss the transition period for Farmland Preservation Program applications pending the adoption of the statewide valuation formula and a draft policy document for administering the program during the transition. This policy is not a requirement, but rather helps landowners understand their options. It also allows the SADC to suspend certain regulatory deadlines so that landowners who have pending acquisition applications before the agency and our partners have the ability to wait and see what the formula value is for their property. Ms. Payne noted that all elements of the policy are subject to the availability of funds.

Ms. Payne stated that the policy deals with each of the stages of the application process. The first stage addresses properties that have received a certified fair market value; the second stage addresses farms that have received final approval through; and the third addresses SADC agreements of sale that have already been executed by landowners applying directly to the state program. Ms. Payne stated that that if a landowner rejects an offer since October 22, 2022, which is the date the formula value was introduced in the legislature, the landowner would be held harmless and would be allowed to reapply at any time.

Ms. Payne stated that SADC staff had a Zoom call with its partners last week to explain the policy in detail. There were no comments necessitating a change in the draft policy, and staff is seeking the committee's adoption of this policy

today.

It was moved by Mr. Norz and seconded by Mr. Bullock to approve the Interim Policy for applications pending adoption of Statewide Farmland Preservation Formula. The motion was unanimously approved.

New Business

A. Stewardship

1. Review of Activities

Canka Stables, SADC ID#15-0006-EP, Block 85, Lot 8, Plumsted Township, Ocean County, 117.75 acres.

Mr. Roohr stated that Canka Farms was preserved by Ocean county in 1996 as the Van Kirk farm, and the Van Kirks developed the farm into a premier horse race training facility with stables and tracks. It was sold in 2020 to Canka Farms, with Albert Canka and his dad being the principals of that operation. The Canka family decided to change the agricultural operation on the property and eventually entered into a lease arrangement with Dan Watkins, who is the president of a company called GreenCell. GreenCell is leasing the southern half of the farm and advertises itself as a regenerative organic vegetables, fruit, woody plant, and hemp farm. In 2023 GreenCell planted approximately a half-acre of mixed vegetables and hemp, with plans to expand in the coming year.

Mr. Roohr stated that in early December 2023, the SADC started receiving anonymous calls about trucks dumping fill material on the property that could be seen from the road. As a result, staff called the Ocean CADB, and reached out to the township and the Ocean County soil district to set up a site visit on December 19th. The site visit included Ocean CADB staff, a farmer board member, county counsel, a representative from the soil district, Dave Clapp, and Mr. Roohr. Mr. Roohr stated that at the meeting Mr. Watkins was asked about the material, and he explained that it came from a splash park that is being constructed in Edison NJ.

The materials have been placed in two areas which included a farm lane and a pasture field. The farm lane was approximately 12 feet wide, but the fill material has made it approximately 25 feet wide and ranging from one to four feet thick. The material has extremely large pieces of debris such as concrete, asphalt, metal parts, and red brick mixed with the fill dirt.

Mr. Roohr reviewed pictures that were taken of the pasture field and stated that the material placed there is similar to the material on the farm lane, but with smaller debris. Mr. Roohr said that Mr. Watkins explained that he plans to use the material to create a raised bed with a clay base and add horse manure, wood chips and hay to use for high intensity agricultural production. Mr. Watkins further stated at the site visit that the clay base was necessary to neutralize the pH, counteract nitrogen in ground water, improve drainage and create a natural barrier to the native soil.

Mr. Roohr noted that the front half of the farm is classified as prime soil prior to the six inches of material being added. Mr. Watkins was asked if he tested the native soil or the imported material and he said he did not. Mr. Watkins was asked if the importation and spreading technique that is being done was applied under a professionally prepared plan by someone knowledgeable with NJ agriculture and he stated that it was not.

There were also fill piles along a fence line that had not been spread, and Mr. Watkins explained during the site visit that the material would be used to create berms to keep the preexisting drainage ditch from overflowing into the fields.

Mr. Roohr stated a second site visit was conducted in the rain on January 5th with Dr. Richard Shaw and Mr. Clapp, which allowed staff to take photos of the effects rain would have on the fields. Staff think the berms are preventing water from draining off the field and into the ditch. Mr. Roohr noted that at his first visit, it was suggested the drainage ditch could be corrected using the SADC cost-share programs. Mr. Watkins rejected that option in favor of the berms being the better option.

Mr. Roohr stated that Dr. Shaw was hired to review the imported material compared to the preexisting soils on site to determine the net overall gain or loss to agricultural production. Dr. Shaw's agricultural soil testing indicated the existing native soil was relatively healthy and there was nothing seriously detrimental in the imported material on the pasture field. Dr. Shaw also performed XRF testing, which tests for heavy metals that might impact agriculture such as arsenic, copper, nickel, lead, and zinc, and those results did not show anything that would be detrimental to agricultural purposes. Mr. Roohr stated no chemical testing was done for oil or hydrocarbon or other chemical contaminants. At the second site visit, Mr. Watkins was asked if he had any testing done and he provided chemical analyses from the splash park but did not provide paperwork that tied those test results to any materials on site.

Mr. Roohr stated that the pasture field is contaminated with debris, and staff

concluded that the spreading of solid waste over prime soil is not beneficial to agriculture as supported by Dr. Shaw's report.

Mr. Roohr stated that the last issue to be addressed is the ag labor units on the property. There is an approved apartment above the garage; however, there are now three campers on site. Mr. Canka advised SADC staff that one camper was his that he uses when people come to help bail the hay for the farm.

Mr. Roohr observed that during the site visit it was unclear as to the use of the other two campers. Mr. Roohr explained to Mr. Canka that ag labor is permissible on preserved farms but will need approval from the county and SADC to continue to use them. Mr. Roohr stated that Mr. Canka advertised for people to board their animals on the farm and bring their own campers to stay on site. Mr. Roohr shared with Mr. Canka that plan was problematic.

Mr. Roohr reviewed the timeline for the committee. In the second week of December, SADC staff received calls and alerted the CADB. The initial site visit was conducted on December 19, 2023. Staff expressed its concerns regarding the DOE and recommended the landowner stop the importing and spreading of material. Mr. Roohr stated the landowner continued to accept the material and on December 22, 2023, SADC sent a cease-and-desist notice and notice of likely violation of various terms of the DOE. On January 25, 2024, staff made a second site visit with members of the Ocean CADB and a representative from the DEP solid waste division. As a result, the DEP issued two solid waste violations related to the driveway: one for importing solid waste and one for operating a solid waste facility without a permit.

On February 1, 2024 the Ocean soil district issued a notice of violation for the driveway due to the absence of a soil erosion and sediment control plan and the driveway not qualifying for the agricultural exemption.

Mr. Roohr stated that staff is not opposed in any way to new farming practices if they are not a detriment to farming. When staff asked Mr. Watkins if this work was done under a plan consistent with practices prescribed by either NRCS or Rutgers, he stated that his work was new, advanced and that NRCS and Rutgers are not equipped to offer him advice, so therefore there was no plan.

Mr. Roohr advised that the December 2023 notice to Canka Farm identified violations of paragraphs 1, 2, 5, 6, and 7 of the DOE: non ag use of a premises, importation of material not for an ag purpose, dumping, and non ag uses and activities that are detrimental to drainage. He stated that staff recommends four options for remediation: remove the material from the farm lane and restore the

pasture field to its preexisting condition in accordance with an NRCS plan; restore the field in accordance with the rehabilitation criteria in the proposed soil protection standards; have a plan prepared by NRCS or an approved professional using NRCS standards that addresses the use of imported fill but that it be free of waste material; remove all material from the farm in a manner approved by the SADC.

In regard to the ag labor units, unapproved ag labor housing is a violation of the DOE and staff recommends that the owner submit an application to the CADB immediately or remove the units.

Mr. Roohr stated that Dr. Shaw, the soils expert, and SADC staff member Mr. Clapp are present to answer any technical questions. Ms. Payne stated that while on the site visit, Mr. Watkins stated that the farm was too wet, and staff asked why he didn't implement practices to improve the drainage. Mr. Watkins responded that he couldn't afford it, and use of this material to build up the soil will have the same effect as draining the underlining soil.

Ms. Payne asked Mr. Bullock and Mr. Ellis for comment as they were long-time farmers who visited the site. Mr. Bullock stated that he has never heard of these farming practices and they do not make sense to him. Mr. Ellis stated that he agrees with Mr. Bullock, and what he sees here has nothing to do with agriculture and the explanations being given for the activities aren't supported. Mr. Bullock stated that Mr. Watkins said the drainage was too poor and he couldn't afford to drain the field, but putting clay on top of soil doesn't improve drainage.

Dr. Shaw stated he identified the native soil as Hammonton sandy loam. The imported material texture ranges from sandy loam to sandy clay loam and the water movement is very slow which creates considerable ponding. He noted during his site visit that it rained all day, and the water may have seeped 2 inches into 6 inches of material. The permeability is very slow, and the water will not reach the native soil unless there is enough pressure to push it down and roots are going to be stuck in that thin zone. There is approximately 1 to 3 percent of stone in the material, no organic matter was found and the pH ranged from 6% to 8.1% which is high for the area where the soil came from.

Ms. Payne noted that Mr. Watkins stated that he or the owner did not receive compensation for the fill. Mr. Johnson stated that this does not seem like an appropriate practice and the imported material needs to be removed.

Mr. Schilling asked where the confusion occurred as to what kind of testing was

done. Mr. Roohr stated that when the public heard the SADC was involved and hired a professional to test the soil, some members of the public had the expectation that SADC was testing for a variety of chemical contaminants and wanted access to the test results. Mr. Schilling stated it's important to note that the SADC is not making a judgment on that kind of testing because it is beyond the purview of this board's responsibility.

Mr. Atchison asked if that kind of chemical testing falls under DEP purview. Mr. Roohr stated that DEP can perform those tests or can require it to be done. It's not certain if the DEP requested it for this site, but the understanding is that solid waste is tested prior to being relocated and those results are provided to the receiving entity. DEP has informed Mr. Watkins that he must move the driveway material to an appropriate location, and this would require testing before it is relocated.

Mr. Roohr stated the staff is requesting guidance from the committee as to whether it concurs with the staff recommendations and, if so, a resolution will be presented at next month's meeting.

Mr. Ellis commented that the debris found in the imported material does not appear to offer any kind of soil amendments and all the imported material should be removed. Ms. Payne stated the DOE requires the preparation of a farm conservation plan, and the long-term objectives must be consistent with the plan. The fact that there is a large-scale deposit of materials here being reportedly used for an ag purpose with no conservation plan makes it difficult to evaluate what is being accomplished here from an ag standpoint.

Mr. Norz asked who holds the easement on the property. Mr. Roohr stated that the county is the easement holder with an SADC cost share. The county will hear this matter at its next meeting.

Ms. Payne stated that based on the discussion, the committee could request DEP to conduct additional testing of the soil if the department is capable of doing so. Additionally, the committee could request all imported material be removed and the property be restored, or the tenant/landowner could engage with SADC to prove there is merit to their claims and remediate the material as necessary in accordance with an approved plan.

Mr. Bullock stated that any more testing is irrelevant, as these materials should not be there and no one will write a plan because this is not an approved practice.

Ms. Payne stated staff will prepare a resolution for the next meeting requiring

removal of all materials that have been deposited on the site, and staff will keep DEP informed on the actions taken by the committee. Mr. Roohr confirmed with the committee that it agreed that the landowners shall apply for CADB approval of the ag labor units or have them removed. Ms. Payne thanked Dr. Shaw for his time and assistance.

2. Division of Premises

Jon Vaughan, SADC ID# 19-0030-EP, Block 14, Lot 16, 19, 20.01, 21, 22, 25, 26, 30, 31, 32, 38.02 and 39 and Block 15, Lots 8, 38, 42, and 43 and Block 22, Lot 19, Lafayette Township, Sussex County, 636.12 acres.

Mr. Roohr stated that this is a request for the division of premises and to exercise an RDSO on the property. Mr. Roohr stated that the farm was preserved in 2000 by the Sussex CADB and has no existing homes, ag labor units or exception areas but does have one existing RDSO. The farm has two barns, 200 tillable acres and the remaining 436 acres are wooded.

In March of 2023, SADC received a request for the division of premises from the CADB for Mr. Vaughn to transfer 107 acres (referred to as Parcel B) to his daughter and son-in-law, Coral and Joe Krause, and to allocate the RDSO to this area. Mr. Vaughn will retain the remaining land, referred to as Parcel A, upon which his other daughter Kayla and her husband operate a cattle, grain and hay operation.

Parcel A includes the two dairy barns and would total 528 acres, 170 of which are tillable and 358 are wooded. Thirty-six of those acres are considered prime soil and 195 acres are considered of unique importance and the balance of almost 300 acres are considered non-prime.

Parcel B's 107 acres are 30 tillable and 77 acres wooded. Two (2) acres are classified as prime soils and 105 are non-prime. There are no improvements on this property, but this is the parcel where the RDSO would be allocated. The proposal for agricultural operations on Parcel B would be for dairy cattle, chickens, blueberries, and forestry, including the harvesting of trees for lumber and firewood. A forester has determined 3,000 board feet and 15 cords of firewood can be harvested annually.

Mr. Roohr stated that all divisions of premises are reviewed based on two tests, ag viability and ag purpose. For ag viability, the committee would need to find that each piece that's being created out of the division would be viable as a stand-alone farm for a variety of ag operations under normal farming conditions.

Under ag purpose, the committee must find that the reason for the request is for agricultural purposes, and past requests reviewed by the committee have demonstrated an increase in production, diversification, or intensification of agricultural production. In previous decisions it's been determined that speculative resale or estate planning have not been considered an ag purpose.

Mr. Roohr explained the 30 tillable acres in Parcel B are not identified as high-quality soil and therefore the crop production viability test is strained. Mr. Roohr reminded the committee there have been approved divisions in Sussex County where the soil quality is not high, but the analysis determined the soil could support the types of agricultural production that are common in that region. In this case the soils are supporting hay and grain, which is common production in this area, but the small amount of tillable acres is still a concern.

This request also includes a forestry component and the intent is to develop a forest management plan on the 77 acres of woods for lumber and firewood. Mr. Roohr stated that forest production has never been presented to the committee as an agricultural production component so there is no preexisting precedent. Mr. Roohr stated that for the ag purpose test, a business plan to support the proposal is required because Coral Krause is not currently engaging in farming. The committee would have to determine if the submitted proposal is sufficient or if it would require the implementation of portions of the plan as a condition of approving the request. Mr. Roohr stated that staff brought this to the committee for discussion and guidance.

Mr. Roohr stated that the RDSO is for a 2,000 square foot home, and staff takes no issue with the RDSO as to its size and location. If the request for the division and the RDSO were approved, there is a requirement that at least one person living in the unit be actively engaged in the day-to-day production aspects of the farm, and that requirement runs with the house not just with the first person that exercises it. For previous RDSO approvals, the committee required that language be included in the recorded resolution reciting the reduction of the RDSO, and staff's recommendation is to include that language for this request, if approved.

Ms. Payne asked Mr. Roohr if SADC has approval authority over this RDSO. Mr. Roohr stated that in certain instances the SADC had just comment authority, not approval authority. In this situation, SADC only has the ability to comment, and staff's recommendation would be a comment to include that language regarding use of the RDSO.

Ms. Payne invited the Vaughan Family, Frank Pinto, and Nicole Voight, Esq. to

speak. Ms. Voight stated that she is the representative for the Vaughn family and was originally hired to assist with succession planning. Through that process it was identified that Mr. Vaughn is 4th generation and Kayla and Coral are 5th generation, and they have their children who are 6th generation living on the farm. Ms. Voight stated it was determined this land would have to be divided into two farms for the next generations to be successful, and Mr. Pinto was hired to assess the best configuration for a division. She stated that Mr. Roohr made comments about the quality of the soil but this portion is on the other side of the road, in production and, in effect, operating as its own farm.

The second criterion was to evaluate if the division facilitated the long-term business planning and would intensify crop production. Ms. Voight stated the SADC also notes the division should allow the next generation farmer to establish an independent agricultural operation on their own parcels. She stated that Mr. Vaughn wants to preserve his family legacy with his two daughters, Kayla and Coral, who are both actively engaged in farming. The placement of the RDSO and the proposed division provides each daughter with their own independent farming operation and residence. Ms. Voight reiterated the farm has adequate tillage to facilitate long-term business planning, identifiable crops are being produced, and it allows the next generation farmer to establish independent agricultural operations on the parcel. Ms. Voight stated Mr. Pinto analyzed GIS layers and the house location and identified more tillable acreage than originally reported. Mr. Pinto's analysis shows parcel B will have 51 tillable acres out of 105 total and parcel A will have 195 tillable acres. Mr. Pinto stated that part of the acreage discrepancy is due to a lack of farm labor to manage the property and some of the fields are starting to revert into woodlands.

Mr. Norz asked Kayla and Coral to talk about their plans for the farm. Kayla stated that she and her husband farm the land which is currently in beef and corn and hay production. Their current operation does not require the full acreage and has resulted in overgrown pieces of land. She stated that she would like to farm full time, increase the livestock on the farm and bring back the micro-dairy operation.

Coral stated that her goal is to create more tillable land and increase the types of crops, add livestock and implement a woodland management plan to make both sides of the property more viable. Mr. Bullock asked if the farm has a woodland management plan currently. Kayla stated that a plan is in process, but the division needs to occur to finalize separate plans for each parcel.

Mr. Johnson stated this is a genuine application and made a motion to approve the division for the Vaughn family as presented. Mr. Norz seconded the motion.

Mr. Roohr asked if, in reference to the ag viability portion of this request, the committee is ascribing value to the production aspects of the woodland. It is a significant component of this property and if the committee sees value, then that should be included in the resolution.

Mr. Schilling stated that he's surprised to hear that there has never been a woodlot management output as part of previous decisions. However, the resolution should be conditioned on advancing the management plan. Mr. Ellis commented that the analysis says the parcel B should have 3,000 board feet of lumber and 15 cords of firewood annually and asked what the value of that output would be. Mr. Pinto stated that it would be more value-added wood products, he provided estimates of the amounts of wood production on and the dollar value of sales from the east and west farms.

It was moved by Mr. Johnson and seconded by Mr. Norz to approve the division of premises for the Vaughn Farm. The motion was unanimously approved.

3. Resolution: Rural Microenterprise Permit

The Walter M. Katona Irrevocable Trust SADC ID# 03-0006-EP
Block 301, Lot 26.01, Chesterfield Twp., Burlington Co.

Mr. Pizzio referred the committee to a request to permit a Class 2 rural microenterprise (RME) on the above property owned by the Walter Katona Irrevocable Trust. The property was preserved in January of 1990 without the use of federal funding and without an exception area or other areas excluded from the Deed of Easement (DOE). In 2023, the farm operation consisted of 30 acres of asparagus grown by Katona Farms and 120 acres was leased to a tenant farmer for soybeans, with the remaining acreage comprising woodlands. Mr. Pizzio stated that Mr. Katona is transitioning into the 4th generation of the Katona Family farming the premises and his initial plans for 2024 are to convert the operation into hay and grain production using custom farm services when necessary. In addition to agriculture, Mr. Katona has a background in mechanical repair and maintenance of commonly used farmland equipment and would like to provide his services to the local community while also providing additional income to grow his ag operation.

Mr. Katona is requesting a Class 2 RME permit for agricultural support services, utilize 2,500 square feet of an existing 7,000 square foot structure to provide a welding, fabrication and full-service repair and maintenance shop to service agricultural equipment and utility vehicles as well as for the purchase, restoration and sale of used UTVs. The structure was initially constructed as the sorting and

packaging site for the vegetables grown on the farm and is currently being used for storage. Mr. Pizzio stated that no improvements to the building, additional parking, signage or outside storage are proposed as part of this request. The activity will require one full-time employee with occasional part-time assistance and the applicant anticipates 3 to 4 customers per day on average.

Mr. Pizzio stated that staff analysis finds that the subject property meets all criteria to be eligible for an RME including the date of preservation, lack of an exception area, the proposed structure existed at the time of preservation and federal funding was not used in the acquisition of the development easement on the property. The applicant meets the definition of a farmer based on the language regulating the RME permits, and the applicant operates the subject premises and satisfies commercial farm eligibility requirements. The applicant provided documentation showing the premises is farmland assessed and provided receipts exceeding \$2,500 for the sale of asparagus roots grown onsite.

Mr. Pizzio stated that the Burlington CADB heard and approved this request at its January 2024 meeting where they provided the following comments: no other RME activity currently exists on the premises; the board recommended the permit to be valid for a period of 20 years from the date of SADC approval; and the owner of the premises is not in violation of the DOE. Mr. Pizzio stated that SADC staff recommends approval of the proposed RME for a full-service repair and maintenance shop to service agricultural equipment and the sale of used UTVs that are repaired by the applicant, and with the duration of the RME permit for 20 years, conditioned upon the requirements detailed in the resolution presented.

It was moved by Mr. Norz and seconded by Mr. Schilling to approve Resolution FY2024R2(1) granting approval for a Rural Microenterprise Permit for Walter Katona Trust, as presented, subject to any condition of said resolution.

The motion was unanimously approved. A copy of Resolution FY2024R2(1) is attached to and a part of these minutes.

Public Comment

Mr. Rogers Ramirez, volunteer operations Chief for Rancho Ramirez in New Egypt, Plumsted Township stated that he represents a non-profit equine and animal therapy experience ranch that's been operating since 2019 at the Canka Farm. Mr. Ramirez stated that the program has worked with members of veterans' associations and other service organizations and charities, and they hold weekly and monthly events for veterans and children.

Mr. Ramirez first became aware of the Canka farm when Ms. Hlubik proposed this program to him, and they became tenants of a front portion of the Canka farm. During their tenancy, Mr. Dan Watkins also became a tenant on the farm. Mr. Ramirez stated he witnessed dirt coming into the farm from 20-ton trucks at a rate of 2 to 3 trucks per day from approximately May until December. Mr. Ramirez stated that he and Ms. Hlubik were told the dirt was being used to build berms. Eventually the truck loads increased to 2 to 3 loads per hour, each day and nonstop in the middle of the night. Mr. Ramirez stated another inspection should be done as there are many other areas not discussed today where imported material has been dumped.

Mr. Ramirez stated that he brought his concerns to Mr. Watkins and the response that he received from Mr. Watkins was filled with vulgarity, accusations and threats in public and on social media. He stated that, at this moment, municipal and county officials, as well as law enforcement, are involved in this matter. Mr. Ramirez stated that Mr. Watkins admitted receiving compensation for the dirt that he's bringing onto the property. Mr. Ramirez also stated that everything he has presented to the committee can be verified.

Mr. Atchison thanked Mr. Ramirez for his service and encouraged him to continue with his equine nonprofit, as it is appreciated. Mr. Schilling commented that Rutgers University has an equine science center which has witnessed the benefits to veterans and children and thanked Mr. Ramirez for his involvement.

Ms. Hlubik thanked SADC for hearing Mr. Ramirez speak and stated that she has a recording of Mr. Watkins saying how much money he has made from the dirt. Regarding the topography of the land and the water drainage, the north side of the farm that she occupied drained well prior to the dumping but now water collects.

Ms. Patricia Springwell from Hunterdon County stated that the intention of the farmland preservation program is to protect the soil. The soil standard must be retroactive and if it isn't, the original violator, Quaker Valley Farm, will be rewarded. She stated that she will support compensation for any farmer who has a sincere hardship. She stated that this is a matter of integrity and asked the SADC to require a higher standard of excellence.

Ms. Uttal read an online comment from Mandy Kraemer which states:
"Our family is extremely concerned regarding the dumping and use of preserved land recognized as Canka Farms. Our property backs up to their farm and is

separated by a stream. We are concerned about the dumping on the property since it has not been tested for all chemicals and only for agricultural contaminants. We all have well water and will not see the effects of the new soil for some time and until it is too late. The residents are not being protected if that soil is not being tested for all contaminants. We were told at our county meeting that if he cannot prove where the imported dirt came from, he would have to remove it. To this date, he is still spreading the remaining material that was in piles. We are also concerned about the topography change he is creating on the property. I am a lifelong resident of New Egypt and have lived next to this farm for 18 years and through Sandy that property has never flooded. There is concern that he is going to create a change that will affect not only the neighboring roadway but our local stream and properties. We are also concerned about the waste from campers onsite and where that is being discarded. Another concern is the intention to host various size events with special concern of the intention of overnight events that the property is not set up for and residents do not want. They have also referenced hosting firearm classes on the property to protect his hemp product which has had the hashtag marijuana used with it in social media. This beautiful farm and rich soil is being destroyed. Please keep the local residents and our well being in mind as you proceed forward with this Canka Farm agenda.”

Mr. Ellis asked if the staff was aware of additional dumping. Mr. Roohr stated that staff only looked at the driveway and the front field and did not inspect behind the barns. Ms. Payne stated that staff will plan to conduct a subsequent site inspection before the resolution comes to the committee.

TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: 9 A.M., March 28, 2024

Location: 200 Riverview Plaza

Trenton, NJ

ADJOURNMENT

The meeting was adjourned at 11:09 a.m.

Respectfully Submitted,



Susan E. Payne, Executive Director
State Agriculture Development Committee

STATE AGRICULTURE DEVELOPMENT COMMITTEE

RESOLUTION FY2024R2(1)

Special Permit for Rural Microenterprise Activity on a Preserved Farm

The Walter M. Katona Irrevocable Trust

February 22, 2024

Subject Property:

Block 301, Lot 26.01
Chesterfield Township, Burlington County
201.3 Acres
SADC ID# 03-0006-EP

WHEREAS, Faith Catalfamo, John R. Catalfamo, and Walter James Katona, Trustees of the Walter M. Katona Irrevocable Trust, hereinafter "Owner," are the current record owners of Block 301, Lot 26.01, in the Township of Chesterfield, County of Burlington, by deed dated November 5, 2021 and recorded on November 30, 2021, in the Burlington County Clerk's office in Deed Book 13577, Page 3203, totaling approximately 201.3 acres, hereinafter referred to as the "Premises" (as shown in Schedule "A"); and

WHEREAS, the development easement on the Premises was conveyed to the Burlington County Board of Chosen Freeholders, now known as the Board of Commissioners, by Walter Katona and Elizabeth Katona on January 3, 1990, pursuant to the Agriculture Retention and Development Act, N.J.S.A. 4:1C-11 et seq., as a Deed of Easement recorded on January 4, 1990 in the Burlington County Clerk's office in Deed Book 3976, Page 91; and

WHEREAS, the Owner does business as Katona Farms Incorporated, hereinafter "Operator"; and

WHEREAS, in 2023 the Owner's agricultural operation consisted of approximately 30 acres of asparagus, the remaining 120 tillable acres were leased to a tenant farmer for soybean production, and the remaining 60 acres primarily woodlands; and

WHEREAS, the farm is transitioning to Walter James Katona, the 4th generation of the Katona family farming the Premises, who plans to custom farm hay and grain in 2024; and

WHEREAS, the SADC received an "Application for a Special Permit for a Rural Microenterprise Activity on Preserved Farmland" (RME) from the Owner; and

WHEREAS, the Owner proposes to utilize approximately 2,500 sq./ft. of an existing agricultural building (as shown on Schedules "B" and "C") for a welding, fabrication, and a full service repair and maintenance shop operated by Walter James Katona, to service utility terrain vehicles (aka side-by-sides) and farm equipment, and sale of used utility vehicles; and

WHEREAS, N.J.S.A 4:1C-32.1 and N.J.A.C. 2:76-22.1, et seq. allow a farmer who owns a qualifying preserved farm to apply for a special permit to conduct an RME on the land, establish standards governing SADC review of such applications, and designate certain RME activities as “Class 1” and “Class 2”; and

WHEREAS, the RME statute and regulations define “Class 2” activities as those which have a direct and positive impact on agriculture by supplying needed equipment, supplies, and services to the surrounding agricultural community, such as veterinary practices, seed suppliers, and tractor or equipment repair shops; and

WHEREAS, the RME statute and regulations define “Qualifying land” as a farm in which a development easement was conveyed to, or retained by, the Committee, a board, or a qualifying tax exempt nonprofit organization prior to January 12, 2006, and for which no portion of the farm was excluded from the area preserved under the deed of easement, in accordance with N.J.A.C. 2:76-22.3; and

WHEREAS, the RME regulations state that farms preserved with Federal Farm and Ranch Lands Protection Program funds are not eligible for the permit; and

WHEREAS, the RME statute and regulations define “farmer” as a person who owns and operates the premises subject to the following:

- i. Exclusive of any income received from the rental of lands, realized gross sales of at least \$2,500 for agricultural or horticultural products produced on the premises during the calendar year immediately preceding submission of an application for a special permit;
- ii. Continues to own and operate the premises and meet the income threshold every year during the term of the special permit; and

WHEREAS, the RME regulations provide that the definition of “farmer” is satisfied when the owner and operator of the premises are comprised of one or more of the same individuals, whether singly or as managers(s)/owner(s) of a business entity; and

WHEREAS, the RME regulations allow for no more than 2,500 sq. ft. of the interior of an existing residential or agricultural structure to be substantially altered or finished for an RME activity if such alteration or finishing requires improvements to the structure, such as installation of new walls, insulation, flooring, lighting, HVAC systems, sanitary plumbing, and associated wiring; and

WHEREAS, the RME statute and regulations limit the number of employees associated with the RME activity to four full-time employees, or the equivalent, in addition to the owner or operator; and

WHEREAS, the RME statute and regulations require the applicant to specify a time period for the permit to be effective, up to a maximum of 20 years; and

WHEREAS, on July 5, 2023, the SADC performed a site inspection of the Premises; and

WHEREAS, the Owner's RME application and SADC review reflects the following:

1. The DOE was acquired by Burlington County prior to January 12, 2006.
2. The development easement on the Premises was acquired without an exception area or other area excluded from the deed of easement.
3. The development easement was acquired without the participation of Federal Farm and Ranch Lands Protection Program funds.
4. No other special permit for an RME exists on the Premises.
5. The Owner provided documentation in support of the application showing sales of asparagus roots grown on the Premises in the amount of \$6,500 and that the Premises are farmland assessed for property taxation purposes.
6. The proposed RME is located within an approximately 7,000 sq./ft. agricultural building currently used for storage, that was present at the time of conveyance and expanded in 2016.
7. No improvements to the building, additional parking, signage, or outside storage are proposed as part of this application.
8. The proposed RME will utilize existing on-site septic and well facilities.
9. No public utilities or wastewater facilities are being created or expanded.
10. No new structures will be constructed on the premises to support the RME.
11. The application does not propose to use agricultural labor housing for the RME activity.
12. The total area of land and structures devoted to supporting the RME does not exceed a one-acre envelope on the qualifying land.
13. The maximum number of employees anticipated is one full-time employee with occasional part-time assistance.
14. The Owner is requesting that the special permit to operate the RME activity be effective for a duration of 20 years.
15. The Owner anticipates that, on average, the facility will receive 3 to 4 customer cars per day.
16. Walter James Katona has stated that waste oil will predominantly be reused onsite for heating, and any excess will be disposed of properly offsite.

WHEREAS, in accordance with N.J.A.C. 2:76-22.7(a), the SADC provided a copy of the RME application to the Burlington County Agriculture Development Board (BCADB); and

WHEREAS, at its January 11, 2024 meeting, the BCADB reviewed the RME application and provided comments on the application to the SADC pursuant to N.J.A.C. 2:76-22.7(b)1, 2, and 3, respectively:

- i. No other rural microenterprise activities exist on the Premises; and
- ii. The board recommended the permit be valid for a period of 20 years from the date of SADC approval; and
- iii. The Owner of the premises is not in violation of any provision of the deed of easement as determined by the board.

NOW THEREFORE BE IT RESOLVED:

1. The WHEREAS paragraphs above are incorporated herein by reference.
2. The SADC makes the following relevant findings of fact and conclusions of law regarding the application by the Owner for the issuance of a special permit to conduct a RME activity on the Premises:
 - a. The Premises meets the definition of a “commercial farm” in accordance with N.J.A.C. 2:76-22.6(a)1, as it is a farm management unit of 150 acres, produces agricultural and horticultural products worth at least \$2,500 or more annually, and satisfies the eligibility criteria for differential property taxation under the Farmland Assessment Act, N.J.S.A. 54:4-23.1, et seq.;
 - b. The Owner of the Premises is a “farmer” in accordance with N.J.A.C. 2:76-22.6(a)2;
 - c. The Premises meets the definition of “qualifying land” as set forth in N.J.S.A. 4:1C-32.1(k) and N.J.A.C. 2:76-22.3, as it was preserved by the Burlington County Board of Chosen Freeholders (now Commissioners) with no portion of the farm excluded from the area preserved, by Deed of Easement recorded on January 4, 1990, in accordance with N.J.A.C. 2:76-22.6(a)3 and 4, respectively;
 - d. No other special permit for a RME activity has been issued by the Committee, in accordance with N.J.A.C. 2:76-22.6(a)5;
 - e. The proposed RME activity will be located within a structure that existed on the date of the conveyance of the development easement, in accordance with N.J.A.C. 2:76-22.6(a)6i.;
 - f. The proposed RME will utilize 2,500 sq./ft. of the subject agricultural building in its existing condition, without any improvements, and the building will not be substantially altered or finished to support the RME activity, in accordance with N.J.A.C. 2:76-22.6(a)7i(1);
 - g. The proposed RME will utilize existing on-site septic and well facilities, in accordance with N.J.A.C. 2:76-22.6(a)7iii.;

- h. No public utilities or wastewater facilities are being created or expanded in accordance with N.J.A.C. 2:76-22.6(a)7iv.;
- i. No new structures will be constructed on the premises to support the RME, in accordance with N.J.A.C. 2:76-22.6(a)8;
- j. The application does not propose to use agricultural labor housing for the RME activity, pursuant to N.J.A.C. 2:76-22.6(a)9;
- k. The proposed RME activity does not interfere with the use of the qualifying land for agricultural production purposes, because aside from the existing structure housing the welding, fabrication, full service repair and maintenance shop to service utility vehicles and farm equipment, and sale of used utility vehicles, the land and all other facilities will continue to be used for the agricultural purposes for which they were designed and built, in accordance with N.J.A.C. 2:76-22.6(a)10;
- l. The RME activity is incidental to or compatible with the use of the Premises as a farm or subordinate to the agricultural use of the Premises in accordance with N.J.A.C. 2:76-22.6(a)11 because the activity will utilize less than one-quarter acre of the Premises, including the existing structure and parking/drop off area, and does not change the use of the Premises;
- m. The RME activity is compatible with the agricultural use of the premises and surrounding land use of adjacent properties because the activity is a low intensity use, is not anticipated to have any off-site impacts, is approximately 1,100 ft. from the closest neighboring residential property, is set back approximately 450 ft. from the road in accordance with N.J.A.C. 2:76-22.6(a)12;
- n. The RME activity uses the qualifying land in its existing condition, in accordance with N.J.A.C. 2:76-22.6(a)13i., ii., and iii., respectively:
 - i. No new improvements to farm lanes will be created to support the RME activity;
 - ii. No parking facilities are being created or expanded, as visitors will be there for short durations to load and unload vehicles and equipment;
 - iii. The proposed RME will not utilize storage areas outside of the subject agricultural building.
- o. The total area of land and structures devoted to supporting the RME does not exceed a one-acre envelope on the qualifying land, in accordance with N.J.A.C. 2:76-22.6(a)14 as shown in Schedule "C";
- p. The proposed RME activity does not have an adverse impact upon the soils, water resources, air quality, or other natural resources of the qualifying land or the surrounding area, as it utilizes the qualifying land and structures in their existing condition, in accordance with N.J.A.C. 2:76-22.6(a)15;
- q. The RME activity consists of only one business, in accordance with N.J.A.C. 2:76-22.6(a)17;

- r. The RME activity will not be a “high traffic volume business” because it will employ one full-time and one part-time employee at peak operational periods, and will not create traffic that will interfere with pre-existing traffic patterns on surrounding roads, or regularly cause congestion when entering or leaving the premises, in accordance with N.J.A.C. 2:76-22.6(a)19i. and ii.;
 - s. The location, design, height, and aesthetic attributes of the RME activity will reflect the public interest of preserving the natural and unadulterated appearance of the landscape and structures, in accordance with N.J.A.C 2:76-22.6(a)20 because the qualifying land and structure are being utilized in their existing condition;
 - t. There are no existing violations of the Deed of Easement, in accordance with N.J.A.C. 2:76-22.6(a)21;
 - u. There are no other facts or issues presented by the Owner’s application that could be considered inconsistent with a finding that the RME activity otherwise complies with N.J.S.A. 4:1C-32.1;
3. Based on the above findings of fact and conclusions of law, the SADC determines that the Owner is eligible to receive, and is hereby granted, a special permit for an RME activity on the Premises pursuant to applicable provisions in the RME statute and regulations, which grant of approval will become effective only upon the following conditions:
- a. No special permit shall be issued until the Owner receives all necessary Federal, State and local approvals, provided that if such approvals contain any requirements for implementation of the RME activity that the SADC determines are inconsistent with the RME statute and regulations, the special permit itself, the deed of easement, applicable SADC regulations, or this resolution, the permit may be denied;
 - b. All pending Federal, State and local approvals related to implementation of the RME activity shall be forwarded to the SADC for review upon receipt by the Owner;
 - c. The special permit:
 - i. Shall be valid for a period of 20 years from the date this resolution becomes effective;
 - ii. Shall be issued to the current record owner, and is not transferrable;
 - iii. Shall automatically terminate upon a change in record ownership of the property, except if approval is obtained prior to ownership change in accordance with N.J.A.C. 22.9(c)1.
 - d. The RME Activity is considered to be initiated upon the effective date of this approval in accordance with N.J.A.C 2:76-22.8(g)2;

4. The Owner shall be subject to all applicable requirements, not specifically referenced herein, as set forth in N.J.S.A. 4:1C-32.1 and 32.3, and N.J.A.C. 2:76.22.1, et seq.
5. The Owner shall record the special permit with the Burlington County Clerk's office, and a copy of the recorded permit shall be provided by the Owner to the Committee and the BCADB.
6. SADC staff is authorized to issue an appropriate permit document to the Owner consistent with this Resolution.
7. The special permit shall be displayed in clear view on or in the structure(s) for which it was issued in accordance with N.J.A.C. 2:76-22.9(f).
8. This action is considered a final agency decision appealable to the Appellate Division of the Superior Court of New Jersey.
9. This action is not effective until the Governor's review period expires pursuant to N.J.S.A. 4:1C-4f.

2/22/2024
DATE



Susan E. Payne, Executive Director
State Agriculture Development Committee

VOTE WAS RECORDED AS FOLLOWS:

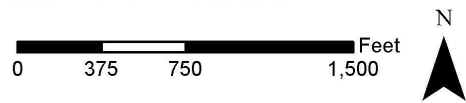
Martin Bullock	YES
Scott Ellis	YES
Pete Johnson	YES
Richard Norz	YES
Charles Rosen	ABSENT
Tiffany Bohlin	ABSENT
Gina Fischetti (rep. DCA Commissioner Suarez)	YES
Lauren Procida (rep. DEP Commissioner LaTourette)	YES
Julie Krause (rep. State Treasurer Muoio)	YES
Brian Schilling (rep. Executive Dean Lawson)	YES
Joseph A. Atchison, III, Acting Chairperson	YES

Schedule A

Katona Farm 03-0006-EP
BI 301 Lot 26.01, Chesterfield Twp. - Burlington County
New Jersey Farmland Preservation Program



For Planning Purposes Only
Date: 7/3/2023

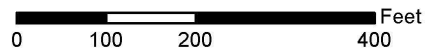


Schedule B

Katona Farm 03-0006-EP
BI 301 Lot 26.01, Chesterfield Twp. - Burlington County
New Jersey Farmland Preservation Program



For Planning Purposes Only
Date: 7/3/2023



Schedule C

Katona Farm 03-0006-EP
BI 301 Lot 26.01, Chesterfield Twp. - Burlington County
New Jersey Farmland Preservation Program



Nearmap, NJ Department of Environmental Protection, NJ Office of GIS,
Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

For Planning Purposes Only
Date: 7/3/2023

