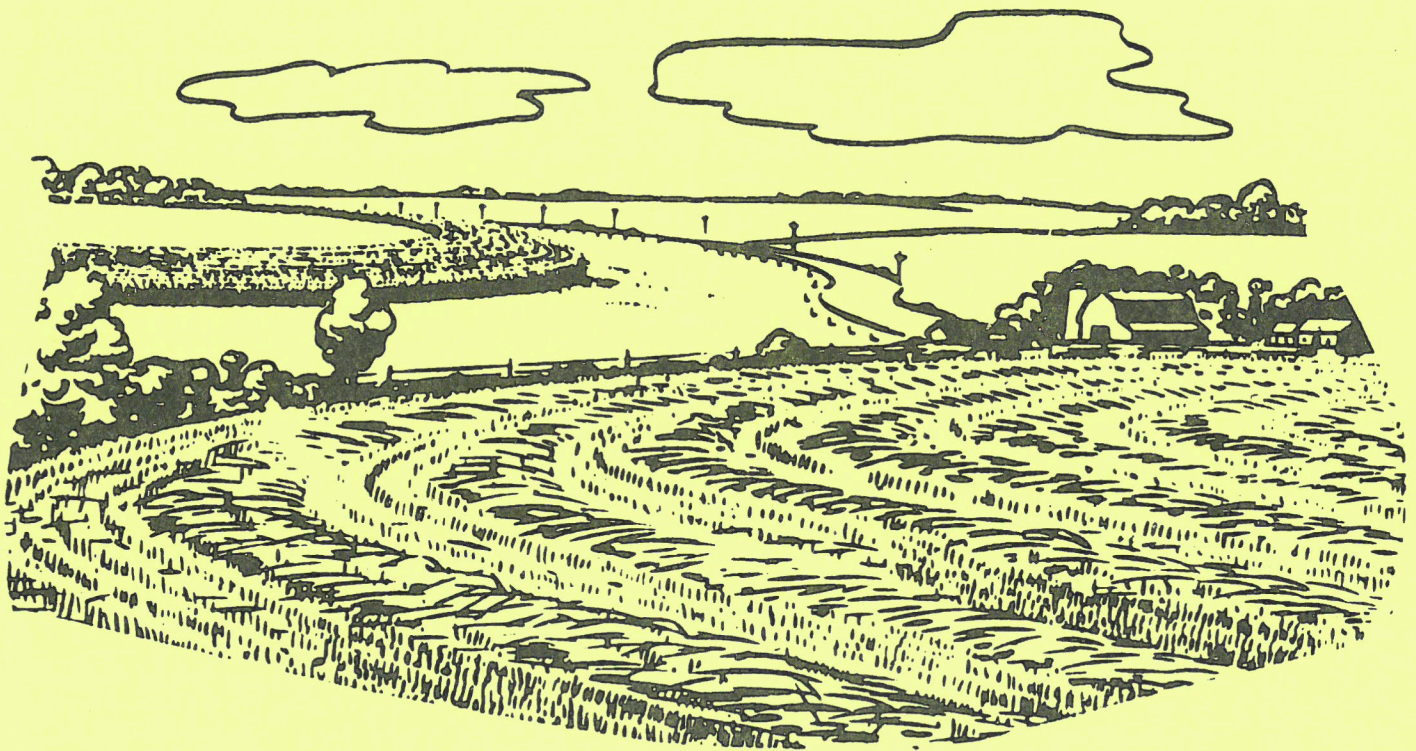


Appendix I and II

To The Report

The Agricultural Preserve Demonstration Program



THE NEW JERSEY DEPARTMENT OF AGRICULTURE

Phillip Alampi, Secretary

THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

Daniel J. O'Hern, Commissioner

FEBRUARY 1979

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P. L. 1976, CHAPTER 50, approved July 22, 1976

1976 Assembly Committee Substitute for Assembly No. 1334

AN ACT appropriating \$5,000,000.00 from the State Recreation and Conservation Land Acquisition and Development Fund for State programs to acquire and conserve lands for recreation and conservation purposes.

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

1 1. This act shall be known and may be cited as the "Agricultural
2 Preserve Demonstration Program Act."

1 2. The Legislature hereby finds and declares:

2 a. That the preservation of agricultural open space and the
3 retention of agricultural activities would serve the best interests
4 of all citizens of this State by insuring the numerous social,
5 economic and environmental benefits which accrue from the con-
6 tinuation of agriculture in the Garden State.

7 b. That past and present policies and efforts of this State
8 intended to promote such preservation and retention, while bene-
9 ficial and worthy of continuation, have been inadequate to insure
10 the permanent existence of such activities, which constitute a vital
11 and benevolent use of the land which is so rapidly disappearing in
12 this, the most densely populated and highly urbanized State in
13 the nation.

14 c. That it is both necessary and desirable to implement additional
15 policies, including the creation of an agricultural preserve, designed
16 to provide for such preservation and retention.

17 d. That it is the express intention of this act to promote and
18 insure the continuation of such activities within the agricultural
19 preserve as provided herein.

1 3. The Legislature further finds and declares that the State
2 preservation of agricultural open space through the purchase of
3 development easements to prime agricultural lands is wholly com-
4 patible with, and specifically authorized by, the provisions of the
5 "New Jersey Green Acres and Recreation Opportunities Bond Act
6 of 1974" (P. L. 1974, c. 102).

1 4. As used in this act:

2 a. "Agricultural preserve" means a significant mass of reason-
3 ably contiguous prime agricultural lands created through the State
4 purchase of development easements to such lands;

5 b. "Committee" means the Joint Legislative Oversight Com-
6 mittee for the Agricultural Preserve Demonstration Program
7 designated pursuant to section 10 of this act;

8 c. "Departments" means the Department of Environmental
9 Protection and the Department of Agriculture;

10 d. "Development easement" means an interest in land, less than
11 fee simple absolute title thereto, which interest represents the
12 right to develop such lands for all nonagricultural purposes as
13 determined by the provisions of this act and any relevant rules
14 or regulations promulgated pursuant hereto;

15 e. "Prime agricultural land" means land having soil classifica-
16 tions of Class I, II or III, according to Soil Conservation class,
17 except that a certain amount of land supportive of cranberry,
18 blueberry or other special agricultural production and woodland
19 immediately supportive of agriculture may be considered as prime
20 agricultural lands for the purposes of this act;

21 f. "Program" means the Agricultural Preserve Demonstration
22 Program established by this act;

23 g. "Program area" means the location of the program desig-
24 nated pursuant to section 14 of this act;

25 h. "Steering committee" means the Steering Committee on the
26 Agricultural Preserve Demonstration Program created pursuant
27 to section 8 of this act.

1 5. There is hereby established the Agricultural Preserve Demon-
2 stration Program. The purpose of this program shall be the
3 creation of an agricultural preserve, which shall remain undevel-
4 oped for other than agricultural purposes as determined in accord-
5 ance with the provisions of this act. Such preserve shall be
6 established through the State purchase of development easements
7 to such lands. It shall further be the purpose of this program to
8 provide information and experience concerning such State efforts
9 to preserve agricultural open space. It shall be the goal of the
10 program to acquire such easements to approximately 5,000 acres
11 of such land within the agricultural preserve.

1 6. The program shall be administered by the Department of
2 Environmental Protection and the Department of Agriculture. The
3 Division of Rural Resources of the Department of Agriculture
4 shall have operating responsibility for the program.

1 7. The program shall be conducted on a voluntary basis for all
2 landowners in the program area; the provisions of any law to the
3 contrary notwithstanding, it is the intention of this act to prohibit
4 the exercise of eminent domain by the State, or any agency or
5 instrumentality thereof, in acquiring development easements to
6 prime agricultural lands pursuant to the provisions of this act.

1 8. The program shall be implemented by the departments in the
2 following manner:

3 a. An intensive informational and educational effort will be
4 undertaken to provide residents, landowners and elected officials
5 within the program area with the basic objectives and details of
6 the program. Such effort shall be conducted at public meetings
7 held within, or in the vicinity of, the program area as well as
8 through the mails.

9 b. Voluntary offers to sell the development easements to prime
10 agricultural lands will be solicited from such landowners in the
11 program area. Such landowners will be asked to offer to sell such
12 development easements to the State at a price which, in the opinion
13 of the landowner, represents a fair value of the development
14 potential of such lands for nonagricultural purposes as determined
15 in accordance with the provisions of this act. A final date for the
16 submission of such offers shall be fixed by the departments in the
17 regulations promulgated pursuant to section 14 of this act.

18 c. Such offers will be reviewed and evaluated by the depart-
19 ments, with the advice of the steering committee as provided in
20 section 9 of this act, in order to determine the suitability of the
21 prime agricultural lands represented thereby for inclusion in the
22 program. Decisions regarding such suitability shall be based upon
23 the satisfaction of the following criteria:

24 (1) The degree to which such offers reflect price levels which
25 appear to be within the financial resources of the program;

26 (2) Suitability as to soil classification or other criteria for prime
27 agricultural lands as provided by this act;

28 (3) The degree to which such offers would facilitate the formula-
29 tion of an agricultural preserve as defined in section 4 of this act.

30 The departments shall reject any offer for the sale of develop-
31 ment easements to prime agricultural lands which are unsuitable
32 according to the above criteria.

33 d. Two separate independent appraisals shall be conducted for
34 each remaining parcel of prime agricultural lands so offered and
35 deemed suitable. Such appraisals shall determine the current
36 overall fair market value of such parcels for all purposes, including

37 nonagricultural and development purposes, as well as the current
38 fair market value of such parcels for agricultural purposes. The
39 difference between current overall fair market value and current
40 agricultural fair market value shall represent an appraisal of the
41 value of development easements to such parcels.

42 Such appraisals shall be conducted by independent, professional
43 appraisers selected by the departments from among members of
44 recognized organizations of real estate appraisers.

45 e. After receiving the results of such appraisals, the departments
46 shall compare the appraised value and the offered value of develop-
47 ment easements to such parcels. Following such comparison, and
48 after consultation with the steering committee, the departments
49 shall determine (1) whether the acquisition of all or a portion of
50 such development easements would be within the financial resources
51 of the program and (2) whether such acquisition would provide
52 for the formulation of the agricultural preserve as provided by
53 this act. Decisions concerning the acquisition of specific develop-
54 ment easements shall be made within 6 months of the final date
55 fixed for the submission of offers for such easements.

56 f. Following a determination of the satisfaction of such criteria
57 and the submission to the committee of a report containing a
58 positive recommendation concerning such acquisition, the Depart-
59 ment of Environmental Protection is hereby empowered to purchase
60 such development easements on behalf of the State.

1 9. a. There is hereby established a Steering Committee on the
2 Agricultural Preserve Demonstration Program. Such steering
3 committee shall be a local advisory body composed of elected officials
4 and residents of the program area. The purpose of the steering
5 committee shall be to provide the departments with local input
6 concerning the implementation of the program. Membership on
7 the steering committee shall be as follows:

8 (1) Two members appointed by the governing body of each
9 municipality located within the program area;

10 (2) One member appointed by the planning board of each mu-
11 nicipality located within the program area;

12 (3) Two members appointed by the county board of agriculture
13 of each county located, in whole or part, within the program area;

14 (4) One member appointed by the county board of chosen free-
15 holders of each county located, in whole or part, within the program
16 area;

17 (5) One member appointed by the planning board of each county
18 located, in whole or part, within the program area;

19 (6) The Secretary of Agriculture or his designated repre-
20 sentative;

21 (7) The Commissioner of Environmental Protection, or his
22 designated representative;

23 (8) Ex-officio members of the Legislature representing legisla-
24 tive districts located, in whole or part, within the program area.

25 b. The duties and responsibilities of the steering committee
26 shall be:

27 (1) To communicate to residents and landowners in the program
28 area the details of the program and the implications and effects of
29 participation therein;

30 (2) To advise the departments on guidelines furnished to the
31 owners of prime farmlands within the program area concerning
32 the offer and sale of development easements to such land to the
33 State;

34 (3) To advise the departments, following the receipt of develop-
35 ment easements offers as provided by section 9 of this act, as to the
36 compatibility of such easements with municipal and county zoning
37 and master plans, and to make recommendations concerning the
38 suitability of such easements for inclusion in the program;

39 (4) To advise the departments on the guidelines used to appraise
40 prime agricultural lands for overall market and agriculture value
41 pursuant to section 8 of this act;

42 (5) To make recommendations to the departments, following
43 the results of such appraisals, on the acquisition of such develop-
44 ment easements.

1 10. The Assembly Committee on Agriculture and Environment
2 and the Senate Committee on Agriculture are hereby designated
3 as the Joint Legislative Oversight Committee for the Agricultural
4 Preserve Demonstration Program. The duties and responsibilities
5 of the committee shall be as follows:

6 a. To review and evaluate the proposed rules, regulations and
7 guidelines for the implementation and administration of the agri-
8 cultural preserve program, in terms of feasibility, effect and con-
9 formance with the intentions and provisions of this act.

10 b. To analyze the progress of the program prior to the State
11 acquisition of development easements to prime agricultural lands,
12 so as to determine the advisability of proceeding therewith.

13 c. To conduct a final program review and evaluation following
14 the State acquisition of such easements; such final review and
15 evaluation shall be conducted and transmitted to the Legislature
16 within 1 year of such acquisition, and shall include the following:

17 (1) A statement of the social, economic and environmental ef-
18 fects of the program on the program area and on the State;

19 (2) An evaluation of the impact of the program on agriculture
20 and related industries in this State;

21 (3) An analysis of the mechanism of the State purchase of
22 developments rights to prime agricultural lands as a means of
23 preserving agricultural open space, the feasibility of further use
24 of such mechanism in other areas of the State, and potential sources
25 of funding therefor; and,

26 (4) An identification of possible alternative methods of preserv-
27 ing agricultural open space in New Jersey.

28 d. To review and evaluate all relevant existing and proposed
29 statutes, rules, regulations and ordinances, so as to determine the
30 individual and cumulative effect upon the conduct of agricultural
31 activities in this State.

32 e. To recommend to the Legislature and to the departments,
33 prior to, during and following the implementation of the program,
34 any legislation, rule, regulation, guideline, or revision thereto
35 which it deems necessary in order to effectuate the purposes of
36 this act or the findings of the committee concerning the program
37 created herein.

38 The departments are hereby directed to cooperate with the com-
39 mittee in providing any assistance or information necessary for
40 or incident to the performance of the duties and responsibilities
41 of the committee as herein provided.

1 11. Following the purchase by the State of any development
2 easement to prime agricultural land as provided by this act, the
3 owner of such lands shall cause a statement containing the con-
4 ditions of such conveyance and the terms of the restrictions on
5 the use and development of such land to be attached to and re-
6 corded with the deed to such land in the same manner as such
7 deed was originally recorded.

1 12. The Department of Environmental Protection is hereby em-
2 powered to institute, in the name of the State, any proceeding
3 intended to enforce the conditions or restrictions on the use and
4 development of land created pursuant to the State purchase of
5 development easements as provided herein.

1 13. No development easement purchased by the State pursuant
2 to the provisions of this act shall be sold, given, transferred or
3 otherwise conveyed in any manner and no lands within the agri-
4 cultural preserve shall be diverted to a use other than conservation
5 or recreation without the approval of the Commissioner of En-

6 vironmental Protection, the Secretary of Agriculture and the State
 7 House Commission and following a public hearing at least 1 month
 8 prior to any such approvals. In the case of the conveyance of such
 9 development easements, such approvals shall not be given unless
 10 an amount equal to the value of such development easement, as
 11 determined by the State House Commission, shall be deposited in
 12 the State Recreation and Conservation Land Acquisition and De-
 13 velopment Fund created pursuant to P. L. 1974, c. 102. Money so
 14 returned to said fund shall be deemed wholly a part of the portion
 15 of that fund available for land acquisition or development by the
 16 State pursuant to the provisions of P. L. 1974, c. 102 and P. L.
 17 1975, c. 155.

1 14. a. The departments shall have the power, in accordance
 2 with the provisions of the "Administrative Procedure Act"
 3 (C. 52:14B-1 et seq.) to adopt, amend or repeal any rule or regu-
 4 lation deemed necessary to effectuate the purposes of this act.
 5 Such rules or regulations shall include a designation of the follow-
 6 ing:

7 (1) The specific location of the program. Such designation shall
 8 result from studies conducted by the departments of alternate
 9 locations offering prime agricultural lands which are reasonably
 10 representative of all such lands located within this State in terms
 11 of agricultural characteristics, value, and vulnerability to pres-
 12 sures for development for other than agricultural purposes.

13 (2) The maximum acceptable percentage of woodland contained
 14 in specific offers of such development easements;

15 (3) The minimum acceptable percentage of total farm acreage
 16 to be represented by such offers;

17 (4) Guidelines concerning the specific restrictions on the use and
 18 development of prime agricultural lands subject to a development
 19 easement purchased by the State pursuant to this act. Such guide-
 20 lines shall prohibit nonagricultural uses and development of such
 21 lands except for limited improvements or construction designed
 22 to provide housing for persons deriving a substantial portion of
 23 their income from agricultural activities conducted on such lands.

24 b. The departments shall transmit copies of all proposed rules
 25 and regulations to the committee in order to facilitate the review
 26 and evaluation of the program.

1 15. If any clause, sentence, paragraph, section or part of this
 2 act shall be adjudged by any court of competent jurisdiction to be
 3 invalid, such judgment shall not affect, impair, or invalidate the
 4 remainder thereof, but shall be confined in its operation to the

5 clause, sentence, paragraph, section or party thereof directly in-
6 volved in the controversy in which such judgement shall have been
7 rendered.

1 16. There is hereby appropriated to the Department of Environ-
2 mental Protection, from the State Recreation and Conservation
3 Land Acquisition and Development Fund created pursuant to the
4 "New Jersey Green Acres and Recreation Opportunities Bond Act
5 of 1974" (P. L. 1974, c. 102) a sum of \$5,000,000.00, or so much
6 thereof as may be necessary, in order to defray the cost of State
7 acquisition of development easements to prime agricultural lands
8 in accordance with the provisions of this act. Any portion of such
9 sum which is not expended for such purposes within 2 years of the
10 effective date of this act shall revert to the aforesaid fund to be
11 used, subject to appropriation, in accordance with the provisions
12 of P. L. 1974, c. 102, and P. L. 1975, c. 155.

1 17. This act shall take effect immediately.

A2474



STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DAVID J. BARDIN, COMMISSIONER
P.O. BOX 1390
TRENTON, N.J. 08625
609 292 2855

JOINT RULES AND REGULATIONS CONCERNING
FARMLAND PRESERVATION DEMONSTRATION PROJECT

Docket No. DEP 022-76-10


The Departments of Environmental Protection and Agriculture, pursuant to authority of N.J.S.A. 4:1B-1 et seq., jointly adopt rules and regulations concerning the Farmland Preservation Demonstration Project. The rules, known within the Department of Environmental Protection as DEP 022-76-10, will be cited as both N.J.A.C. 7:1D-1.1 et seq. and N.J.A.C. 2:85-1.1 et seq. These rules were proposed at 8 N.J.R. 506(a) and were the subject of a public hearing held in Lumberton, New Jersey on November 23, 1976.

Full text of the rules, using only the Department of Environmental Protection's citations, but also intended to include the Department of Agriculture's citations (that is N.J.A.C. 2:85-1.1 et seq.), follows:

(See Attached)

In accordance with the provisions of the Administrative Procedure Act, the aforementioned rules and regulations are hereby adopted.

PHILLIP ALAMPI, SECRETARY
Department of Agriculture


DAVID J. BARDIN, COMMISSIONER

Date January 26, 1977

CHAPTER 1D. AGRICULTURAL PRESERVE DEMONSTRATION PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

7:1D-1.1 Purpose

These rules and regulations implement the Agricultural Preserve Demonstration Program Act, P.L. 1976, Chapter 50, N.J.S.A 4:1B-1 to 4:1B-15 (hereafter referred to as the Act) to secure timely decisions by the New Jersey Departments of Agriculture and Environmental Protection for effective operation of a farmland preservation demonstration project as defined therein, to assure adequate public notice of procedures thereunder and to continue effective administration of the law. The major element of the Agricultural Preserve Demonstration Program will be the purchase by the State of New Jersey of development easements, as defined herein, from qualified farmland owners and the creation of blocks of permanent agricultural open space land.

7:1D-1.2 Definitions

As used in these Rules;

- a. "Development easement" the purchase of an interest in the agricultural land, specifically, the right to develop, or change the use of the land from active agricultural use to a more intensive use, such as residential, industrial, or commercial.
- b. "Deed restriction" the covenant between the landowner and the State of New Jersey, establishing the terms and conditions of the development easement, including its perpetual duration.
- c. "Jug milk operation" the production, processing and marketing of fluid milk and milk products produced on land covered by development easements.
- d. "Prime farmland" lands classified as land use capability I, II, or III in accordance with the National Cooperative Soil Survey prepared under U. S. Department of Agriculture, Soil Conservation Service guidelines and adopted by the New Jersey State Soil Conservation Committee and such unique farmlands currently used for the production of cranberries, blueberries and other specialty crops.
- e. "Woodland" the appurtenant portion of a farm which is generally unsuitable for cultivation and usually largely covered with trees or other non-cultivated vegetation. The term applies to all such lands and includes marshland, wetland, and any other land included in the farm but generally unsuitable for cultivation.

7:1D-1.3 Location; Field office

The demonstration project shall be located in the Townships of Medford, Lumberton, Southampton, and Pemberton, all in the County of Burlington. These four townships have been selected on the basis of investigations conducted by the Department of Agriculture, Division of Rural Resources into probable easement costs and ability to sustain agriculture on an economic basis.

The Department of Agriculture shall maintain a field office within the project area or as near to it as possible, in order to conduct an information program for residents, farmland owners, and the citizens of the State. The field office shall also be available for public meetings and discussions on the concept of farmland preservation.

7:1D-1.4 Appraisals

The Departments of Agriculture and Environmental Protection shall use generally accepted standards for appraisals in accordance with provisions of the Act. The specific standards and procedures shall be contained in an appraisal manual prepared by both Departments and available for public inspection.

7:1D-1.5 Type of land to be protected

The intent of the Act is to preserve prime farmland; therefore, no more than 35 percent of any single offer shall be woodland, except in the case of cranberry bogs where the percentage of woodland included may be exceeded to the extent that the Department of Agriculture determines woodland as necessary for the cranberry production. No more than 20 percent of the total lands to be protected via purchase of development easements may be woodland. No offer which represents less than 80 percent of the specific farm acreage of the offeror will be accepted.

7:1D-1.6 Restrictions on use

Lands protected under the development easement process must be essentially prime farmland and such lands may not be developed except as provided for below. Such lands may not be used for commercial, industrial or residential use, except as provided for below, or for any purpose other than activities common to agricultural production, which is defined as the production for commercial purpose of crops, horticultural products, livestock and livestock products. Such lands shall not be used for processing (except washing, cleaning, and packaging of raw agricultural products produced on the land of that owner as provided for in the Subchapter), or for the manufacture, assemblage, distribution, or wholesale or retail merchandising of farmland related equipment and supplies. Such processing or retail merchandising activities which are generally a continuation of preexisting activities conducted in structures used for such activities at the time

of conveyance shall be permitted. The owner is entitled to provide normal maintenance and repair of these structures or to replace all or part of such structures destroyed or damaged by fire, storm, or other casualty. In addition:

1. Retail merchandising of agricultural products conducted according to standards set forth herein, shall be permitted and new facilities for this purpose may be constructed, provided:

a. All structures shall be in conformance with applicable State and local laws, codes, standards and ordinances;

b. No more than two acres of the land protected by any individual easement may be devoted to a retail merchandising facility;

c. No building erected for the purpose of selling farm products shall have more than 3,000 square feet of ground cover and shall be more than two stories in height. Retailing shall be permitted only on the ground floor of such buildings.

d. There shall be a minimum building set-back of 30 feet from the highway right-of-way, and construction of the building shall be of a material and of a design suitable for the purpose and in keeping with the character of the land.

e. Parking facilities shall be designed in such a way as to provide for on-site detention of storm run-off.

f. At least 60 percent of the agricultural products retailed therein shall be produced on New Jersey farms and at least 25 percent of the total annual sales in such markets shall be from products grown on land within the designated pilot agricultural area.

2. Owners of farmland covered by development easements may use, maintain, and improve the existing buildings and said lands for personal and family residential and recreation use subject to the following conditions:

a. No new residential units or buildings 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 or such new residential unit or structures or converted residential unit or structures as will serve as a farm house for a household which will derive its primary source of income from agricultural production. Such exceptions are subject to joint approval by the Administrator, Green Acres Program, Department of Environmental Protection, and the Director, Division of Rural Resources, Department of Agriculture;

b. No part of said lands shall be used or developed nor shall existing buildings be improved to provide commercial gain

or profit from new uses other than agricultural production as defined in Section 6 of this Subchapter;

c. The land and its buildings which are protected by development easements may be sold collectively or individually for continued agricultural production and related uses as defined in Section 6 of this Subchapter. However, no subdivision of the land shall be permitted without the joint approval of the Administrator, Green Acres Program, Department of Environmental Protection, and the Director, Division of Rural Resources, Department of Agriculture. Such approval is in addition to necessary local approvals.

d. The owner of farmland may use such lands to derive income from the following recreational activities which utilize the land in its existing state, so long as such activities do not interfere with the actual use of the land for agricultural production: hunting, fishing, hiking, camping, nature studies, horseback riding, bicycling, swimming, boating, and cross country skiing or other activities approved by the Administrator, Green Acres Program, Department of Environmental Protection.

7:1D-1.7 Notice

1. The Administrator, Green Acres Program, Department of Environmental Protection, shall notify any mortgage holder of intent to acquire 45 days prior to execution of any deed restriction.

2. The Administrator, Green Acres Program, Department of Environmental Protection, shall obtain a title report on the property and, where he deems it to be in the best interest of the program, a policy of title insurance from a reputable title company authorized to do business in the State of New Jersey. He shall further obtain a survey of the property and releases of outstanding mortgages and other encumbrances affecting the property prior to the purchase of the development easement.

3. The Administrator, Green Acres Program, Department of Environmental Protection, shall provide appropriate county and municipal officials copies of maps which identify the lands from which development easements are purchased and copies of the development easement deeds.

The Administrator, Green Acres Program, Department of Environmental Protection, shall record the development easement deeds in the County Clerk's Office or Registrar of Deeds Office wherein the lands are located.

4. Where an owner (or his agent) of lands that are subject to development easements intends to make application for a building permit to construct, expand or reconstruct any facility thereon or to make application for a major or minor subdivision of such lands, he shall provide notice of such application at least 20 days prior

to the filing of such application by certified mail to the Administrator, Green Acres Program, Post Office Box 1390, Trenton, New Jersey 08625. In instances where local authorities do not require building permits prior to construction, the owner (or his agent) shall provide the foregoing notice to the Administrator at least 20 days prior to commencement of construction.

7:1D-1.8 Restrictions and conditions

1. The Administrator, Green Acres Program, Department of Environmental Protection, shall enter all restrictions and conditions relative to the transfer of development easements into the development easement deed. Violation of any restriction or condition of the development easement deed is subject to the sanctions prescribed in Section 9 of this Subchapter.

2. Any farmland owner whose property is protected by development easements may seek approval to construct, reconstruct, modify or otherwise change a facility in order to enhance agricultural production, except that no permit is required if the proposed modification adds no additional floor space nor changes the use of the existing facility.

Landowners must submit proposals, along with supporting information, engineering drawings and other information as necessary, to the Administrator, Green Acres Program, Department of Environmental Protection, and Director, Division of Rural Resources, Department of Agriculture, prior to the construction, reconstruction, modification or change in use of any facility.

The Director and Administrator shall notify the applicant of the receipt of materials and shall rate the application as "adequate," "lacking in information," or "totally deficient." The applicant shall have 20 business days to provide any required additional information.

The Director and Administrator shall notify the applicant when the application is complete. They shall have 30 business days to consider the application and notify the applicant of their decision. If the application is denied, the reasons shall be set forth and provided to the applicant. Such decision shall constitute final administrative action on the matter.

It is the intent of the program to facilitate the continuation of productive agriculture while maintaining open space. Modest changes in land use and coverage, which permit the continuation of agriculture as a viable economic entity will be permitted as long as the fundamental rule of open space preservation is not violated. Examples of permitted uses would generally include, but not be limited to, the following:

Additions to, and modifications of, existing dairy barns;

Construction of additional dairy barns;

Construction and maintenance of a small retail
jug milk operation;

Construction of additional machine sheds;

Facilities necessary to change from one form of
agriculture to another, as, for example, a change
from a grain operation to a dairy operation; changes
from dairy to beef; changes from dairy to grain or
truck farms, and so forth;

Construction of new silos, grain storage facilities
for on-farm production and similar facilities
designed to facilitate farm operations that are
in keeping with the character of the area.

It is the intent of the program to preserve open space agricul-
tural production. Applications for more intense uses not in keeping
with the open space requirements of the project shall be denied.

7:1D-1.9 Enforcement

1. In the event the owners, their agents, or employees
violate any of the covenants and restrictions set forth in the
development easement deed, then and in that event, the Department
of Environmental Protection, or any citizen of the State of
New Jersey, acting by and through the Department of Environmental
Protection, may immediately seek all remedies available under the
law, including but not limited to injunctive relief, rescission
of contract, breach of contract, and damages.

2. Duly authorized agents of the Departments of Agriculture
and Environmental Protection may enter onto any farmlands covered
by a development easement, after proper notice, in order to inspect
such farmlands and structures related thereto, to assure compliance
with the covenants and restrictions contained in the said develop-
ment easement.

7:1D-1.10 Taxation

The Administrator, Green Acres Program, Department of
Environmental Protection, shall advise the local tax assessor of
the sale of development easements to the State. Assessment of
lands on which the development easements have been purchased are
subject to the appropriate provisions of N.J.S.A. 54:4-1 et seq.

D E E D
(DEVELOPMENT EASEMENT)

T H I S D E E D, Made this day of 197 ,

BY AND BETWEEN

hereinafter referred to as "GRANTORS"

AND

THE STATE OF NEW JERSEY, DEPARTMENT OF
ENVIRONMENTAL PROTECTION, having its
principal offices at the Labor and
Industry Building, Trenton, New Jersey
08625,

hereinafter referred to as "GRANTEE"

WHEREAS, the GRANTORS are the present owners of the
lands described in Schedule "A" which is attached hereto and
made a part hereof;

WHEREAS, the GRANTORS, recognizing the agricultural
productivity and conservation characteristics of the land des-
cribed in Schedule "A" are willing to cooperate with the State
in preserving land devoted to agricultural production and con-
servation uses;

WHEREAS, the GRANTORS are willing to grant a Develop-
ment Easement, as described in the Agricultural Preserve Demon-
stration Program Act (P.L. 1976, Chapter 50), over said property,
on the terms and conditions and for the purposes hereinafter set
forth, and the GRANTEE is willing to accept such Easement;

WHEREAS, the GRANTEE has determined that the grant and conveyance to the GRANTEE of Development Easements for properties devoted to agricultural production and conservation uses will benefit the public through the preservation of property devoted to such uses; and

WHEREAS, the grant and conveyance of a Development Easement by the GRANTORS to the GRANTEE will preserve said property for activities common to agricultural production and conservation uses in accordance with the terms and conditions hereinafter set forth;

NOW THEREFORE WITNESSETH, that GRANTORS, for and in consideration of (\$) lawful money of the United States of America, to the GRANTORS in hand well and truly paid by the GRANTEE, at or before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, and the GRANTORS being therewith fully satisfied, do by these presents grant, bargain, sell and convey unto the GRANTEE forever a Development Easement in respect to the lands described in Schedule "A", of the nature and character described in Schedule "B", subject to the limitation that the GRANTEE may only convey its interest in the premises herein pursuant to the provisions of Section 13 of the Agricultural Preserve Demonstration Program Act (N.J.S.A. 4:1B-1 et seq.) as set forth in Section X of said Schedule "B".

AND the GRANTORS covenant that they have not done or executed, or knowingly suffered to be done or executed, any act, deed or thing whatsoever whereby or by means whereof the easement conveyed herein, or any part thereof, now or at any time hereafter, will or may be charged or encumbered in any manner or way whatsoever.

IN WITNESS WHEREOF, the GRANTORS have hereunto set their
hands and seals the day and year first above written.

(L.S.)

(L.S.)

Signed, sealed and delivered
in the presence of

Reviewed and approved as to form:

WILLIAM F. HYLAND
ATTORNEY GENERAL

BY: _____

Deputy Attorney General

:

:

:

SCHEDULE "B"

DEVELOPMENT EASEMENT DEED RESTRICTIONS

- I. SAID LANDS SHALL NOT BE USED FOR COMMERCIAL, INDUSTRIAL OR RESIDENTIAL USE, EXCEPT AS PROVIDED FOR BELOW, OR FOR ANY PURPOSE OTHER THAN ACTIVITIES COMMON TO AGRICULTURAL PRODUCTION, WHICH IS DEFINED AS THE PRODUCTION FOR COMMERCIAL PURPOSE OF CROPS, HORTICULTURE PRODUCTS, LIVESTOCK AND LIVESTOCK PRODUCTS. SAID LANDS SHALL NOT BE USED FOR PROCESSING (EXCEPT WASHING, CLEANING, AND PACKAGING OF RAW AGRICULTURAL PRODUCTS PRODUCED ON THE LAND OF THE GRANTORS, THEIR HEIRS, SUCCESSORS AND ASSIGNS AS PROVIDED FOR HEREIN), OR FOR THE MANUFACTURE, ASSEMBLAGE, DISTRIBUTION, OR WHOLESALE OR RETAIL MERCHANDISING OF FARMLAND RELATED EQUIPMENT AND SUPPLIES. SUCH PROCESSING OR RETAIL MERCHANDISING ACTIVITIES WHICH ARE GENERALLY A CONTINUATION OF PREEXISTING ACTIVITIES CONDUCTED IN STRUCTURES USED FOR SUCH ACTIVITIES AT THE TIME OF THE STATE'S APPRAISAL SHALL BE PERMITTED. THE GRANTORS, THEIR HEIRS, SUCCESSORS AND ASSIGNS ARE ENTITLED TO PROVIDE NORMAL MAINTENANCE AND REPAIR OF THESE STRUCTURES OR TO REPLACE ALL OR PART OF SUCH STRUCTURES DESTROYED OR DAMAGED BY FIRE, STORM, OR OTHER CASUALTY. IN ADDITION:

1. RETAIL MERCHANDISING OF AGRICULTURAL PRODUCTS CONDUCTED ACCORDING TO STANDARDS SET FORTH HEREIN, SHALL BE PERMITTED AND NEW FACILITIES FOR THIS PURPOSE MAY BE CONSTRUCTED, PROVIDED:
 - a. ALL STRUCTURES SHALL BE IN CONFORMANCE WITH APPLICABLE STATE AND LOCAL LAWS, CODES, STANDARDS AND ORDINANCES;
 - b. NO MORE THAN TWO ACRES OF LAND PROTECTED BY ANY INDIVIDUAL EASEMENT MAY BE DEVOTED TO A RETAIL MERCHANDISING FACILITY;
 - c. NO BUILDING ERECTED FOR THE PURPOSE OF SELLING FARM PRODUCTS SHALL HAVE MORE THAN 3,000 SQUARE FEET OF GROUND COVER AND SHALL BE MORE THAN TWO STORIES IN HEIGHT. RETAILING SHALL BE PERMITTED ONLY ON THE GROUND FLOOR OF SUCH BUILDINGS.
 - d. THERE SHALL BE A MINIMUM BUILDING SET-BACK OF 30 FEET FROM THE HIGHWAY RIGHT-OF-WAY, AND CONSTRUCTION OF THE BUILDING SHALL BE OF A MATERIAL AND OF A DESIGN SUITABLE FOR THE PURPOSE AND IN KEEPING WITH THE CHARACTER OF THE LAND.
 - e. PARKING FACILITIES SHALL BE DESIGNED IN SUCH A WAY AS TO PROVIDE FOR ON-SITE DETENTION OF STORM RUN-OFF.

f. AT LEAST 60 PERCENT OF THE AGRICULTURAL PRODUCTS RETAILED THEREIN SHALL BE PRODUCED ON NEW JERSEY FARMS AND AT LEAST 25 PERCENT OF THE TOTAL ANNUAL SALES IN SUCH MARKETS SHALL BE FROM PRODUCTS GROWN ON LAND WITHIN THE DESIGNATED PILOT AGRICULTURAL AREA.

II. THE GRANTORS, THEIR HEIRS, SUCCESSORS AND ASSIGNS MAY USE, MAINTAIN, AND IMPROVE THE EXISTING BUILDINGS AND SAID LANDS FOR PERSONAL AND FAMILY RESIDENTIAL AND RECREATION USE SUBJECT TO THE FOLLOWING CONDITIONS:

1. NO NEW RESIDENTIAL UNITS OR BUILDINGS 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 OR SUCH NEW RESIDENTIAL UNIT OR STRUCTURES OR CONVERTED RESIDENTIAL UNIT OR STRUCTURES AS WILL SERVE AS A FARM HOUSE FOR A HOUSEHOLD WHICH WILL DERIVE ITS PRIMARY SOURCE OF INCOME FROM AGRICULTURAL PRODUCTION. SUCH EXCEPTIONS ARE SUBJECT TO PRIOR JOINT APPROVAL IN WRITING BY THE ADMINISTRATOR, GREEN ACRES PROGRAM, DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE DIRECTOR, DIVISION OF RURAL RESOURCES, DEPARTMENT OF AGRICULTURE;

2. NO PART OF SAID LANDS SHALL BE USED OR DEVELOPED NOR SHALL EXISTING BUILDINGS BE IMPROVED TO PROVIDE COMMERCIAL GAIN OR PROFIT FROM NEW USES OTHER THAN AGRICULTURAL PRODUCTION AS DEFINED IN SECTION I. HEREOF.
3. THE LAND AND ITS BUILDINGS WHICH ARE AFFECTED HEREBY MAY BE SOLD COLLECTIVELY OR INDIVIDUALLY FOR CONTINUED AGRICULTURAL PRODUCTION AND RELATED USES AS DEFINED IN SECTION I. HEREOF. HOWEVER, NO SUBDIVISION OF THE LAND SHALL BE PERMITTED WITHOUT THE PRIOR JOINT APPROVAL IN WRITING OF THE ADMINISTRATOR, GREEN ACRES PROGRAM, DEPARTMENT OF ENVIRONMENTAL PROTECTION, AND THE DIRECTOR, DIVISION OF RURAL RESOURCES, DEPARTMENT OF AGRICULTURE. SUCH APPROVAL IS IN ADDITION TO NECESSARY LOCAL APPROVALS.
4. THE GRANTORS, THEIR HEIRS, SUCCESSORS AND ASSIGNS, MAY USE SUCH LANDS TO DERIVE INCOME FROM THE FOLLOWING RECREATIONAL ACTIVITIES WHICH UTILIZE THE LAND IN ITS EXISTING STATE, SO LONG AS SUCH ACTIVITIES DO NOT INTERFERE WITH THE ACTUAL USE OF THE LAND FOR AGRICULTURAL PRODUCTION: HUNTING, FISHING, HIKING, CAMPING, NATURE STUDIES, HORSEBACK RIDING, BICYCLING, SWIMMING, BOATING, AND CROSS COUNTRY SKIING OR OTHER ACTIVITIES APPROVED BY

THE ADMINISTRATOR, GREEN ACRES PROGRAM,
DEPARTMENT OF ENVIRONMENTAL PROTECTION.

III. WHERE THE GRANTORS, THEIR HEIRS, SUCCESSORS OR ASSIGNS (OR AGENT) INTEND TO MAKE APPLICATION FOR A BUILDING PERMIT TO CONSTRUCT, EXPAND OR RECONSTRUCT ANY FACILITY THEREON OR TO MAKE APPLICATION FOR A MAJOR OR MINOR SUBDIVISION OF SUCH LANDS, ~~THEY~~ SHALL PROVIDE NOTICE OF SUCH APPLICATION AT LEAST 20 DAYS PRIOR TO THE FILING OF SUCH APPLICATION BY CERTIFIED MAIL TO THE ADMINISTRATOR, GREEN ACRES PROGRAM, POST OFFICE BOX 1390, TRENTON, NEW JERSEY 08625. IN INSTANCES WHERE LOCAL AUTHORITIES DO NOT REQUIRE BUILDING PERMITS PRIOR TO CONSTRUCTION, THE GRANTORS, THEIR HEIRS, SUCCESSORS OR ASSIGNS (OR AGENT) SHALL PROVIDE THE FOREGOING NOTICE TO THE ADMINISTRATOR AT LEAST 20 DAYS PRIOR TO COMMENCEMENT OF CONSTRUCTION.

IV. THE GRANTORS, THEIR HEIRS, SUCCESSORS OR ASSIGNS, MAY SEEK APPROVAL TO CONSTRUCT, RECONSTRUCT, MODIFY OR OTHERWISE CHANGE A FACILITY IN ORDER TO ENHANCE AGRICULTURAL PRODUCTION, EXCEPT THAT NO PERMIT IS REQUIRED IF THE PROPOSED MODIFICATION ADDS NO ADDITIONAL FLOOR SPACE NOR CHANGES THE USE OF THE EXISTING FACILITY. THE GRANTORS, THEIR HEIRS, SUCCESSORS OR ASSIGNS SHALL FOLLOW THE PROCEDURES AND REQUIREMENTS AS SET FORTH IN THE JOINT RULES AND REGULATIONS CONCERNING ~~THE~~ FARMLAND PRESERVATION DEMONSTRATION PROJECT

PROMULGATED BY THE DEPARTMENTS OF ENVIRONMENTAL
PROTECTION AND AGRICULTURE.

V. NOTHING HEREIN SHALL BE CONSTRUED TO CONVEY A
RIGHT TO THE PUBLIC OF ACCESS TO OR USE OF THE
PROPERTY EXCEPT AS HEREIN PROVIDED OR AS OTHER-
WISE PROVIDED BY LAW.

VI. IN THE EVENT A VIOLATION OF THESE RESTRICTIONS
OR THE TERMS AND CONDITIONS THEREOF IS FOUND TO
EXIST, THE GRANTEE, OR ITS SUCCESSORS OR ASSIGNS,
OR ANY CITIZEN OF THE STATE OF NEW JERSEY, ACT-
ING BY AND THROUGH THE DEPARTMENT OF ENVIRONMEN-
TAL PROTECTION, MAY, AFTER NOTICE TO THE GRANTORS,
OR THEIR PERSONAL REPRESENTATIVES, HEIRS, SUC-
CESSORS, OR ASSIGNS, INSTITUTE A SUIT TO ENJOIN
BY EX PARTE, TEMPORARY AND/OR PERMANENT INJUNCTION
SUCH VIOLATION, TO REQUIRE THE RESTORATION OF THE
PROPERTY TO ITS PRIOR CONDITION, OR TO RECOVER
DAMAGES. THE GRANTEE, OR ITS SUCCESSORS OR
ASSIGNS, DOES NOT WAIVE OR FORFEIT THE RIGHT TO
TAKE OTHER LEGAL ACTION AS MAY BE NECESSARY TO
INSURE COMPLIANCE WITH THE TERMS, CONDITONS AND
PURPOSES OF THIS DEVELOPMENT EASEMENT BY A PRIOR
FAILURE TO ACT.

- VII. DULY AUTHORIZED AGENTS OF THE DEPARTMENT OF AGRICULTURE AND THE GRANTEE MAY ENTER ONTO THE LANDS AND PREMISES HEREIN, UPON REASONABLE NOTICE IN ORDER TO INSPECT SUCH LANDS AND PREMISES, TO ASSURE COMPLIANCE WITH THE COVENANTS AND RESTRICTIONS HEREIN CONTAINED.
- VIII. NOTHING HEREIN CONTAINED SHALL BE DEEMED TO RELIEVE THE GRANTORS, THEIR HEIRS, SUCCESSORS OR ASSIGNS OF THEIR OBLIGATIONS FOR LOCAL AND STATE TAXES AS DESCRIBED UNDER THE PROVISIONS OF N.J.S.A. 54:4-1 ET SEQ.
- IX. ALL DETERMINATIONS TO BE MADE REGARDING THE RESTRICTIONS CONTAINED HEREIN, OR THE TERMS AND CONDITIONS THEREOF, SHALL BE MADE JOINTLY BY THE ADMINISTRATOR, GREEN ACRES PROGRAM, DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE DIRECTOR, DIVISION OF RURAL RESOURCES, DEPARTMENT OF AGRICULTURE, UNLESS OTHERWISE HEREIN SPECIFIED.
- X. IN THE EVENT THE GRANTEE DETERMINES TO DEVEST ITSELF OF THIS DEVELOPMENT EASEMENT BY A CONVEYANCE OF SAME TO ANOTHER OR OTHERS IN ANY MANNER WHATSOEVER THE GRANTEE SHALL DO SO IN STRICT COMPLIANCE WITH THE PROVISIONS OF

SECTION 13 OF THE AGRICULTURAL PRESERVE DEMONSTRATION PROGRAM ACT (N.J.S.A. 4:1B-1 et seq) WHICH PROVIDES AS FOLLOWS:

"NO DEVELOPMENT EASEMENT PURCHASED BY THE STATE PURSUANT TO THE PROVISIONS OF THIS ACT SHALL BE SOLD, GIVEN, TRANSFERRED OR OTHERWISE CONVEYED IN ANY MANNER AND NO LANDS WITHIN THE AGRICULTURAL PRESERVE SHALL BE DIVERTED TO A USE OTHER THAN CONSERVATION OR RECREATION WITHOUT THE APPROVAL OF THE COMMISSIONER OF ENVIRONMENTAL PROTECTION, THE SECRETARY OF AGRICULTURE AND THE STATE HOUSE COMMISSION AND FOLLOWING A PUBLIC HEARING AT LEAST 1 MONTH PRIOR TO ANY SUCH APPROVALS. IN THE CASE OF THE CONVEYANCE OF SUCH DEVELOPMENT EASEMENTS, SUCH APPROVALS SHALL NOT BE GIVEN UNLESS AN AMOUNT EQUAL TO THE VALUE OF SUCH DEVELOPMENT EASEMENT, AS DETERMINED BY THE STATE HOUSE COMMISSION, SHALL BE DEPOSITED IN THE STATE RECREATION AND CONSERVATION LAND ACQUISITION AND DEVELOPMENT FUND CREATED PURSUANT TO P.L. 1974, c. 102. MONEY SO RETURNED TO SAID FUND SHALL BE DEEMED WHOLLY A PART OF THE PORTION OF THAT FUND AVAILABLE FOR LAND ACQUISITION OR DEVELOPMENT BY THE STATE PURSUANT TO THE PROVISIONS OF P.L. 1974, c. 102 AND P.L. 1975, c. 155."

XI. SHOULD THE GRANTORS AT ANY TIME DETERMINE TO SELL OR CONVEY THEIR FEE SIMPLE INTEREST IN THE PROPERTY SUBJECT TO THIS DEVELOPMENT EASEMENT THEN AND IN THAT EVENT THE GRANTORS AGREE TO GIVE THE GRANTEE THE RIGHT OF FIRST REFUSAL TO PURCHASE SAID INTEREST AT THE THEN FAIR MARKET VALUE. THE GRANTORS SHALL PROVIDE THE GRANTEE WITH AT LEAST 60 DAYS NOTICE OF THEIR INTENT TO SELL OR CONVEY SAID INTEREST AND WITHIN THAT TIME PERIOD THE GRANTEE SHALL MAKE A DETERMINATION AS TO WHETHER OR NOT IT WILL PURCHASE SAID INTEREST AND SHALL SO ADVISE THE GRANTORS WITHIN SUCH PERIOD.

XII. THE GRANTORS AGREE THAT THE TERMS, CONDITIONS, RESTRICTIONS AND PURPOSES OF THIS DEVELOPMENT EASEMENT WILL BE INSERTED, OR INCORPORATED BY REFERENCE, BY THEM IN ANY SUBSEQUENT DEED, OR OTHER LEGAL INSTRUMENT, BY WHICH GRANTORS DEVEST THEMSELVES IN WHOLE OR IN PART OF EITHER THE FEE SIMPLE TITLE OR OF THEIR POSSESSORY INTEREST IN THE SUBJECT PROPERTY.

XIII.

THE TERMS, CONDITIONS, RESTRICTIONS, AND PURPOSES IMPOSED AS AFORESAID SHALL BE BINDING UPON THE GRANTORS, THEIR AGENTS, PERSONAL REPRESENTATIVES, HEIRS, AND ASSIGNS, AND ALL OTHER SUCCESSORS TO THEM IN INTEREST AND SHALL CONTINUE AS A SERVITUDE RUNNING IN PERPETUITY WITH THE ABOVE DESCRIBED PROPERTY, EXCEPT THAT SUCH TERMS, CONDITIONS, AND RESTRICTIONS SHALL NOT BE BINDING FOR SAID PROPERTY, OR A PARTICULAR PART THEREOF, IF THE GRANTEE, OR ITS SUCCESSORS OR ASSIGNS, GRANTS AND CONVEYS THE DEVELOPMENT EASEMENT FOR SAID PROPERTY, OR A PARTICULAR PART THEREOF, TO THE GRANTORS, THEIR HEIRS, SUCCESSORS, OR ASSIGNS.

Farmland Preservation Demonstration ProjectProject Area (4 townships)

Total Acres	41,500
Taxpayers with 3b Farmland	530
Parcels of 3a and 3b Farmland	570

Participation in ProjectOriginal Offers by Owners

Total Acres	18,616
Owners (individuals, partnerships, corporations)	119
Farm Units (groupings of parcels)	140

Revised Participation Offers which were Appraised

<u>Entire Project (3 twps.)</u>		<u>Lumberton</u>	<u>Pemberton</u>	<u>Southampton</u>
Acres	4,574	1,665.93	1,221.39	1,687.46
Number of Owners	33	12	11	10
Average Value of Easements as Appraised	\$ 1,964	\$2,324	\$1,797	\$1,770
Total Value of Easements as Appraised	\$8,984,496	\$3,883,620	\$2,217,576	\$2,883,300

SOUTHAMPTON TOWNSHIP

Landowner	# of Acres	Landowner's Bid		Appraisal		Acceptances As Of Jan. 31, 1978	Cost
		Easement Cost Per Acre	Cost	Easement Cost Per Acre	Cost		
S-1	20	\$4,800.	\$ 96,000.	\$2,042.	\$ 40,840.	20	\$ 40,840.
S-2	195.31	\$2,000.	\$ 390,620.	\$1,825.	\$ 356,441.	195.31	\$ 390,620.
S-3	106	\$2,000.	\$ 212,000.	\$1,600.	\$ 169,600.	106	\$ 169,600.
S-4	151.36	\$3,000.	\$ 454,080.	\$1,800.	\$ 272,448.	129.15	\$ 232,470.
S-5	123.9	\$4,800.	\$ 594,720.	\$1,705.	\$ 211,250.	112	\$ 190,960.
*S-6	75.5	\$3,900.	\$ 294,450.	\$1,690.	\$ 127,595.		
*S-7	104.274	\$3,900.	\$ 406,668.	\$1,690.	\$ 176,223.		
S-8	139	\$3,300.	\$ 458,700.	\$1,750.	\$ 243,250.	139	\$ 243,250.
S-9	802	\$2,100.	\$ 1,684,200.	\$1,700.	\$ 1,363,400.	802	\$ 1,363,400.
S-10	184	\$8,000,	\$ 1,472,000.	\$2,200.	\$ 404,800.	184	\$ 404,800.
Totals 1,901		\$3,190. Per Acre	\$ 6,063,438.	\$1,770. Per Acre	\$ 3,365,847.	1,687.46	\$ 2,883,300.

*Refused State's offer.

PEMBERTON TOWNSHIP

Landowner	Landowner's Bid			Appraisal			Acceptances As Of Jan. 31, 1978	Cost
	# of Acres	Easement Cost	Cost	Easement Cost	Per Acre	Cost		
		Per Acre						
*P-1	152.17	\$2,000.	\$ 304,340.	\$1,420.	\$	216,081.	152.17	\$ 216,081.
*P-2	115.15	\$3,200.	\$ 368,480.	\$1,900.	\$	218,785.	115.15	\$ 218,785.
*P-3	160.35	\$2,800.	\$ 448,980.	\$1,580.	\$	253,353.	160.35	\$ 253,353.
*P-4	124.35	\$3,600.	\$ 447,660.	\$2,500.	\$	310,875.	124.35	\$ 310,875.
P-5	75.22	\$2,150.	\$ 161,723.	\$1,575.	\$	118,472.	75.22	\$ 118,472.
P-6	91.3	\$2,370.	\$ 216,381.	\$1,370.	\$	125,081.	91.3	\$ 125,081.
P-7	398.20	\$2,700.	\$1,075,140.	\$1,610.	\$	641,102.	398.20	\$ 641,102.
P-8	5.094	\$2,000.	\$ 10,188.	\$ 950.	\$	4,839.	5.094	\$ 4,839.
P-9	99.56	\$2,005.	\$ 199,617.	\$2,300.	\$	228,988.	99.56	\$ 228,988.
*P-10	21.37	\$3,000.	\$ 64,110.	\$1,694.	\$	36,201.		
*P-11	54.98	\$4,600.	\$ 252,908.	\$2,450.	\$	134,701.		
Totals	1,298	\$2,679. Per Acre	\$3,476,987.	\$1,797.	\$	2,123,900.	1,221.394	\$ 2,217,576.

* Conditional acceptance based on State's willingness to accept Farmland Assessment values.

** Refused State's offer.

LUMBERTON TOWNSHIP

Landowner	# of Acres	Landowner's Bid		Appraisal		Acceptances As Of Jan. 31, 1978	Cost
		Easement Cost Per Acre	Cost	Easement Cost Per Acre	Cost		
L-1	65	\$2,800.	\$ 182,000.	\$1,490.	\$ 96,850.	65	\$ 96,850.
L-2	146	\$2,800.	\$ 408,800.	\$2,500.	\$ 365,000.	146	\$ 365,000.
L-3	79.85	\$2,050.	\$ 163,693.	\$1,400.	\$ 111,790.	79.85	\$ 111,790.
L-4	91.7	\$2,675.	\$ 245,298.	\$2,400.	\$ 220,080.	91.7	\$ 220,080.
L-5	97.6	\$2,675.	\$ 261,080.	\$2,200.	\$ 214,720.	97.6	\$ 214,720.
L-6	370	\$2,864.	\$1,059,680.	\$2,585.	\$ 956,450.	370.	\$ 956,450.
L-7	70	\$3,200.	\$ 224,000.	\$2,467.	\$ 172,690.	65	\$ 160,355.
L-8	117	\$3,000.	\$ 351,000.	\$2,775.	\$ 324,675.	109	\$ 302,475.
L-9	101	\$3,500.	\$ 353,500.	\$2,500.	\$ 252,500.	194.78	\$ 486,950.
L-10	132	\$2,700.	\$ 356,400.	\$2,350.	\$ 310,200.	120	\$ 282,000.
L-11	217	\$2,020.	\$ 438,340.	\$2,000.	\$ 434,000.	217	\$ 434,000.
L-12	110	\$2,100.	\$ 231,000.	\$2,300.	\$ 253,000.	110	\$ 253,000.
Totals	1,597.15	\$2,677. Per Acre	\$4,274,791.	\$2,324.	\$3,711,955.	1,665.93	\$3,883,620.



STATE OF NEW JERSEY
FARMLAND PRESERVATION DEMONSTRATION PROJECT

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Daniel J. O'Hern, Commissioner

DEPARTMENT OF AGRICULTURE
PHILLIP ALAMPI, SECRETARY

TO: The Farmland Preservation Legislative Oversight Committee

FROM: Phillip Alampi, Secretary of Agriculture *P. A.*
Daniel J. O'Hern, Commissioner of Environmental Protection *[Signature]*

DATE: May 18, 1978

SUBJECT: Recommended Course of Action, Farmland Preservation

The Farmland Preservation project, which was authorized by P.L. 1976, C. 50, requires that our two departments investigate the use of development easements for the purposes of preserving prime farmland, and to report to you from time to time concerning the results of our research. We are now at an important stage in the program, and wish to brief you on our views.

As in any experimental or demonstration project, the results have confirmed our preliminary projections in some cases and shown a need for further refinement in others. There are persuasive reasons for proceeding to the final stages of the project and the purchase of easements. However, there are other questions which this unique and innovative research has raised and there are other potentials that may play an important role in a viable preservation plan.

Therefore, we have concluded and recommend to the Governor and to the Legislature that the actual purchase of easements not be made at this time. Instead, we strongly recommend that legislation be approved to extend the life of this project for 12 months. Our reasons for seeking the extension are as follows:

1. There is a reasonable likelihood that federal funding on a 75% - 25% matching basis will become available. This would allow us to expand the project acquisitions on a four-fold basis. The House of Representatives is now giving active consideration to this Bill -- HR-111222 -- which may give us an additional \$15 million for farmland preservation.
2. Our present research indicates that the use of easement purchases will need to be supplemented

with other land preservation techniques. We need this additional time to see what combination of techniques can best be used with this easement purchase tool as a base. We are already looking at TDR and agricultural districting as possible options which need further investigation.

3. Suffolk County, New York, along with the states of Connecticut and Massachusetts are also working on similar such projects which, although tailored to their individual needs will undoubtedly give us additional information which would be useful here.
4. We have encountered practical difficulties which were entirely unforeseen previously. These are related to costs, procedures in implementation, and technical changes. We need additional time to seek sound answers to the important questions which confront us.
5. The pilot project has clearly demonstrated that agriculture faces serious economic challenges. Consideration must be given to planning for future agricultural viability. We recognize that without a profitable agriculture, any farmland preservation effort will not be successful.

The recommendation for an extension of the Farmland Preservation Project carries with it a request that adequate funding be provided to cover staff and further research costs for the period. We estimate that no more than \$75,000 will be needed for this 12 month extension.

We fully recognize that by extending the present project, we are not to assume the automatic approval for the purchase of these or any easements at the end of the extension. A separate and comprehensive review will be made by both departments. A full report to this Committee will be made prior to any such purchases.

Farmland Preservation is a difficult and complex problem which demands our best efforts. If we are wise, we will continue to explore any tool or technique which will permit us to retain agriculture in New Jersey. If we are prudent, we will seek to use those tools which offer the greatest promise of acceptability, both to the farmer and the taxpayer.

PROPOSED RULES AND REGULATIONS

ENVIRONMENTAL PROTECTION

THE COMMISSIONER

AGRICULTURE

THE SECRETARY OF THE
STATE BOARD OF AGRICULTURE

Joint Proposal Concerning Farmland
Preservation Demonstration Project

The Departments of Environmental Protection and Agriculture, pursuant to authority of N.J.S.A. 4:1B-1 et seq., jointly adopt rules and regulations concerning the farmland demonstration project.

The rules, known within the Department of Environmental Protection as Docket No. DEP 022-76-10, will be cited as both N.J.A.C. 7:1D-1.1 et seq. and 2:85-1.1 et seq.

Full text of the rules, using only the Department of Environmental Protection's citations, but also intended to include the Department of Agriculture's citations (that is, N.J.A.C. 2:85-1.1 et seq.), follows:

CHAPTER 1D. FARMLAND PRESERVATION DEMONSTRATION PROJECT

SUBCHAPTER 1. GENERAL PROVISIONS

7:1D-1.1 Purpose

These rules and regulations are to implement the Agricultural Preserve Demonstration Program Act, P.L. 1976, Chapter 50, N.J.S.A. 4:1B-1 to 4:1B-15 (hereafter referred to as the Act) to secure timely decisions by the Departments of Agriculture and Environmental

Protection for effective operation of a farmland preservation demonstration project as defined therein, to assure adequate public notice of procedures thereunder and to continue effective administration of the law.

7:1B-1.2 Definition; location

The location of the demonstration project is in the Townships of Medford, Lumberton, Southamptom and Pemberton, all in the County of Burlington. These four townships have been selected on the basis of investigations conducted by the Department of Agriculture, Division of Rural Resources, into probable easement costs and ability of agriculture to be sustained on an economic basis.

7:1D-1.3 Field office

The Department of Agriculture will maintain a field office within the project area or as near to it as possible, in order to conduct an information program for residents, farmland owners, and the citizens of the State and to transact the business of the project. The field office will also be available for public meetings and discussions on the concept of farmland preservation.

7:1D-1.4 Appraisals

The Departments of Agriculture and Environmental Protection shall use generally accepted standards for appraisals in accordance with provisions of the Act. The specific standards and procedures shall be contained in an appraisal manual, prepared by both Departments and available for public inspection.

7:1D-1.5 Type of land to be protected

The intent of the Act is to preserve prime farmland; therefore, no more than 35 percent in any single offer shall be on woodland, except in the case of cranberry bogs where the percentage of woodland included may be exceeded to the extent that the Department of Agriculture determines woodland as necessary for the cranberry production. No more than 20 percent of the total lands to be protected via purchase of development easements may be woodland. No offer which represents less than 80 percent of the total farm acreage of the particular parcel will be accepted.

7:1D-1.6 Restrictions on use

(a) Lands protected under the development easement process must be essentially prime farmland (that is, classes 1, 2, 3, and special areas used for cranberry and blueberry production); and such lands may not be developed except as provided for below. Such lands may not be used for any purpose other than activities common to agricultural production, which is defined as the production for commercial purpose of crops, horticultural products, livestock and livestock products. Such lands shall not be used for processing (except washing, cleaning and packaging of raw agricultural products produced on the land of that owner), or for the manufacture, assemblage, distribution or wholesale or retail merchandising of farmland related equipment and supplies. Retail merchandising of agricultural products conducted according to standards set forth herein, shall be permitted. The following exceptions from this limitation are allowed:

1. Such processing or retail merchandising activities which are generally a continuation of preexisting activities conducted in structures used for such activities at the time of conveyance. The owner is entitled to provide normal maintenance and repair of these structures or to replace all or part of such structures destroyed or damaged by fire, storm or other casualty. Retail merchandising can be conducted, and new facilities constructed for this purpose, provided:

a. All structures shall be in conformance with applicable state and local laws, codes, standards and ordinances;

b. No more than two acres of the land protected by any individual easement can be devoted to a retail merchandising facility;

c. No building erected for the purpose of selling farm produce shall be more than 4,000 square feet in floor area;

d. There shall be no impervious ground cover used for the parking area, and there shall be a minimum set-back of 30 feet from the highway right-of-way;

e. Construction of the building shall be of a material and of a design suitable for the purpose and in keeping with the character of the land;

f. Farm markets shall be open no more than 10 months per year and at least 60 percent of their total gross sales shall be of agricultural products grown in New Jersey.

Anyone seeking to construct a farm market under terms of this section shall provide the Administrator, Green Acres Program, Department of Environmental Protection, and the Director, Division of Rural Resources, Department of Agriculture, copies of plans of the proposed building at least 30 business days prior to the construction of such facility. Granting of a farm market permit shall be in accord with the provisions of Section 7:1D-1.8(2).

2. Owners of farmland covered by development easements may use, maintain, and improve the existing buildings and said lands for personal and family residential and recreation use subject to the following conditions:

i. No new residential units or buildings or recreation buildings or improvements to existing buildings for purpose 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 or such new residential unit or structures or converted residential unit or structures as will serve as a farm house or a household which will derive its primary source of income from agricultural production. Such exceptions are subject to the joint approval by the Administrator, Green Acres Program, Department of Environmental Protection, and the Director, Division of Rural Resources, Department of Agriculture;

ii. No part of said lands can be used or developed or existing buildings improved to provide commercial gain or profit from new uses other than agricultural production as defined in Section 6 of this Subchapter;

iii. The land and its buildings which are protected by the development easement process may be sold collectively or individually for continued agricultural production and related uses as defined in Section 6 of this Subchapter. However, no subdivision of the land shall be permitted without the joint approval of the Administrator, Green Acres Program, Department of Environmental Protection, and the Director, Division of Rural Resources, Department of Agriculture. Such approval is in addition to necessary local approvals;

iv. The owner of farmland may use such lands to derive income from the following recreational activities which utilize the land in its existing state, so long as such activities do not interfere with the actual use of the land for agricultural production: hunting, fishing, hiking, camping, nature studies, horseback riding, bicycling, swimming, boating and cross country skiing, or other activities approved by the Administrator of Green Acres acting on behalf of the Department of Environmental Protection.

7:1D-1.7 Notice

(a) The Administrator of the Green Acres Program, Department of Environmental Protection, shall notify any mortgage holder of intent to acquire 45 days prior to execution of any deed restriction.

(b) The Administrator of the Green Acres Program, Department of Environmental Protection, shall obtain a Title Report on the property and, where he deems it to be in the best interest of the program, a Policy of Title Insurance from a reputable title company authorized to do business in the State of New Jersey. He shall further obtain a survey of the property and releases of outstanding mortgages and other incumbrances affecting the property prior to the purchase of the Development Easement.

(c) The Administrator of the Green Acres Program, Department of Environmental Protection, shall provide appropriate county and municipal officials copies of maps which identify the lands on which development easements are purchased and copies of the development easement deeds.

(d) The Administrator of the Green Acres Program, Department of Environmental Protection, shall record the development easement deeds in the County Clerk's office or Registrar of Deeds office wherein the lands are located.

(e) Any applicant (or his agent) for a building permit to construct, expand or reconstruct any facility and any applicant (or his agent) for a major or minor subdivision on lands protected by a development easement shall provide notice of such application or request at least 20 days prior to the building permit application date to the Administrator of the Green Acres Program, Department of Environmental Protection, Post Office Box 1390, Trenton, New Jersey 08625.

7:1D-1.8 Restrictions and conditions

(1) The Administrator of the Green Acres Program, Department of Environmental Protection, shall enter all restrictions and conditions relative to the transfer of development easements into the development easement deed. Violation of any restriction or condition of the development easement deed is subject to sanction as prescribed in Section 9 of this Subchapter.

(2) Any farmland owner whose property is protected by development easements may seek approval to construct, reconstruct, modify or otherwise change a facility in order to enhance agricultural

production, except that no permit is required if the proposed modification adds no additional floor space nor changes the use of the existing facility.

Landowners must submit proposals, along with supporting information, engineering drawings and other supporting information, as necessary, to the Administrator, Green Acres Program, Department of Environmental Protection, and Director, Division of Rural Resources, Department of Agriculture, prior to the construction, reconstruction, modification or change in use of any facility.

The Director and Administrator shall notify the applicant of the receipt of materials, and shall indicate if the application is lacking in information; is totally deficient; or adequate. The applicant shall have 20 business days to provide any required additional information.

The Director and Administrator shall notify the applicant when the application is complete. They shall have 30 business days to consider the application and notify the applicant of their decision. If the application is denied, the reasons shall be set forth and provided to the applicant. Any party affected by the decision may appeal in accordance with administrative and judicial procedure established by law.

It is the intent of the program to facilitate the continuation of productive agriculture while maintaining open space. Modest changes in land use and coverage, which permit the continuation of agriculture as a viable economic entity will be permitted as long as the fundamental rule of open space preservation is not violated. Examples of permitted uses would generally include, but not be limited to, the following:

Additions to, and modifications of, existing dairy barns

Construction of additional dairy barns

Construction and maintenance of a small retail jug milk operation

Construction of additional machine sheds

Facilities necessary to change from one form of agriculture to another, as, for example, a change from a grain operation to a dairy operation; changes from dairy to beef; changes from dairy to grain or truck farms, and so forth.

Construction of new silos, grain storage facilities for on-farm consumption, and similar facilities designed to facilitate farm operation, and in keeping with the character of the area.

It is the intent of the program to preserve open space agricultural production. Applications for more intense uses not in keeping with the open space requirements of the project will be denied.

Examples of prohibited uses would be:

Construction of a large commercial dairy plant

Construction of a high-rise integrated poultry house, or any similar facility which was of an enclosed, totally-environmentally controlled nature

Slaughter houses, packing plants, processing facilities of an industrial nature

7:1D-1.9 Enforcement

(a) In the event the owners, their agents, servants or employees violate any of the covenants and restrictions set forth in the development easement deed, then and in that event, the Department of Environmental Protection, or any citizen of the State of New Jersey, acting by and through the Department of Environmental Protection, may immediately seek all remedies available to it under the law, including but not limited to injunctive relief, rescission of contract, breach of contract, and damages.

(b) Duly authorized agents of the Departments of Agriculture and Environmental Protection may enter onto any farmlands covered by a development easement, after proper notice, in order to inspect such farmlands and structures related thereto, to assure compliance with the covenants and restrictions contained in the said development easement.

7:1D-1.10 Taxation

The Administrator of the Green Acres Program, Department of Environmental Protection, shall advise the local tax assessor of the sale of development easements to the State. Assessment of lands on which the development easements have been purchased are subject to the appropriate provisions of N.J.S.A. 54:4-1 et seq.

NEW JERSEY DEPARTMENT OF AGRICULTURE
INTER-OFFICE MEMO

TO Commissioner Bardin

DATE December 22, 1976
FROM Thomas J. Hall *TJH*
SUBJECT Changes in the Rules
and Regulations

As requested, we have reviewed the Hearing Record, correspondence, and other suggestions conveyed to us for modifications in the Rules and Regulations. We have, in this memorandum, set forth all proposed changes, as well as the disposition of those proposals.

Attached to this memorandum is a copy of the original Rules and Regulations as published in the November 4, 1976 New Jersey Register, along with the modifications we propose to adopt.

I. Changes Proposed at the Public Hearing

1. Changes proposed by Arthur West, New Jersey Farm Bureau

<u>Proposals</u>	<u>Disposition</u>
a. Language in the Rules and Regulations relative to the "right to farm"	Farm Bureau will be offering legislation relative to the "right to farm"; no amendment to the Rules and Regulations is needed.
b. Suggested amendments: Additional mention of the Division of Rural Resources of the Department of Agriculture along with the Department of Environmental Protection, Green Acres Administrator:	
7:1D - 1.1, Purpose	No changes necessary; NJDA identified properly.
7:1D - 1.4, Appraisals	No changes necessary; NJDA identified properly.
7:1D - 1.6, Restrictions on Use (generally)	No changes necessary: NJDA identified properly.
7:1D - 1.6 (marketing)	Re-written; new Section 1.6 (a) 1.
7:1D - 1.8 Restrictions and Conditions	Re-written; new Section 7:1D - 1.8(2).

Proposals

Disposition

7:1D - 1.9(a)
Enforcement (In...)

NJDEP is identified in the Statute as having exclusive enforcement responsibility.

7:1D - 1.9(b) (Duly ...)

No change necessary; NJDA properly identified.

7:1D - 1.10
Taxation

The Administrator of the Green Acres Program is properly responsible for all bookkeeping responsibilities. No change necessary.

c. Major Modifications of the Retail Marketing Provisions of the Act

Substantial re-write of Paragraph 7:1D - 1.6.

d. Use of the Farmland Assessment methodology for the appraisal process

Not adopted; purposes of farmland assessment and specific appraisal for development easements are different; sole use of methodology of general tax assessment not appropriate for specific parcel appraisal.

e. Enhancement of ability of farm operators to modify their operations as need arises

Substantial re-write of Section 7:1D - 8 - 1.8 to permit review of proposed modifications of farm procedures.

2. Proposals offered by Mr. Brower, Monmouth County

1. Creation of a State-sponsored program to let young people buy farmland

Not adopted; inappropriate for this project.

2. Resolution of which agency ultimately makes decisions in joint NJDA/NJDEP project.

Question not resolvable at staff level; no changes made in Rules and Regulations.

3. Suggestions offered by Lester Jones

Changes in farm operation, necessity for permitting modifications in both retail and farm production and operations within easement zone. Desirable to keep land within easement restrictions.

Re-writing of Section 7:1D - 1.6 to permit retail marketing; re-writing of 7:1D - 1.8 to clarify permit procedure.

Proposal

Disposition

II. Changes Suggested by Correspondence

1. Letter from John H. McDermitt,
Vice-President, New Jersey
Counsel, Commonwealth Land
Title Insurance Company
 - a. Definition of Prime
Farmland Not necessary; covered
adequately in C.50, P.L. 1976.
 - b. Suggest lowering wood-
land percentage to 20
per cent in any single
offer. Not compatible with existing
farm settings with woodland
part of normal agricultural
operations. No change
necessary.
 - c. Paragraph 7:1D - 1.6(a) - No change necessary; language
suggested re-definition
excluding residential
manufacturing and other
businesses. adequately clear as written.
 - d. Request to change
7:1D - 1.7 (Notice)
to provide 45 days
rather than 20 days
notice to title
holder. Recommendation accepted.
 - e. Recommendation that
title insurance be
required. 7:1D - 1.7(b) re-written to
conform with the suggestion
when deemed necessary.
 - f. Development easement
deed recording
should include State
grid system requirement. Possible administrative decision
to be reached later; not
necessary to change rules and
regulations.
 - g. Language be clarified
to make clear that
the Project is not
acquiring fee simple
title. Does not appear to be
necessary; language appears
to be sufficiently clear.
2. Letter received from Municipal
Receivers, Tax Collectors and
Treasurer's Association of
New Jersey. Suggestions were
of a policy nature, dealing
with deferred payment of
improvement assessments,
e.g., streets, curbs, side-
walks, water mains and sewers. Not appropriate to deal
with in Rules and
Regulations; communication
reflects a misunderstanding
of the entire project.

Proposal

Disposition

3. Letter received from John R. Weigel, Executive Director, New Jersey Land Title Association.

a. Paragraph 7:1D - 1.6 (2 iii) relative to subdivision regulations, should be clarified to indicate no supersedure of local subdivision regulation.

Rules have been re-written to indicate State approval is in addition to necessary local approvals.

b. Recommendation that the title insurance be purchased, and that all defects, liens, or encumbrances be clarified.

A re-write of 7:1D - 1.7(b) to accommodate this recommendation.

c. Suggestion that subordinate mortgages be permitted.

No change in Rules and Regulations necessary to effect this.

III. Changes made in Response to Other Communications

- | | |
|---|---|
| 1. Change in Adopting Authority <u>from</u> the Division of Rural Resources <u>to</u> the Secretary of The State Board of Agriculture. | Accepted; in conformance with legal requirements. |
| 2. 7:1D - 1.3 Field Office
Change from "will open" to "will maintain" office. | Accepted; in conformance with reality. |
| 3. 7:1D - 1.5 Correction of typographical error; <u>cranberry</u> bog. | Accepted. |
| 4. 7:1D - 1.6 Correction of typographical error, "horticulture livestock" to horticultural products, livestock and livestock products. | Accepted. |
| 5. Addition of language "of that owner" in Paragraph 7:1D - 1.6(a) to insure that no processing of any farm produce other than material produced on that farm would be permitted. | Amendment accepted |

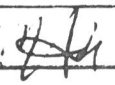
Proposal

Disposition

- | | |
|---|---------------------|
| 6. 7:1D - 1.6 ii
New language to
restrict housing
for agricultural
labors to the subject
farm. | Amendment accepted. |
| 7. 7:1D - 1.7(e) Notice -
At least 20 days prior
to the building permit
application, clarifying
language. | Amendment accepted. |
| 8. Numerous small typographical
errors were corrected; and
similar grammatical changes
were effected. | |

TJH/scb

cc: Secretary Alampi
Assistant Commissioner Wilson
Assistant Secretary Kenny
Director Chumney
Administrator Hubert
Coordinator Van Zandt

NEW JERSEY DEPARTMENT OF AGRICULTURE
INTER - OFFICE MEMOTO DistributionDATE April 20, 1977
FROM Thomas J. Hall 
SUBJECT The Appraisal Process

This memorandum reviews, in substantial detail, the appraisal procedures which have been followed to date, and sets forth the anticipated appraisal process for the remainder of the program. This memorandum recognizes the great importance of the appraisal portion of the Farmland Preservation Demonstration Project, in terms of justice and equity of all parties, and in recognition of the importance of a completely fair and honest process from the standpoint of public acceptance.

There was recognition of the importance of the appraisal process from the very beginning of the program, and great care has been taken to assure that the procedures have been as clear as possible from the start. The initial work done on the appraisal process included contacts with personnel from the United States Department of Agriculture, Forest Service, who had had substantial experience with appraising of partial interests. Mr. Don Howell, ARA, Chief Review Appraiser for the USFS, participated in the initial formation of ideas for the project, and furnished us with a draft appraisal manual which has served to shape much of our thinking to date.

In addition, we discussed the appraisal process with Mr. Friend Jenkins, Vice-President and Chief Appraiser for the Springfield Bank of Cooperatives. Project personnel spent considerable time reviewing initial concepts and procedures with this important source of farm credit. Additionally, in August, 1976, we formed an Appraisal Subcommittee of the Steering Committee, which consisted of Jay Fairchild, Manager of FLBA in Bridgeton; John Pew, then Vice-President of the Burlington County Board of Agriculture; Bernard Cedar, Director, Burlington County Planning Board and Chairman of the Steering Committee; Harlen Greenberg, from the Lumberton Township Planning Board, with the participation of John Van Zandt and myself. This Appraisal Subcommittee met several times from August through October, 1976.

A major element of concern was the potential impact of the Preservation Program on the state-wide values under the Farmland Assessment Act. This matter has been discussed extensively with several interested parties; and with the participation of Cook College, Rutgers University, steps have been taken to ensure that farmland values under the Preservation Program are cognizant of the values under the Farmland Assessment Act. Rutgers University has agreed to provide us with a Cost-of-Production study on a series of farms in the project area,

which will assist us in setting agricultural values. In addition, a decision was made to prepare books of farmland values to be used by appraisers, which will reflect the economics of agricultural production, and will include data on soil conditions, yields, prices, and other data relevant to the economic approach to farm value. While this process may still yield values which are at variance with the Farmland Assessment data, the approach used for the project will reflect current agricultural costs and values.

While procedures are of great importance, it is clear that without the highest quality of personnel, the program will falter. It became obvious early in our discussions that the existing appraisal staff at the Department of Environmental Protection was over-burdened with their normal appraisal operations and would be unable to take on the additional work necessary to properly supervise the appraisal process for the Farmland Project. In the fall of 1976, we decided that we should seek two kinds of assistance for appraisal work. First, we would hire a highly qualified independent consultant, who would supervise the entire appraisal process for the two Departments, and review all independent appraisals which would be done for the program. Secondly, we would prepare a list of highly qualified independent fee appraisers to do the actual appraising of farmland under this program. Since the law required two separate appraisals for each parcel, we recognized that the review appraiser and the independent fee appraisers would have to be highly attuned to the common problems which would be faced in this project.

The national offices of the major appraisal organizations were contacted, and their advice was sought for the personnel specifications for this program. In addition, contact was made with several state chapters of these national organizations, and the program was discussed with them in broad outline. The national rosters of the major appraisal organizations were obtained, and an initial request for proposals (R.F.P.) for participation for fee appraisers and a consultant appraiser were prepared and mailed out to more than 500 appraisers within and outside of the State of New Jersey. A copy of those R.F.P.'s is attached.

The initial mailing yielded 35 responses, which were screened by Vince Bogdan, John Van Zandt and myself. An initial list was drawn up, and reviewed by Assistant Commissioner Wilson, Curt J. Hubert, and the Right-Of-Way staff of the Department of Transportation, including Director James V. Hyde.

The list of fee appraisers, as agreed on to date, is attached. It is assumed that there may be future changes in that list, as new information is developed.

With respect to selecting the appraisal consultant, the process was conducted in the following manner. First, the initial responses to the R.F.P. were screened, and the four highest quality proposals were selected by Vince Bogdan, John Van Zandt and myself. These four proposals were presented to Assistant Commissioner Wilson, and Curt Hubert, and interviews were scheduled with the four firms.

The interview team (or Appraisal Review Committee) consisted of Assistant Commissioner Wilson, John Van Zandt, Vince Bogdan, Curt Hubert, William Sweeney of the Purchase Bureau, Department of Treasury, and myself. The interviews were held on February 15 and 16, 1977. At the close of the interviews, it was decided to prepare a new R.F.P. based on the information which we had gained during the interview process.

The final R.F.P., which was developed jointly with the Purchase Bureau and project staff, was sent to every member of the Appraisal Review Committee and is not part of this memorandum, and is available on file at the Lumberton field office. In addition to the R.F.P., Purchase Bureau staff and project staff prepared a checklist for the evaluation of each of the proposals received as part of the R.F.P. process. A copy of this checklist is attached.

After discussion with the Department of Transportation, it was decided to expand the mailing of the R.F.P. to nine individuals (list attached). Responses were received from four firms, and qualified proposals were received from three.

An evaluation session was scheduled, with the original Appraisal Review Committee, along with James Hyde, Director of the Division of Right-Of-Way of the Department of Transportation.

The Appraisal Review Committee met on March 29, 1977 and the proposals were reviewed on a point basis. After extensive discussion, the unanimous opinion of the group was that North-East Appraisals should be selected as the consultants to the Departments of Agriculture and Environmental Protection for this project. A contract has been prepared and will be submitted to North-East as soon as all clearances are obtained.

With respect to the future, we expect that the appraisal process will work as follows:

North-East Appraisals, Incorporated will be extensively briefed on the procedures to date, and will, with the participation of the two Departments, select seven sites for the initial test appraisals. The various appraisal methodologies will be selected, and independent fee appraisers will be hired by the Department of Environmental Protection,

with the advice and participation of North-East to perform a variety of different appraisals on these seven farms. Following these test appraisals, appropriate methodologies and an appraisal handbook will be developed for use by all appraisers who may be hired for this project.

In addition to the appraisal handbook, two other handbooks will be prepared by North-East. The first will be a book of farm values, reflecting the economic approach to farmland values, and incorporating data provided by Rutgers University on the Cost-Of-Production, soils, yields, and prices. It may be necessary, and is part of North-East's contract, to provide comparable sales data on sales of land for strictly farm purposes. The second element will be the preparation of a book of market values, which will reflect the current market conditions for farmland for non-farm uses in the four townships of Burlington County.

The work which has been described thus far -- the test appraisals, preparation of an appraisal handbook, preparation of books of farm value and market value - are Phase I of the appraisal process, and is covered by the first portion of North-East's contract. Unless North-East fails to perform the work described in the contract to the satisfaction of members of the Appraisal Review Committee, we expect that they will complete all work necessary for Phase I without any additional reference to the viability of the project. That is, Phase I is to be completed as soon as possible, and the decision of the Departments of Agriculture and Environmental Protection, or of the Legislative Oversight Committee, with respect to the overall project has no bearing on this effort.

The decision to continue the project, which will be made after the return of offer forms in June, 1977, will affect the award of Phase II of the contract. A decision of the Departments of Agriculture and Environmental Protection, with the advice of the Joint Legislative Oversight Committee, to approve the continuation of the project will mean that individual parcels will be appraised, and that North-East will review the appraisals and certify their accuracy. If the decision is made to scrap the project, there will be no additional appraisal work.

Phase II is expected to work as follows:

- . The project staff will evaluate each of the offers made by the farmland owners in the project area, and recommend which parcels seem to be appropriate for inclusion in the project. These recommendations will be made first to the management of the two Departments, and secondly, to the Steering Committee. Following the review of these groups, specific parcels will be selected for appraisal.

- . North-East, having reviewed the list of qualified appraisers, will assist in the selection of appraisers for specific assignments. Several possibilities are available: a bulk bid system, in which every appraiser on the list is given the opportunity to bid on all or part of the parcels selected for appraisal, and the contract being awarded to the low bidder; a set price per acre or per size parcel, with all appraisers given the opportunity to select assignments; a negotiated contract with firms for each parcel; or some other system. This needs to be decided, and a conference will be scheduled with North-East and with the management of the two Departments in the near future.
- . How ever the appraisers are selected, it is anticipated that two separate appraisals, made within a reasonably short interval, will be conducted on each parcel by separate fee appraisers. The review and evaluation of the fee appraisals will be made by North-East, which will certify a value which the State will use to negotiate a contract with the landowner.
- . North-East, along with the review process, will prepare a final document which details what was done, by whom, and why. This document will be used in the legislative and departmental review processes, prior to the decision to commit money to purchase agricultural easements.

With respect to the payment of fees for the appraising firms, all contracts and payments will be handled by the Department of Environmental Protection under its normal Green Acres payment procedures. There will be no need to transfer any funds from the Department of Environmental Protection to the Department of Agriculture, and all administration of the contractual elements will be handled by the Department of Environmental Protection.

Attachments
Distribution

DEP
Assistant Commissioner Wilson
Curt Hubert
Vince Bogdan
Bob Solan

NJDA
R.D. Chumney
J.P. Van Zandt

DOT
J.V. Hyde

Treasury
William Sweeney

Program Review Memorandum

The Farmland Preservation Demonstration Project

Prepared for:

The Honorable Phillip Alampi
Secretary
Department of Agriculture
State of New Jersey

The Honorable Rocco D. Ricci
Commissioner
Department of Environmental Protection
State of New Jersey

Prepared by:

The Division of Rural Resources
New Jersey Department of Agriculture

Richard D. Chumney, Director

October 7, 1977

EXECUTIVE SUMMARY

1. The Farmland Preservation Demonstration Program has reached a major milestone and is ready for evaluation and approval by Secretary Alampi and Commissioner Ricci. With 18,610 acres of land having been offered to the State, it is now necessary to select those parcels for appraisal which offer the greatest promise for farmland retention.
2. Prior to the appraisal process, it is necessary to review both the project and the underlying concept to evaluate the wisdom of continuing the program. Views of proponents and opponents of the program have been solicited, and are set forth in some detail.
3. On balance, it appears that the public interest would be served by a vigorous program of farmland preservation, which would include active negotiation with farmland owners for their development rights.
4. All major parcel offerings, whose contiguity to other offered parcels result in suitably sized areas for agricultural use have been reviewed. The following sites as outlined in Appendix B are recommended for full appraisal between now and December 31, 1977:

<u>Site</u>	<u>Township</u>	<u>Acres</u>	<u>Total Offered Price</u>
1	Lumberton	1,465	\$4.1 Million
6	Southampton	1,950	\$6.5 Million
7	Pemberton	1,195	\$3.4 Million

This recommendation is made after consultation with and the approval of the Steering Committee.

5. The recommendation for continuation of the project and the appraisal of specific offerings recognizes that more acres will be appraised than can be included under present funding. However, offering prices could be twice what the appraised price might be, and therefore, a program of appraisal and negotiation is necessary in order to determine final costs and acreage acquisition figures.
6. A program of action, including selection of appraisers, designation of negotiation responsibility, and notification of owners of farmland as to the decision regarding their land is set forth. Approval of the continuation of the program and authorization of full appraisals as recommended is requested.

This memorandum will concern itself with three major questions. First, should the Farmland Preservation Program go forward at all, or should it be terminated at this point? Second, if the Program should go forward, which areas should be selected for inclusion in the farmland preserves? Third, in the event we decide to go forward, what are the administrative responsibilities which we face?

I: Should the program be continued?

A. The following arguments, some of which are applicable to the project and some of which deal with the larger issue, have been put forth in favor of going forward with the Farmland Preservation Program:

(1) Farmland preservation is needed now.

According to many of the county planning officials, particularly in South Jersey, we are about to enter another large spurt of residential construction, especially in the areas alongside of our urban centers. This would mean that we would soon lose much of the land in the urban fringe in Burlington, Camden and Gloucester Counties. The use of farmland preservation monies, in the Burlington County project, will signal a clear determination on the part of the State to acquire easements on land which would otherwise be lost to urban development.

(2) Easement purchase is necessary.

During the past two decades, we have experimented with a variety of land use controls and incentives, such as the Farmland Assessment Act and agricultural zoning in order to retain farmland. None of them have successfully stopped the loss of farmland. It appears that in the urban areas particularly, only the purchase of the development easement will retain farmland for permanent open space purposes.

(3) Legislators have asked for partial takings through the Green Acres process.

Since the first Green Acres Act, legislators have inserted language in subsequent bond issues which would require the State to consider less than fee simple purchase for open space acquisition. Until the Farmland Preservation Program was established, there had been no program under the Green Acres process where this had been done.

(4) In terms of program specifics, we need to complete the program in order to learn all we can about the process of voluntary purchase of easements.

The program has run very well to this point, yielding valuable data on farm and market values, and providing

key information concerning farmland owner reaction and expectation with regard to a state purchase program. This answers only half the questions, however, and we need to know how the owners will respond in a negotiation situation, without eminent domain powers, with the appraisal process we have developed.

A key element - perhaps the key element - will be whether or not farmland owners will accept a more realistic valuation of their properties, rather than their inflated estimates. The only way this can be determined is to actually appraise these lands, and actually conduct negotiations with farmland owners.

B. Arguments which have been put forth against the Farmland Preservation Program (both the project and the underlying concept) include the following:

- (1) New Jersey will not need a farmland preservation program.

Recent reports on the part of the Department of Labor and Industry indicate that the New Jersey population growth has stabilized, and in fact declined. It is most unlikely that there will be a further outward expansion of growth into farmland in New Jersey, since there will be no more population growth. In the event that there were population growth, other land use controls, such as an urban-oriented public investment policy could deflect all but a tiny portion of that growth away from farmland anyway. In any case, most of New Jersey's metropolitan fringe lands are in the hands of developers already.

- (2) Unless farming is profitable, expenditure of Farmland Preservation dollars is a waste of money.

A Farmland Preservation project, based on an easement purchase program, which does not do anything about the overall competitive position of farmers in New Jersey is a sheer waste of money. If farming cannot be profitable in New Jersey because of underlying environmental and labor restrictions, the Farmland Preservation Program would amount to a very expensive temporary retention of farmland under an artificial basis.

- (3) Farmland Preservation, through easement purchases, is an unconscionable subsidy of the rich at the expense of the poor.

One of the major concerns which New Jerseyans ought to have is the provision of low and moderate income housing for its less affluent citizens. A Farmland Preservation Program amounts to State sanctioned

exclusionary zoning. Not only that, the likelihood is great that ultimately most of the agricultural preserves will be converted into estates for the rich, since they will be able to outbid farmers for the agricultural land.

In addition, grave questions must be raised about the social welfare of spending hard-earned tax dollars to subsidize relatively affluent people. At least half of the State's farmland is currently owned by speculators, and any program of State purchase would surely see these speculators receiving a good deal of that money. In addition, many of the remaining farmers are relatively affluent, since the competitive process has squeezed out most of the marginal farmland owners at present.

- (4) The Farmland Preservation Project will actually accelerate development, rather than retard it.

Since approximately half of the State's farmland is owned by developers at present, what will happen in the experimental project will be the purchase, by the State, of land from developers. These developers will, in turn, use the cash to take other farmland holdings which they have and convert them into development units. Alternatively, if the State does not buy land holdings from developers, but from genuine farmers, a developer would be assured of having permanent open space in an area, and would acquire the land around it for development, thereby hastening the developmental process in that community.

- (5) The Farmland Preservation Program will result in the destruction of the Farmland Assessment Act.

If the Farmland Preservation Program reports appraised values for farmland purposes which are high enough to make the purchase program fiscally sound, it will mean that these values will be sharply at variance with those of the Farmland Assessment Act. The test appraisals indicate that farm value is at least double that of the assessed values. Since these appraisals and cash payments to farmland owners will be public information, it will be a matter of only a short time before this discrepancy is pointed out, and the Farmland Assessment Act is subjected to a crippling attack. This would result in the loss of more farmland than would be the case of having no farmland preservation effort at all.

- (6) The Pilot project will fail, causing grave embarrassment to the sponsoring authorities.

If the initial appraisals are correct, farmland owners have substantially overstated their fair market value, and understated their farm value. In many cases, the State's offer, based on appraisals, would amount to half of the farmland owner's offer. It is most unlikely that the owner would agree to such a reduction, and therefore, will reject the offer. This will mean that the entire concept is fallacious, and the program will cause substantial embarrassment to both departments.

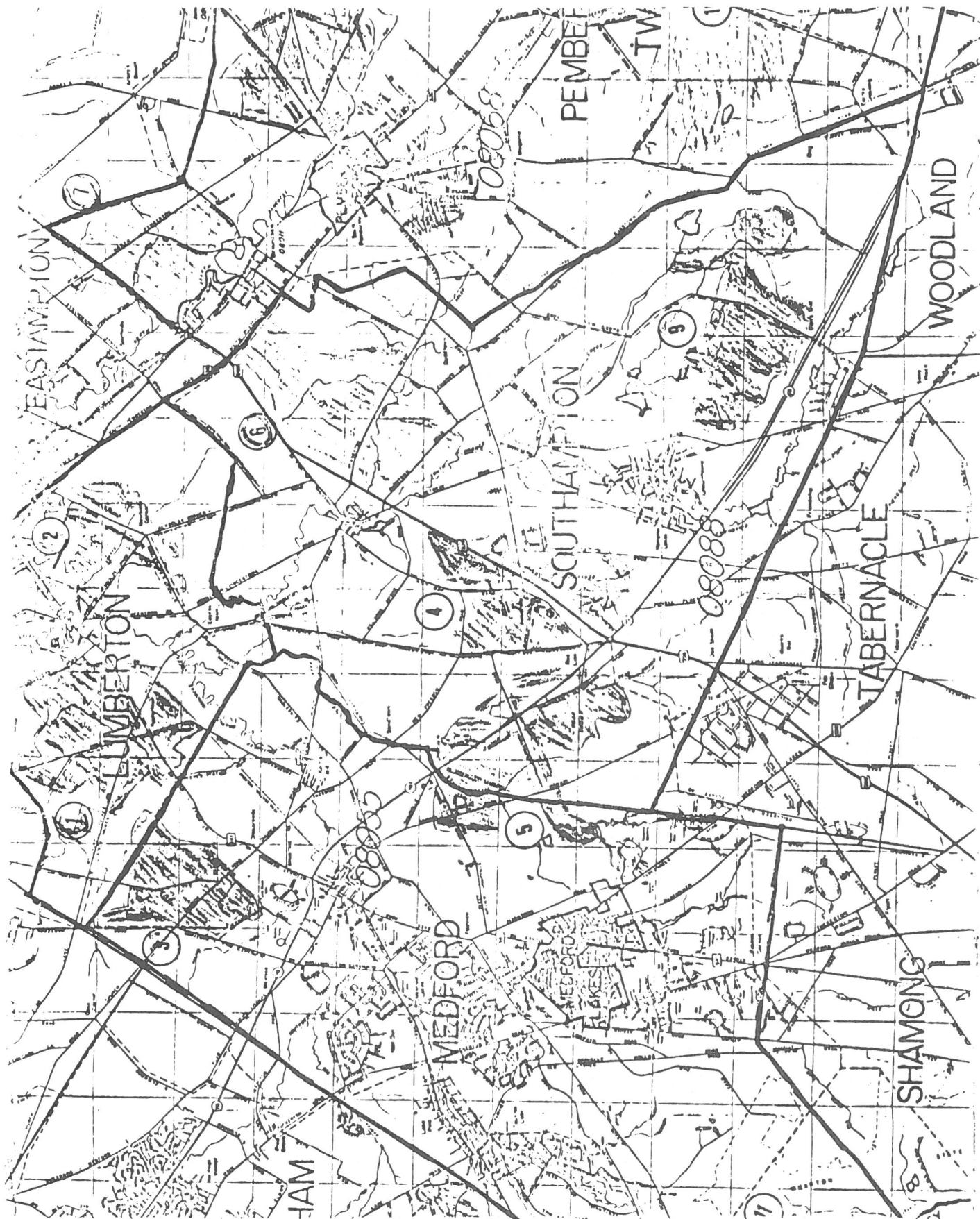
- (7) The areas which are most desirable from an open space overall development perspective are least desirable from an agricultural standpoint.

Farmland preservation efforts, in terms of open space, should be directed at those lands closest to urban development, which would offer a more direct urban-rural experience. From the farmer's viewpoint, and from a fiscal perspective, this would be the least desirable combination.

C. Staff recommendations.

First, the staff recommends that we go forward with the purchase of development easements under the Farmland Preservation Program. We do not, in fact, know for certain if there will be another development surge in New Jersey. However, because of our favorable location between two metropolitan areas, the likelihood of an economic recovery affecting New Jersey is greater than continued economic decline. If there is even partial economic recovery, our farmland is the most logical target for development. Agricultural zoning, Transfer of Development Rights, and wise application of a State investment policy geared to retard development in agricultural areas may be useful tools, but they will not be sufficient in order to retain agriculture in the high growth areas of metropolitan New Jersey.

Secondly, we need to carry the process of easement purchase through to fruition if we are to learn all we can about the process of voluntary purchase of development easements; the final working-out of the development easement restrictions; the process of settlement and recording of the deed, and all of the other administrative facets of easement purchase. Finding out whether or not farmland owners will accept realistic offers supported by appraisal reports for their lands on a voluntary basis is absolutely essential to the entire premise of farmland preservation. The only way to find out whether or not this will happen is to proceed with the project. Not going ahead with the project would be tantamount to admitting the concept is unworkable.



Thirdly, this would give us an opportunity to comply with the legislative mandates to attempt purchase of easements and other rights less than fee simple, and this experience will be useful in other programs, such as in the Pinelands and other areas where partial interests should be acquired.

The other arguments against the easement purchase program are speculative, at best. The actual dislocation in land values for the pilot project will be so minimal as to have virtually no effect, either on the housing market or on real estate values generally. While it is true that social and overall economic considerations are important, the pilot project would operate a minimal effect on these values, although for a wider, state-wide program, these would loom as much larger questions.

Finally, the question of the Farmland Assessment Act does raise other important issues. While the values arrived at within the Farmland Assessment Act are lower than those found in the appraisal process for the Farmland Preservation Act, these two values are not necessarily the same thing. Appraisal of prime farmland, on a specific farm-by-farm basis is quite a bit different than arriving at uniform values for taxation purposes for a county as a whole. The values are used for different purposes, and it is like comparing apples and oranges to compare the values under the Appraisal Program and under the Farmland Assessment Act. It is, however, quite possible that the values for the Farmland Assessment Act, are in fact, unrealistically low. It may be necessary to review those values, as well as some of the other alleged deficiencies of the Farmland Assessment Act, and tighten it up to prevent a destruction of the beneficial aspects of this program. This is, however, another issue.

II. Which Areas Should be Selected

Assuming that the staff recommendations are accepted, and a decision is made to go forward with the Program, which areas should be selected for acquisition?

At the August 17, 1977 briefing, 11 areas were identified as having 800 acres or more of contiguous prime farmland (or land suitable for specialty crops, such as cranberries or blueberries). These areas are identified visually on Figure I, and described more fully in Appendix A. The offering prices range from \$872.00 per acre to \$6,900.00 per acre for the large parcels.

See Figure I following page.

The staff has intensively reviewed the 11 parcel groupings, the test appraisal reports, and the recommendations of the Steering Committee made at its September 8, 1977 meeting.

Based on these factors, the staff recommends the elimination of Sites 11 and 8, on the grounds that the offered prices are far in excess of the probable value of the land; the elimination of Sites 5 and 4 as being inadequately sized and having too many opportunities for disruptive development in their midst for permanent farmland retention, and the elimination of Sites 9 and 10 as having no real development potential and limited

agricultural value of production agriculture. Sites 2 and 3 are recommended for elimination because of high cost, acceptable location from the perspective of local planning and zoning authorities for anticipated and acceptable future development, as well as proximity of incompatible development to these sites.

Recommended for appraisal and possible acquisition of development easements are Site 1, Lumberton Township, comprising approximately 1,500 acres with an offered price of \$2,800. per acre, for a total acquisition price of approximately \$4.1 million (based on bid price, rather than appraised price); Site 6 (Southampton Township), comprising approximately 1,900 acres, offered at \$3,100. per acre, for a total bid price of \$5.8 million; Site 7 (Pemberton Township), of approximately 1,200 acres at approximately \$2,800. per acre or \$3.4 million for the package. Obviously, there will have to be some reduction in size or in price for Site 6, but this is easily possible given the configuration of the site.

The three sites, as well as others were overflowed by Administrator Hubert and Project Manager Hall on September 13, 1977. The three sites recommended here received the approval of the Steering Committee at its September 8, 1977 meeting, and in the judgment of the staff, represent the best mix of visibility, high quality agriculture, buffering, and future viability of agriculture.

III. Future administrative actions necessary to implement this decision:

If the decision is to go forward with the appraisals of the three sites listed here, the following items need to be done:

1. Assignment of appraisers for these sites.

Appropriate administrative accounts need to be established so that appraisers can be hired, a fee schedule established, assignments made, and the appraisals begun. If staff recommendations are followed, we anticipate approximately 70 appraisals, with valid cost as much as \$100,000. or as little as \$60,000. depending on fee schedule acceptability.

2. Decisions made on release of information to the Legislative Oversight Committee and to the press.

We have agreed that we will not release information to the press while we are in the process of negotiation, but the most persistent question we face is the price per acre of farmland offered. In addition, we have indicated to the Chairman that the Legislative Oversight Committee will be privy to memoranda and reports made to the Commissioner and Secretary. We believe the press can be provided with an appropriate statistical summary such as Appendix C, while we feel it is necessary to provide the Legislative Oversight Committee with substantially more detailed information, including

most of the educational material prepared for this briefing. In no case will specific values assigned to specific sites be furnished either to the Legislative Oversight Committee (unless specifically demanded), or to the press.

3. Preparation of legal forms necessary to conduct negotiations, including the final draft of the option agreement. This work can be completed in a short time if we decide to go ahead.
4. Designation of appropriate staff for the negotiation with farmland owners. This should be done by the present negotiating staff of the Green Acres program with the assistance and close cooperation of the Project staff.
5. Notification of owners. The attached letters will have to be sent to the persons whose property have been selected for inclusion in the Farmland Preservation Program, and the sample letter attached will be sent to those persons whose property will not be selected for this project. While it would be desirable, from a flexibility standpoint, to have more farmland owners available for appraisal, the statute and our operating philosophy seem to dictate that we make some clear-cut decisions about easement acquisitions at this point.

The program will have to be reviewed, fully and completely, once again by the two departments before any final agreements are signed. We would expect that such a review would take place in the spring of 1978.

APPENDIX A

<u>Area#</u>	<u>Location</u>	<u># Of Acres</u>	<u>Bid Price Per Acre</u>	<u>Total Cost</u>	<u>Crops</u>	<u>Comments</u>
1	Southwest portion, Lumberton Township	1,500	\$2,800.	\$4.1 million	Dairy, field crops, vegetables	Class I and II farmland, appropriate size and shape, highly desired by local governmental officials.
2	Northeast portion, Lumberton Township	900	\$3,500.	\$3.1 million	Field crops, corn and soybeans	Irregularly shaped in area slated for future development by local zoning.
3	Northeast portion, Medford Township	800* Approx. 200 acres additional of publicly owned land can be considered part of preserve area.	\$4,700.	\$4.0 million	Dairy, field crops, vegetables	Irregularly shaped Class III farmland in an area designated in Medford Township's future growth plan as being acceptable for future development.
4	Southwest portion, Southampton Twp.	800	\$2,000.	\$1.6 million	Field crops, corn and soybeans	Very irregularly shaped parcel of Class II, Class I farmland.
5	Southampton-Medford border	889	\$3,149.	\$2.8 million	Field crops, corn and soybeans	Very irregularly shaped, with some inner areas not included on Class II and III farmland.

Area#	Location	# Of Acres	Bid Price Per Acre	Total Cost	Crops	Comments
6	Central Southampton Township, adjacent to Routes 206 and 38	1,900	\$3,100.	\$5.8 million	Field crops, horticulture (especially sod)	Class II and III ground, highly visible and accessible to public.
7	Northern Pemberton Township	1,200	\$2,800.	\$3.4 million	Field crops, dairy, some horticulture (nursery stock)	Highly visible - most located near Route 206 - includes substantial portions owned by chemical company who are willing to sell property outright.
8	Pemberton Township, adjacent to Fort Dix	1,500	\$3,700.	\$5.5 million	Field crops, dairy	Highly irregularly-shaped, fragmented ownership, much variety in offers among owners.
9	Southern Southampton Township	3,094	\$ 872.	\$2.7 million	Hay, cranberries, blueberries	Marginal Class III ground in tillable portion, older bogs with low productivity for cranberries.
10	Southern Pemberton Township	1,200	\$1,400.	\$1.7 million	Old style blueberries	Marginal blueberry ground, not suited for machine production. Some omissions in holdings.
11	Southern Medford Township	1,100	\$6,900.	\$7.6 million	Cranberries	Large old style cranberry bog in land adjacent to Wharton Tract holdings in Medford Township. Single offering - all land owned by speculator.



STATE OF NEW JERSEY

DEPARTMENT OF ENVIRONMENTAL PROTECTION
ROCCO D. RICCI, COMMISSIONER

DEPARTMENT OF AGRICULTURE
PHILLIP ALAMPI, SECRETARY

Dear

It is our pleasure to inform you that upon extensive review by the local Steering Committee and our analysis of your offer and those made by your neighbors, we have decided to give very serious consideration to the creation of an Agricultural Preserve which would include your land. To this end, we will be assigning two highly qualified independent appraisers to visit your land in the near future. The job of these appraisers will be to ascertain as fairly as possible the true market value and the true agricultural value of your land. These appraisal reports will be the basis of our firm offer to you for the purchase of your development easements.

Please understand that this letter is not a firm commitment to purchase, but is rather a very serious expression of interest. We will be appraising other properties within the Burlington County project area so we may prepare the most appropriate agricultural preservation effort which can be achieved with our limited resources. We expect that the decision framework under which we will operate will be as follows:

1. Completion of the appraisal work on your property and all the other properties under consideration for this project: by December 31, 1977.
2. Preparation of our firm offer to you for your consideration for purchase of your development easements, accompanied by a form granting the State a six-month option on these rights at a firm purchase price: by February 1, 1978.

3. Active negotiation between yourself, your legal counsel, and our staff: through May, 1978.

As we indicated in our April 18th letter, we will be seeking to conclude purchase agreements with all landowners within a proposed Agricultural Preserve and will use a six-month option-to-buy form. We would pay you a nominal fee which would be credited to the purchase price if the State were to exercise its option, but would be forfeited to the property owner if the State fails to exercise its option. The State will not conclude final purchases of development easements until we have signed purchase agreements with all of the farmland owners within the designated area.

If we are able to successfully conclude all the option agreements with all the landowners in a designated preserve, we will arrange to conduct the final closing, settlements, and payment of the agreed on price by December 31, 1978.

Thank you for your interest in the Farmland Preservation Demonstration Project. You will be notified by letter when to expect a visit by the designated appraiser. If you have any questions, please feel free to contact Dr. Thomas J. Hall, our Project Manager, at 609-267-3803.

Again, our thanks for your participation.

Sincerely yours,

Sincerely yours,

Rocco Ricci
Commissioner

Phillip Alampi
Secretary

Dear

Thank you for your recent offering of the development easements to your farmland under the provisions of the Farmland Preservation Demonstration Project. Since your offer was received, we have spent a considerable period of time in analyzing where our limited resources should be allocated if we are to undertake an effective program of farmland preservation. We have sought the advice of our appraisal consultants, of our local Steering Committee and of appropriate technical experts.

Regretfully, we have concluded that the State's resources are too limited at this time to consider the acquisition of the easements on your land under this experimental program. We will not, therefore, be assigning appraisers to your land, nor will we be able to give any further consideration to the acquisition of development easements on your land during the course of this experimental project.

This decision in no way implies that your land is not valuable for agricultural purposes or that, if we had additional funding, we would not give further consideration to your land. We are retaining your offer form in an inactive file in the event that any additional funding becomes available.

We wish you the best of success as you continue to farm the ground, and we pledge ourselves to continuing the effort to provide a comprehensive and inclusive program of farmland preservation for all farmers of the State.

Thank you very much for your interest in the program.

Sincerely yours,

Thomas J. Hall, Ph.D.
Project Manager
Farmland Preservation
Demonstration Project

Statistical Data on the Land and the Landowner-Participants in
the Project as Compiled by the Project Manager and Intern.

The Farmland Preservation Demonstration Program offered an opportunity to analyze some aspects of the agricultural land holding situation in New Jersey, and the bid forms and other available data were reviewed for this purpose. The data included characteristics of the land, as well as some limited data on the landowners themselves.

Landowners were listed in four categories.

1. Family farmer. This included those farms owned and operated by an individual living on the land, and included family held corporations.
2. Corporate farms. Commercial farm operations with corporate status including outside stockholders -- publicly-held corporation.
3. Absentee ownership: Lands owned by individuals or corporations whose primary interest was in real estate investment, rather than farming.
4. Land held in trust: Those lands in the process of estate settlement.

The designations involved a degree of judgment, and were made by careful analysis of the tax rolls after consultation with knowledgeable local observers.

Lands were also categorized in terms of road frontage and accessibility to central sewers.

Four categories of sewage availability were developed:

1. Central sewer in place, additional capacity available;
2. Central sewer mandated; additional capacity currently unavailable;
3. Septic systems - no central sewers planned in the foreseeable future;
4. Inadequate: No central sewers, and sub-service disposal limited.

Some of the analysis of the Farmland Preservation Demonstration Program is the work of Robert A. Johnson, who interned with the Farmland Preservation Demonstration Program from January through May, 1978. Mr. Johnson was a senior at Princeton University's School of Architecture and Urban Planning, and under the Project Manager's supervision conducted a thorough appraisal of the characteristics of FPDP area land owners. Mr. Johnson's work and his contributions are hereby gratefully acknowledged.

Road location was categorized as follows:

1. Frontage on state highways (Included Route 70 and 38, as well as U.S. 206).
2. Frontage on county roads.
3. Frontage on municipal roads.
4. Other roads (generally, dirt roads not in governmental ownership).

In addition, analysis of the bid forms disclosed size and location of parcels, and quality of ground for agricultural purposes. This was done by plotting offers over the SCS Soil Quality maps.

In addition, parcels were identified in terms of their zoning characteristics. Available categories included:

1. Agricultural zoning (agricultural zoning is a "holding" category in New Jersey, and includes the possibility for residential construction, generally on a one - two dwelling units per acre basis).
2. Low density residential - 1 - 2 dwelling units per acre residential zoning.

3. Moderate residential zoning: Between 3 and 5 dwelling units per acre.
4. High density residential zoning: Over 5 dwelling units per acre.
5. Commercial: Shopping Center, other commercial facilities;
6. Industrial zoning
7. All other zoning categories (e.g. "forest conservation," historic district).

In addition, the bid forms contained information with regard to value of the agricultural easement, broken down by development value perceived by landowner and agricultural value perceived by landowner.*

*In some cases, the staff had to interview landowners in order to get a value. Several landowners refused to put farm value or development value on their forms, preferring to indicate only the value of the development easement. Generally, interviews with the landowners was able to establish the appropriate levels of both agriculture and development prices.

Thus, based on the analysis of the bid forms, the tax rolls, soil classifications, zoning maps, and other readily available data,

the project was able to identify characteristics of the landowner, and characteristics of the land along the following dimensions:

Ownership, type, road location, sewage availability, size of parcel, size of farm unit, soil classification, zoning, and price levels for agricultural and developmental purposes.

Regretably, no demographic characteristics existed for the landowners, nor was more detailed information on typical farm investments available.

In addition to looking at the 134 identified landowners, an analysis was prepared of all landowners in the town of Lumberton who chose not to participate. They included 65 persons, who collectively owned 3,667 acres. This was done in order to have some idea of the characteristics of non-offers, as well as offers. Since no bid forms had been obtained from these individuals, no data existed on price levels, although analysis of the tax rolls permitted the identification of other variables listed above.

Table I, which follows, contains a summary of the characteristics of the landowners and parcels within the project area. The first column contains an analysis of the characteristics of the landowners and participants for all 134 participants; the second column discusses the participants from Lumberton only, the third column discusses the non-participants who live in Lumberton; and the fourth column is a summary of participants and non-participants together.

A reading of the table discloses that more than half the 199 cases analyzed are lands which are owned by family farmers. Absentee owners comprise over another third of the landowners, while corporate landowners and lands held in trust comprised the remainder. One may not extrapolate from these data to all the landowners in the project area, since it is not known to what extent the conditions in Lumberton are similar or different from conditions in other communities, but it is certainly interesting to note that family farming is still a clear pattern of ownership in Lumberton and the other 3 townships.

The study also indicated that much of the land throughout the entire project area had sewer systems available, or expected to be sewered within the next decade. Somewhat more than a third of the land was anticipated to be served by septic systems only for the remainder of the century.

Most of the land which was offered into the program was on prime soils (70% was on Classes I, II or III, with an additional 26% offered on lands which were appropriate for cranberries or blueberries). In terms of zoning, agricultural zoning (which permits construction of residential units, usually 1 to the acre), was dominant. Moderate density zoning up to 5 dwelling units per acre, was the next largest category.

It was also interesting to note that the small family farm - under 100 acres - was still very common.

We were also very interested in the distribution of prices.

Table II, which follows, gives data for the 134 participants with respect to their asking prices. The first section depicts the asking prices for development value. Over 36% of the participants felt that their land was worth under \$3,000.00 an acre on the open market; while fewer than 20% felt their land was worth over \$5,000.00 an acre on the open market. Nearly 45% of the land-owners felt that their land was worth somewhere between \$3,000 and \$5,000 an acre on the open market.

Approximately one-quarter of the participants felt that their land was worth under \$500.00 per acre in terms of agricultural value, while the remaining three-quarters of the participants split evenly between those who felt their land was worth between \$500.00 and \$800.00 per acre, and those who felt it was worth over \$800.00 per acre.

Thus, in terms of asking prices for development easements, more than half of the participants felt that they should be paid between \$2,000. and \$4,000. per acre for their development easements. Nearly 30% felt their development easements were worth less than \$2,000. per acre, while 18% felt that their land was worth over \$4,000. per acre, in terms of development easement compensation.

We were interested to see what differences in behavior would be exhibited by different owners, depending on the location of the property. We anticipated that absentee owners would tend to own

more land where development potential was higher, and would have, in fact, purchased as much available land as possible in areas where development was most likely.

It must be stressed that the data which is discussed below, presents only a partial picture of the land holding pattern. Project resources permitted the study of participants and non-participants only in the single township of Lumberton; and the remaining data are from persons who chose to submit bids on their land. Those 134 landowners who felt the State's ability to successfully complete the project and pay them compensation equivalent to what they could make on the private market were in the minority as 436 of the possible 570 landowners did not submit bids. Those who expected to make more money through development, or who anticipated leaving farming shortly, failed to submit bids.

An analysis was made of the areas by development potential, by looking at factors such as sewage, road frontage, zoning and parcel size. The relationships between ownership characteristics and these factors are presented in the following tables:

<u>Table#</u>	<u>Subject</u>
IV	Ownership/Sewage availability
V	Ownership/Road frontage
VI	Ownership/Size

The analysis of these tables suggests a number of interesting phenomenon. For example, the average corporate farm is twice as large as the average family farm. Absentee owners are very likely to own farms located on State roads (absentee owners owned 58.8% of farms located on State roads, although members of the group own only 34% of all farms within the study group). Interestingly, family farmers own 60% of all farms which have frontage on municipal or dirt roads.

Also, absentee owners are most likely to have land with sewage available or forthcoming.

The analysis also looked at zoning. About 56% of all of the land is zoned "agriculture," and 79% of all land in Lumberton is so zoned. It is also interesting to note that fully a third of all lands zoned for more intensive uses are owned by absentee landholders, and that more than half of the lands zoned for industrial, commercial or high-density residential are owned by absentees.

The participation rates in Lumberton Township were also analyzed.

Within Lumberton Township, there are 88 farms, of which 23, or 26.1%, were offered for inclusion into an agricultural preserve. The farms offered into the project tended to be larger than farms not offered into the project, and the 23 farms covered 43.7% of the total farm acreage within Lumberton. Tables VIII,

IX, and X, below, discuss the relationships between land use characteristics, such as zoning, roads, and size and participation within the project.

In Lumberton, at least, ownership of land along a state road led to zero participation in farmland preservation efforts, in that larger farms tended to participate more than smaller farms.

Sewer characteristics were not analyzed, since all land within Lumberton Township is in the same category: central sewerage planned, but not yet available.

TABLE I

	All Participants		Lumberton Participants Only		Lumberton Non-participants		All: Participants Non-participants	
	No.	%	No.	%	No.	%	No.	%
A. Characteristics of Landowners								
Family	67	50%	11	47.8%	42	64.6%	109	54.8%
Absentee	48	35.8%	5	21.7%	20	30.8%	68	34.2%
Corporate	12	9%	5	21.7%	1	1.5%	13	6.5%
Trustee	7	5.2%	2	8.7%	2	3.1%	9	4.5%
	<u>134</u>		<u>23</u>		<u>65</u>		<u>199</u>	
B. Road								
State	11	8.2%	0	0	6	9.2%	17	8.5%
County	61	45.5%	17	36.2%	30	46.2%	91	45.7%
Municipal	39	29.1%	4	17.4%	22	33.8%	61	30.7%
Other	23	17.2%	2	8.7%	7	10.8%	30	15.1%
	<u>134</u>		<u>23</u>		<u>65</u>		<u>199</u>	
C. Sewer								
Central Sewer Available	22	16.4%	0	0	0	0	22	11.0%
Central Sewer, not yet Avail.	39	29.1%	23	100%	65	100%	104	52.3%
Septic Only	73	54.5%	0	0	0	0	73	36.7%
Inadequate	0	0	0	0	0	0	0	0
	<u>134</u>		<u>23</u>		<u>65</u>		<u>199</u>	

TABLE I (continued)

	All Participants		Lumberton Participants Only		Lumberton Non-participants		All: Participants Non-participants	
	No.	%	No.	%	No.	%	No.	%
D. Soil								
I, II	90	67.2%	19	82.6%				
III	4	3.0%	3	13.0				
Special	25	26.1	0	0	N/A	N/A		
Other	5	3.7	1	4.3				
	<u>134</u>		<u>23</u>					
E. Zoning								
Agriculture	62	46.3%	18	78.3%	51	78.5%	113	56.8%
Low Density	0	0	0	0	1	1.5%	1	0.5%
Moderate Density	51	38.1%	4	17.4%	9	13.8%	60	30.2%
High Dens.	2	1.5%	0	0	1	1.5%	3	1.5%
Commercial	2	1.5%	0	0	0	0	2	1.0%
Industrial	14	10.4%	1	4.3%	3	4.6%	17	8.5%
All Others	3	2.2%	0	0	0	0	1	0.5%
	<u>134</u>		<u>23</u>		<u>65</u>		<u>199</u>	
F. Parcel Size								
50 Ac.	35	26.1%	3	13.0%	36	56.3%	71	35.9%
50 - 100 Ac.	39	29.1%	12	52.2%	16	25.0%	55	27.8%
100 Ac.	60	44.8%	8	34.8%	12	18.8%	72	36.4%
	<u>134</u>		<u>23</u>		<u>64*</u>		<u>198</u>	

*1 Missing Observation

TABLE II

PRICE LEVELS

1. <u>Development Value</u>	<u>All Participants</u>		<u>No.</u>	<u>%</u>
	<u>No.</u>	<u>%</u>		
\$2,000. per acre	4	3.0%	Under \$3,000/acre =	49
2 - \$3,000.	45	33.6%	\$3,000-\$5,000 acre =	60
3 - \$4,000.	35	26.1%	Over \$5,000/acre =	25
4 - \$5,000.	25	18.7%		
5 - \$6,000.	9	6.7%		
Over \$6,000.	16	11.9%		
	<u>134</u>			
2. <u>Agricultural Value</u>	<u>All Participants</u>		<u>No.</u>	<u>%</u>
	<u>No.</u>	<u>%</u>		
\$200. per acre	5	3.7%	1. Under \$500. per acre =	34
2 - \$300.	2	1.5%	2. \$500.-\$800. per acre =	50
3 - \$400.	13	9.7%	3. Over \$800. per acre =	50
4 - \$500.	14	10.4%		
5 - \$600.	29	21.6%		
6 - \$700.	6	4.5%		
7 - \$800.	15	11.2%		
8 - \$900.	2	1.5%		
900 +	48	35.8%		
	<u>134</u>			

TABLE IV

Number of Farms Owned According to
Size and Owner Groupings: For All Cases

Owner Classification	Number of Farms		
	Small 0-50 Acres	Medium 50-100 Acres	Large 100 + Acres
Family Farmer	43	33	32
Corporate Farmer	3	4	6
Absentee Owner	20	16	32
Trust	5	2	2

Number of farms as % of all Farms Owned by that Owner Groupings

Owner Classification	Small	Medium	Large
Family Farmer	39.8	30.6	29.6
Corporate Farmer	23.1	30.8	46.2
Absentee Owner	29.4	23.5	47.1
Trust	55.6	22.2	22.2

Number of farms as % of all Farms of that Size Groupings

Owner Classification	Small	Medium	Large
Family Farmer	60.6	60.0	44.4
Corporate Farmer	4.2	7.3	8.3
Absentee Owner	28.2	29.1	44.4
Trust	7.0	3.6	2.8

Acreage Owned by Owner Group

Owner Classification	Number of Acres	Percent of all Acreage in the Study	Mean Farm Size
Family Farmer	9,748	43.3	90.3
Corporate Farmer	2,348	10.4	180.6
Absentee Owner	9,891	44.0	145.5
Trust	485	2.2	53.9
Totals	22,472		113.5

TABLE V

RELATIONSHIP BETWEEN OWNERSHIP AND ROAD LOCATION
(number of farms)

OWNER CODE	STATE	COUNTY	ROAD CODE		OTHER	TOTALS
				MUNICIPAL		
FAMILY FARMER	5	49	35		20	109
CORPORATE FARMER	1	9	1		2	13
ABSENTEE OWNER	10	28	23		7	68
TRUST	1	5	2		1	9
TOTALS	17	91	61		30	199

TABLE VI

PARTICIPATION RATES ACCORDING TO OWNER CODE

OWNER CODE	DID NOT PARTICIPATE	PARTICIPATED	PARTICIPATION RATE
FAMILY FARMER	42	11	20.8%
CORPORATE FARMER	1	5	83.3%
ABSENTEE OWNER	20	5	20.0%
TRUST	2	2	50.0%
TOTALS	65	23	25.1%

TABLE VII

The Relationship Between Zoning and Participation

Owner Code:	Agricultural			Low Density			Moderate Density			High Density			Industrial		
	P.	N.P.	P.P. %	P.	N.P.	P.P. %	P.	N.P.	P.P. %	P.	N.P.	P.P. %	P.	N.P.	P.P. %
Family Farmer	10	32	23.8	-	1	0	1	8	11.1	-	-	-	1	1	0
Corporate Farmer	4	1	80.0	-	-	-	1	-	100.0	-	-	-	-	-	-
Absentee Owner	2	16	11.1	-	-	-	2	1	66.0	-	1	0	1	2	33
Trust	2	2	50.0	-	-	-	-	-	-	-	-	-	0	-	-
Totals	18	51	26.1	0	1	0	4	9	30.7	0	1	0	1	3	25

P. = participant

N.P. = non-participant

R.P.% = percentage of owners who participated

TABLE VIII

The Relationship Between Road Location and Participation
(number of farms)

Owner Code:	State Road **			County Road ***			Municipal Road			Other (Rd.)		
	P.	N.P.	P.R. %	P.	N.P.	P.R. %	P.	N.P.	P.R. %	P.	N.P.	P.R. %
Family Farmer	0	3	0	9	20	31.0	2	15	11.8	0	4	0
Corporate Farmer	0	0	--	4	1	80.0	0	0	--	1	0	100.0
Absentee Owner	0	3	0	2	7	22.2	1	3	22.2	1	3	25.0
Trust	0	0	--	2	2	50.0	0	0	--	0	0	--
Totals	0	6	0	17	30	36.2	4	22	15.3	2	7	22.2

(*) P. = participant

(**) N.P. = non-participant

(***) P.R.% = percentage of owners who participated

TABLE IX

The Relationship Between Participation Rates and Farm Size

Owner Code:	Small: (0-50 acres)				Medium: (50-100 acres)				Large: (more than 100 acres)			
	Part.*	Non- Part.	Part. Rate	%	Part.	Non- Part.	Part. Rate	%	Part.	Non- Part.	Part. Rate	%
Family Farmer	0	24	0		8	12	40.0		3	5	37.5	
Corporate Farmer	1	1	50.0		2	0	100.0		2	0	100.0	
Absentee Owner	1	9	10.0		2	4	33.0		2	7	28.6	
Trust	1	2	33.3		0	0	--		1	0	100	
Totals	3	36	7.6		12	16	42.9		8	12	40.0	

*Part. = Participant

APRIL, 1973

HIGHLIGHTS OF

Report
**OF THE BLUEPRINT COMMISSION
ON THE FUTURE
OF NEW JERSEY AGRICULTURE**



INTRODUCTION

In his message to the Legislature in January, 1971, Governor William T. Cahill announced his firm belief in the need for a Blueprint Commission on the Future of New Jersey Agriculture. This followed the desires of the agricultural community as expressed in resolutions of the State Agricultural Convention, which in turn had been generated earlier by the concern of leading farm organizations.

Later in the year, Governor Cahill directed Secretary of Agriculture Phillip Alampi to create the Commission, assume its leadership, and to appoint the members of the Commission. The initial meeting of the Commission was held in mid-September, at which time the outline of work prepared at staff level was approved by the Commission. The first phase of the work was started immediately by establishing eight task forces. These groups covered business climate, research and education, production, marketing, management and commercial services, land and water resources, agribusiness, and organizations.

The second phase of the program was implemented shortly after the task forces began their work. This effort centered on the real issue of establishing a permanent land base for a continuing agriculture here in the Garden State. After numerous meetings, including public hearings and extensive staff support, the Commission held its final session in mid-April, at which time this report was approved for submittal to Governor Cahill and to the Legislature.

HIGHLIGHTS OF THE REPORT

THE NEW JERSEY AGRICULTURAL SITUATION

Agriculture in New Jersey operates in the most densely populated area in the nation, hence has both problems and opportunities. Farmland declined rapidly from 1954 to 1968, and has substantially slowed down since then, due, in part, to the Farmland Assessment Act.

There are presently about 1.1 million acres in farms in the state, which is over 600,000 acres less than in 1950.

Due largely to forces external to itself, agriculture in New Jersey is operating under the influence of an impermanence syndrome which leads to short-term decision making, less investment in agricultural enterprises, and slower technological adaptation. This can be corrected by creating a permanent land preserve for agricultural production and by making it feasible for farmers to farm this land and make a profit. This report addresses itself to both of these objectives.

I. A LAND POLICY FOR PERMANENT AGRICULTURE

1. There is a converging of the interests of the environmentalists and those interested in agricultural production. Both recognize that land use management is of prime importance as a means of achieving their goals.
2. As a source of food and fiber and environmental open space, agriculture exists for the public benefit and, as an industry, in turn, is affected by the public interest. New Jersey needs its agriculture:
 - a. To provide productive, tax-paying, privately maintained, open space with its environmental benefits, including rural aesthetics and enhanced air and water quality.
 - b. To provide consumers with a ready access to wholesome, locally grown food products and protect the consumer buying power for food.
 - c. To encourage the productive use of land and natural resources which contribute significantly to the income and employment of many citizens of the state and the New Jersey economy in general.
 - d. To allow for the recycling of sewage wastes on land as a partial alternative to existing methods and as technical problems are resolved.
 - e. To establish a land reserve for future generations and prohibit premature development.
3. Present land use policy for the state, including the Farmland Assessment Act, exhibits foresight

and noble goals, but at best offers only partial solutions. A more comprehensive program is needed.

4. **The Commission recommends** the adoption of an agricultural open space plan administered jointly by the state and local municipalities with the following features:
 - a. Under the plan, each municipality in the state would be required to designate an Agricultural Open Space Preserve within its boundaries composed of at least 70 percent of its prime farmland. The preserve would become part of the local master plan and should reflect the local community needs for open space and other agricultural benefits.
 - b. Landowners whose properties are located in a preserved area would be able to sell the development easement to their land to the state administering agency or to others.
 - c. The rate of compensation for development easements would be the difference between the market value for the land and its farm value.
 - d. At the option of the landowner, the easements could be held for later sale and the compensation for delayed sales would reflect the increased development value of the easement had the preserved area not been established.
 - e. The program would be financed by a tax on all real estate transfers in the state. The rate would be at 4 mills, or 4/10 of 1 percent of the transfer value at the time of the sale. In nearly all instances, the tax would be paid from realized capital gains on the real property transferred.
 - f. The responsibility for administration of the program would be vested in a Board of Directors composed of persons appointed by the Governor and approved by the Senate and selected ex officio members of state government. The professional staff would be attached to the Department of Agriculture.

II. EDUCATION

Educational programs must be in tune with the social and economic needs and demands related to agriculture, renewable natural resources, and environmental protection.

The Commission recommends development of an overall plan for career orientation and exploration in the primary and junior high school grades, widespread agricultural and natural resource education in the high schools and technical education for natural resources and agricultural occupations in New

Jersey at the junior college grades or technical level. It recommends a comprehensive technical institute; continuing education for commercial farmers, others employed in agribusiness, and seasonal workers; and periodic reevaluation and strengthening of curricula offered for professional education in agriculturally-related fields at Rutgers University.

III. FARM LABOR

A major effort has been made over the past 15 years to improve conditions for farmworkers in spite of difficult, competitive problems facing agriculture.

The Commission recommends state and federal legislation to bring agriculture under a labor-management relations act designed for agriculture; support for the Child Labor Law Study Commission in its preliminary report proposing legislation to increase employment of youth in agriculture and other occupations; establishment of a farm and rural safety and health committee, which may also serve in an informal advisory capacity to the Federal Occupational Safety and Health Act; training and retraining of farm workers; a pilot program for a multi-state skilled farmworkers corporation; and establishment of a Council on Farm Labor within the Department of Labor and Industry.

IV. FARMLAND ASSESSMENT

The Farmland Assessment Act has served agriculture well and in the way it was intended. Unquestionably, it makes it possible for production farming to continue in our urbanizing state.

The Commission recommends strong support be given to the current farmland assessment program, that the Division of Taxation further clarify the term "actively devoted" in the Act to insure proper application, and enactment of S-620 to increase program eligibility requirements.

V. FEDERAL ESTATE AND STATE INHERITANCE TAXES

The transfer of valuable farm property from a decedent to his heirs inevitably causes a liquidity and family crisis. The market value of the property may have little relationship to the agricultural income which must provide for the Federal estate and State inheritance taxes.

The Commission recommends federal legislation to increase the taxable estate exemption and to tax qualified land for estate purposes on the basis of its agricultural value, state legislation to increase the taxable estate exemption, and that qualified farmland should be taxed on its agricultural value for inheritance taxes, but, as a condition for such treatment, farmland must remain in agricultural use for ten years or be subject to a penalty payment.

VI. MANAGEMENT

The business of farming grows ever more risky, costly, complicated, and regulated, and the farmer must serve in many roles in his operation.

The Commission recommends that farmers must continue to be committed to upgrading their management capabilities and learn to effectively use the tools, skills, and equipments of farm business management and that a farm management advisory committee should be established under the aegis of the Cooperative Extension Service to strengthen all facets of farm management application.

VII. MARKETING

Effective marketing of New Jersey farm products requires a special effort if the producer is to obtain a profitable return.

The Commission recommends further development of direct farmer-to-consumer marketing channels, establishment of a New Jersey agricultural export committee to stimulate overseas trade, a feasibility study for a central agricultural distribution center, more adequate state labeling laws for commodities, and the appointment of an advisory committee for the creation of an organization to coordinate the existing production and marketing programs and to further develop a total systematic approach to producing and selling our agricultural products.

VIII. NATURAL RESOURCES

Natural resource conservation, soil surveys, conservation cost sharing, agricultural water resources, and multiple uses of agricultural lands are discussed.

The Commission recommends prompt completion of the Cooperative Soil Survey so that the lack of basic data does not delay the agricultural land preservation program; further direct state funding for the State Soil Conservation Committee and its district units; a three-year pilot program for cost-sharing with private landowners for priority conservation practices; water resource studies, demonstrations and pilot projects, including evaluation of "waste" waters for agricultural production purposes and potential ground water replenishment; development of more nonfood functions on farmland; information about the benefits flowing from private open lands; and possible leasing of private lands for specialized recreational activities.

IX. ORGANIZATIONS

New Jersey agriculture is represented by many organizations, all of which were developed for particular purposes. The effectiveness and future role of all existing organizations should be evaluated.

The Commission recommends that each agricultural organization should establish a special evaluation committee to review its goals, functions, and effectiveness; that agricultural interests reaffirm to the state government the importance of maintaining the State Board of Agriculture, Department of Agriculture, and Board of Managers, Rutgers College of Agriculture and Environmental Science (Cook College); and that a unified policy and voice for the farm community of the state be developed wherever possible through the cooperation and/or consolidation of the numerous farm organizations in New Jersey.

X. RECYCLING WASTE

It is imperative that the vast quantities of biodegradable agricultural and municipal wastes being generated in New Jersey be utilized and recycled whenever possible.

The Commission recommends that an Agricultural Waste Council be formally established by law in the Department of Agriculture. It would promote research, develop feasibility studies and desirable legislation in regard to recycling wastes.

XI. RESEARCH

Research is a basic service to New Jersey agriculture. It improves production and marketing technologies and it develops new ones. The New Jersey Agricultural Experiment Station emphasizes its work in improving the physical quality of the environment, expanding the socio-economic and cultural opportunities of people to improve their environment, improving agricultural and forest production, and generating and disseminating knowledge needed to develop new and improved food products and processes, protect consumer health, improve the nutrition and physical well-being of the people, and to assure a secure supply of wholesome foods to consumers in the state.

The Commission recommends that the Agricultural Experiment Station should continue its present research program, strengthen it with adequate financial

support, periodically update its research priorities, coordinate its research with industrial concerns to assure full coverage of problem areas, and avoid unnecessary duplication.

XII. RURAL ADVISORY COUNCIL

An emerging comprehensive rural development program and a population expanding into rural agricultural areas calls for a broadened public program to deal with these complex unsettling changes.

The Commission recommends that the Rural Advisory Council in the New Jersey Department of Agriculture serve in an advisory capacity to an expanded agricultural and rural development program which would include an agricultural plan for the state; improvement of economic and social conditions of agriculture and rural areas; programs to minimize the impact of urbanization on agriculture; studies and recommendations on agricultural and rural issues; and consultation with other state agencies on issues peculiar to agricultural and rural areas.

XIII. TAXATION

New Jersey agriculture suffers from the heavy burden of local property taxes. Farmland tax per acre is the highest in the nation, and the property tax represents nearly 34 percent of the farmer's net income, as opposed to less than 10 percent for non-farm incomes which range up to \$15,000. The Farmland Assessment Act has helped, but municipalities can make charges against farmland for public facilities, such as sanitary sewer lines, on the basis of acreage owned or front footage.

The Commission recommends that legislation be enacted to require local municipalities or special purpose utility authorities to make all charges against the property for the construction or installation of public facilities on the basis of current assessments rather than a front-footage charge. It also endorses the sales tax exemptions applying to qualified farmers.

The Cooperative Extension Service provides information and educational services to all people without regard to race, color, or national origin.

COOPERATIVE EXTENSION SERVICE
COOK COLLEGE
RUTGERS UNIVERSITY – THE STATE UNIVERSITY OF NEW JERSEY
NEW BRUNSWICK

Distributed in cooperation with U. S. Department of Agriculture in furtherance of the Acts of Congress of May 8 and June 30, 1914.
Cooperative Extension Service work in agriculture, home economics, and 4-H, John L. Gerwig, director. A3004

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 1206

STATE OF NEW JERSEY

INTRODUCED JUNE 1, 1978

By Senator ZANE

Referred to Committee on Agriculture

AN Act concerning the preservation of agricultural open space, and amending and supplementing the "Agricultural Preserve Demonstration Program Act," approved July 22, 1976 (P. L. 1976, c. 50).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 8 of P. L. 1976, c. 50 (C. 4:1B-8) is amended to read
2 as follows:

3 8. The program shall be implemented by the departments in the
4 following manner:

5 a. An intensive informational and educational effort will be
6 undertaken to provide residents, landowners and elected officials
7 within the program area with the basic objectives and details of
8 the program. Such effort shall be conducted at public meetings
9 held within, or in the vicinity of, the program area as well as
10 through the mails.

11 b. Voluntary offers to sell the development easements to prime
12 agricultural lands will be solicited from such landowners in the
13 program area. Such landowners will be asked to offer to sell such
14 development easements to the State at a price which, in the opinion
15 of the landowner, represents a fair value of the development
16 potential of such lands for nonagricultural purposes as determined
17 in accordance with the provisions of this act. A final date for the
18 submission of such offers shall be fixed by the departments in the
19 regulations promulgated pursuant to section 14 of this act.

20 c. Such offers will be reviewed and evaluated by the depart-
21 ments, with the advice of the steering committee as provided in
22 section 9 of this act, in order to determine the suitability of the
23 prime agricultural lands represented thereby for inclusion in the
24 program. Decisions regarding such suitability shall be based upon
25 the satisfaction of the following criteria:

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

26 (1) The degree to which such offers reflect price levels which
27 appear to be within the financial resources of the program;

28 (2) Suitability as to soil classification or other criteria for prime
29 agricultural lands as provided by this act;

30 (3) The degree to which such offers would facilitate the formula-
31 tion of an agricultural preserve as defined in section 4 of this act.

32 The departments shall reject any offer for the sale of develop-
33 ment easements to prime agricultural lands which are unsuitable
34 according to the above criteria.

35 d. Two separate independent appraisals shall be conducted for
36 each remaining parcel of prime agricultural lands so offered and
37 deemed suitable. Such appraisals shall determine the current
38 overall fair market value of such parcels for all purposes, including
39 nonagricultural and development purposes, as well as the current
40 fair market value of such parcels for agricultural purposes. The
41 difference between current overall fair market value and current
42 agricultural fair market value shall represent an appraisal of the
43 value of development easements to such parcels. **The appraisal*
43A *value so determined shall in no way be construed as to affect the*
43B *differential assessment of agricultural lands as provided by the*
43C *"Farmland Assessment Act of 1964," P. L. 1964, c. 48 (C. 54:4-23.1*
43D *et seq.).**

44 Such appraisals shall be conducted by independent, professional
45 appraisers selected by the departments from among members of
46 recognized organizations of real estate appraisers.

47 e. After receiving the results of such appraisals, the departments
48 shall compare the appraised value and the offered value of develop-
49 ment easements to such parcels. Following such comparison, and
50 after consultation with the steering committee, the departments
51 shall determine (1) whether the acquisition of all or a portion of
52 such development easements would be within the financial resources
53 of the program and (2) whether such acquisition would provide
54 for the formulation of the agricultural preserve as provided by
55 this act. [Decisions concerning the acquisition of specific develop-
56 ment easements shall be made within 6 months of the final date
57 fixed for the submission of offers for such easements.]

58 f. Following a determination of the satisfaction of such criteria,
59 [and] the submission to the committee of a report containing a
60 positive recommendation concerning such acquisition, and subject
61 to the approval of such acquisition by a majority of the members
62 of such committee, the Department of Environmental Protection
63 is hereby empowered to purchase such development easements on
64 behalf of the State.

1 2. Section 16 of P. L. 1976, c. 50 is amended to read as follows:

2 16. There is hereby appropriated to the Department of Environ-
3 mental Protection, from the State Recreation and Conservation
4 Land Acquisition and Development Fund created pursuant to the
5 "New Jersey Green Acres and Recreation Opportunities Bond Act
6 of 1974" (P. L. 1974, c. 102) a sum of \$5,000,000.00, or so much
7 thereof as may be necessary, in order to defray the cost of State
8 acquisition of development easements to prime agricultural lands
9 in accordance with the provisions of this act. Any portion of such
10 sum which is not expended for such purposes within [2] 3 years of
11 the effective date of this act shall revert to the aforesaid fund to
12 be used, subject to appropriation, in accordance with the provisions
13 of P. L. 1974, c. 102, and P. L. 1975, c. 155 **provided, however,*
14 *that of such sum, subsequent to the effective date of this amenda-*
15 *tory and supplementary act, no more than \$75,000.00 may be ex-*
16 *pende* ****[and shall only be utilized]**** *in order to defray the costs*
17 *of the review and evaluation of alternative methods of preserving*
18 *agricultural open space required by section 3 of this amendatory*
19 *and supplementary act*.*

1 3. (New section) The departments shall review and evaluate
2 alternative methods of preserving agricultural open space in this
3 State, including but not necessarily limited to: ***[the differential**
4 **assessment of agricultural lands provided by]** the "Farmland
5 Assessment Act of 1964," P. L. 1964, c. 48 (C. 54:4-23.1 et seq.)***,**
6 **as well as any necessary revisions thereto]**; the State purchase of
7 development easements; the transfer of development rights; agri-
8 cultural districting; agricultural zoning; or any feasible combina-
9 tion thereof. The departments shall report the results of such
10 review and evaluation to the committee prior to making any
11 recommendation pursuant to subsection f. of section 8 of the act
12 of which this act is amendatory and supplementary, but in no case
13 later than June 1, 1979.

1 4. This act shall take effect immediately.

[OFFICIAL COPY REPRINT]

SENATE, No. 1485

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 22, 1978

By Senator ZANE

Referred to Committee on Agriculture

AN ACT concerning farmland preservation, providing for the review and evaluation of alternative methods of preserving agricultural open space and making an appropriation therefor.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. The Legislature finds and declares that:

2 a. The preservation of agricultural open space and the retention
3 of agricultural activities would serve the best interests of all citi-
4 zens of this State by insuring the numerous social, economic and
5 environmental benefits which accrue from the continuation of
6 agriculture in the Garden State.

7 b. Past and present policies and efforts of this State intended to
8 promote such preservation and retention, while beneficial and
9 worthy of continuation, have not fully insured the permanent
10 existence of such activities.

11 c. It is both necessary and desirable to devote 1 year's further
12 study to the various methods available to preserve farmland in
13 this State.

14 **d. The review and evaluation of alternative methods of pre-*
15 *serving agricultural open space in this State is wholly compatible*
16 *with the provisions of the "New Jersey Green Acres and Recrea-*
17 *tion Opportunities Bond Act of 1974" (P. L. 1974, c. 102).**

1 2. a. The Departments of Agriculture and Environmental Protec-
2 tion shall review and evaluate alternative methods of preserving
3 agricultural open space in this State, including but not necessarily
4 limited to: the "Farmland Assessment Act of 1964," P. L. 1964,
5 c. 48 (C. 54:4-23.1 et seq.); the State purchase of development

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

6 easements, including but not limited to the program described in
7 the "Agricultural Preserve Demonstration Program Act," P. L.
8 1976, c. 50 (C. 4:1B-1 et seq.); the transfer of development rights;
9 agricultural districting; agricultural zoning; or any feasible com-
10 bination thereof.

11 b. The Division of Rural Resources of the Department of Agri-
12 culture shall have operating responsibility for the review and
13 evaluation described in this section.

14 c. The Departments of Agriculture and Environmental Protec-
15 tion shall **submit in writing a** report on the results of this study
16 to the Governor and to the Joint Legislative Oversight Committee
17 created by section 10 of P. L. 1976, c. 50 (C. 4:1B-10) within 1 year
18 of the effective date of this act. The results of this **written**
19 review and evaluation shall in no way be construed as to affect the
20 differential assessment of agricultural lands as provided by the
21 "Farmland Assessment Act of 1964," P. L. 1964, c. 48 (C. 54:4-23.1
22 et seq.).

1 3. There is appropriated to the Department of Agriculture, from
2 the State Recreation and Conservation Land Acquisition and
3 Development Fund created pursuant to the "New Jersey Green
4 Acres and Recreation Opportunities Bond Act of 1974" (P. L.
5 1974, c. 102), a sum of \$75,000.00 to be utilized to defray the costs
6 of the review and evaluation of alternative methods of preserving
7 agricultural open space provided for by section 2 of this act.
8 **[A portion of this appropriation of \$75,000.00 may be expended to*
9 *defray administrative costs incurred by the Department of Agri-*
10 *culture from July 23, 1978 until the effective date of this act.]**

1 4. This act shall take effect immediately.
