

STATE AGRICULTURE DEVELOPMENT COMMITTEE

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

REGULAR MEETING

SEPTEMBER 22, 2011

Chairman Fisher called the meeting to order at 9:20 a.m. Ms. Payne read the notice indicating the meeting was held in compliance with the Open Public Meetings Act.

Roll call indicated the following:

Members Present

Douglas H. Fisher, Chairman
Ralph Siegel (rep. State Treasurer Andrew P. Sidamon-Eristoff)
Richard Boornazian (rep. DEP Commissioner Martin) (Left at 9:54 a.m.)
Cecile Murphy (rep. DEP Commissioner Martin) (Arrived at 9:54 a.m.)
James Requa (rep. DCA Commissioner Grifa) (Left at 11:35 a.m.)
Alan Danser
Denis Germano (Left at 12:57 p.m.)
James Waltman
Torrey Reade
Jane Brodhecker

Members Absent

Brian Schilling (rep. Executive Dean Goodman)

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

Others present as recorded on the attendance sheet: Heidi Winzinger, Brian Smith, Charles Roohr, Timothy Brill, Paul Burns, Steve Bruder, Patricia Riccitello, Sandy Giambrone, SADC staff, Daniel Pace, Mercer County Agriculture Development Board, Governor's Authorities Unit Representative, Nicole Goger, New Jersey Farm Bureau, Barbara Ernst, Cape May County Agriculture Development Board, Harriet Honigfeld, Monmouth County Agriculture Development Board, Bill Millette, Hunterdon County Agriculture Development Board, Amy Hanson, New Jersey Conservation Foundation, Alesha Williams-Boyd, Reporter from the Asbury Park Press.

Minutes

A. SADC Regular Meeting of July 28, 2011 (Open and Closed Session)

It was moved by Mr. Danser and seconded by Ms. Reade to approve the open session minutes and the closed session minutes of the SADC regular meeting of July 28, 2011. The motion was approved. (Mr. Waltman abstained.)

REPORT OF THE CHAIRPERSON

Chairman Fisher reported on the following:

- Utah Conference

Chairman Fisher stated that he attended the National Convention of Agricultural Secretaries in Utah. It was very interesting how other states wrestle with issues but in very different ways. Preservation, farmland, conservation is on everyone's mind and it is rising higher on the list than in previous years. There are some very interesting plans out there and the more they hear about what is happening in New Jersey the more information they want. Many more states are going to be asking about what we do here in New Jersey.

REPORT OF THE EXECUTIVE DIRECTOR

Ms. Payne discussed the following with the Committee:

- 2009 Bond Referendum Bill Signed at Terhune Orchards

Ms. Payne stated that the bill signing was held at Terhune Orchards and she had the opportunity to speak with Governor Christie. She thanked the SADC members who were able to attend the event on such short notice. She stated that the bill signing means that there is now funding available to close on farms utilizing FY09 funds.

- Solar Reviews

Ms. Payne stated that at the last meeting it was suggested that the Committee consider delegating routine solar application reviews to the SADC staff. She stated that staff is still working on that issue with the Attorney General's Office and will bring the matter back to the Committee in the near future.

- SADC Member Candidates for Farmer Member Vacancy

Ms. Payne stated that the State Board of Agriculture is actively soliciting applicants for the SADC farmer member vacancy. Those interviews are being scheduled at the present time. The State Board is very focused on getting the vacancy filled.

COMMUNICATIONS

Ms. Payne reminded the Committee to take home the various articles provided in the meeting binders. She shared with the Committee a positive letter regarding SADC staff member Dan Knox from a landowner who recently preserved his family's farm.

PUBLIC COMMENT

Mr. Kevin Broderick stated that an agenda item dealing with Honeybrook Farm was going to be on the agenda but he understands that that agenda item has been postponed until the November meeting. When a fact-finding hearing was held on Mr. Smith allowed him an extension of the comment period because he had recently undergone surgery. He asked if that record could now be open so that he could submit a written comment on the issue. Mr. Broderick also inquired regarding medical marijuana and if they could be located on already preserved land. He stated that there was an issue in the Town of Hammonton some years back regarding shrimp farms and wanting to put up buildings to raise shrimp on preserved farmland. He question would be is that the best use of preserved farmland if what we are trying to do is preserve prime soils and what the marijuana facility would be a year round facility that could essentially be constructed anywhere with grow lights or it's not necessary that it be an outside facility or can't be an outside facility type of facility.

Mr. Smith responded that Mr. Broderick should send an email to him directly requesting permission to submit additional comment. Mr. Smith will then forward that request to the two attorneys for Holloway Land and Chesterfield Township to see whether they have any objections and will so inform Mr. Broderick.

Chairman Fisher stated that regarding medical marijuana, the issue is still being reviewed by the SADC and we therefore cannot provide concrete answers at this time. Ms. Payne stated that the Committee understands the need to clarify the matter for the public and will do so as soon as possible.

NEW BUSINESS

A. Eight Year Farmland Preservation Program – New Enrollment

Ms. Winzinger referred the Committee to Resolution FY2011R9(1) for a request for new enrollment into the Eight-Year Farmland Preservation Program for Frederick M. and Virginia C. Detrick. She reviewed the specifics of the new enrollment request and stated that staff recommendation is to certify the new eight-year program application.

It was moved by Mr. Germano and seconded by Ms. Reade to approve Resolution FY2012R9(1) granting certification of a new Eight Year Farmland Preservation Program for Frederick M. and Virginia C. Detrick, SADC #03-0025-8F, Block 841, Lot 34, Pemberton Township, Burlington County, 65.72 Acres, with a soil and water conservation cost share eligibility amount of \$33,144.00 (based on availability of funds), as presented and discussed, subject to any conditions of said resolution. The motion was unanimously approved. (A copy of FY2012R9(1) is attached to and is a part of these minutes.)

B. Eight Year Farmland Preservation Program and Eight Year Municipally Approved Farmland Preservation Program – Renewals and Terminations

Ms. Winzinger referred the Committee to the Eight Year Program Summary Report showing three renewals of eight-year programs and twelve terminations of eight-year programs. She reviewed the specifics with the Committee and stated that the summary was for informational purposes and that no Committee action was needed.

Ms. Payne stated that she met with Brian Shilling, Mr. Siegel, Monique Purcell of NJDA and staff to talk about a possible future funding source for the soil and water conservation cost share grant program. We will be working on fact-finding information and will report back to the Committee when we have more information.

C. Acquisition Overview – FY2008 – FY 2012

Ms. Payne referred the Committee to the Summary of Preserved Farmland Reports, specifically the report entitled Permanently Preserved Farmland by Fiscal Year. She stated that staff mentioned at a previous meeting that it would provide an overview to the Committee on how the program did in FY 2011. She stated that the Christie Administration is very interested in using performance indicators to assess agency efficiency. For the SADC, those indicators relate, annually, to the number of farms that are closed, the number of acres preserved, a goal of having one agricultural management practice adopted each year and stewardship monitoring of all of the farms.

Ms. Winzinger stated that the SADC's goal has been to close on 130 farms per year. However, in the last couple of fiscal years that has not been happening. Staff has assessed the factors contributing to this in order for us to do better in each one of the

programs. She stated that when you look at the report, there is really not one specific reason for any particular program having fluctuations, but it seems to be a combination of factors.

With regard to the County Easement Purchase (EP) and PIG programs, the lack of recent participation by Salem County has had an effect. The County did not participate in the last county FY 2008 purchase round and so far, has only closed on one farm with Planning Incentive Grant (PIG) program). Historically, Salem County had accounted for a large number of acres and farm closings, but due to their financial constraints, their pace of acquisition has slowed considerably.

Fluctuations in funding have been an issue for all programs. Some counties are able to move forward and pre-acquire farms and spend down their funds so when the SADC receives funding they have already pre-acquired farms and are ready to close. For example – today Gloucester County is encumbering its entire \$4.5 million in FY11 funds but they have a huge list of farm projects that have certified values waiting for funding. Other counties do not pre-acquire and wait for appropriation bills to be signed and funding available before advancing applications. Ms. Winzinger stated that we saw a small increase in 2011 of closings that went from 53 in FY2010 to 62 in FY2011 in the county program. She stated that 60% of those closings used FY2009 funding.

Regarding the municipal PIG program, during the GSPT funding years municipalities were able to amass sizeable SADC grants and acquire more farms. Given the fact the SADC has essentially moved to a bi-annual appropriation schedule, as opposed to once annually, and has had to decrease the annual municipal PIG allocations from a maximum of \$1.5 million per municipality per year to \$500,000-\$750,000, the funding to the municipal PIG program has definitely decreased. Most municipalities are not able to go out ahead of the SADC to do pre-closings. We are now seeing an increase in the municipal PIG applications coming in due to the signing of the FY11 appropriations.

The Nonprofit program had two big years in 2009 and 2010 with 13 and 16 closings as compared to the normal 6-7 closings in that program. The substantial number of the closings from 2009 and 2010 were from two different nonprofit organizations, New Jersey Conservation Foundation and The Land Conservancy. They had prior appropriations that allowed for flexibility in spending through the use of project areas, rather than parcel-specific appropriations. The SADC is looking to go back to that type of program where the nonprofits have more flexibility in their spending, through a revamping of the Nonprofit program rules. Also, one of the things we are trying to do is free up Dan Knox's time from state acquisition to implement the changes to the Nonprofit rules and make it more of a planning incentive grant program to provide an easier acquisition targeting process, thereby improving the ability to close farms. On average we expect to have approximately 7-8 closing in this program per year.

In the Fee Simple program, we have deliberated decreased the number of Fee acquisitions due to the staff resources needed to manage post-closing leases, secure the facilities, increased liability, trespassing and vandalism. As a result, we focus much more heavily on utilizing the Direct Easement Purchase Program for state acquisitions. In the Direct Easement Purchase program for FY2009 there was an increase in closings to 31. That year one of the Seabrook farms closed so there was a lot of acreage associated with that. There was also three other landowners that brought in multiple farms.

Ms. Winzinger stated that the goal is to preserve 115 farms per year. Now that we have the FY 2009 funding and the FY 2011 funding we can move forward with closings. One problem that we have is a number of counties have spent down all of their PIG funds and could use more, but we do not have anything to provide them at the present time. Once we get a new appropriation and we are able to move things around we can better provide counties that are moving along. Ms. Reade asked if there was anything that could be done to assist Salem County. Ms. Winzinger responded that one of the things that was being discussed with Mr. Siegel is that the County has to get its installment purchase agreement (IPA) program better publicized and understood, including examples of farmers that have used an IPA, so it isn't so daunting to people. She also suggested the County consider increasing its payment policies a bit to provide for greater flexibility. She stated that she has been speaking to Mr. Siegel about doing a seminar in Salem and Gloucester Counties, to talk about taxes in general but also the IPA and having it come from someone different. Mr. Siegel has been working with Jack Cimprich and SADC staff to try and put together at least a couple of these seminars for January and February. If a landowner was interested they could come and bring their accountant and attorneys. Ms. Reade suggested that Mr. Siegel recruit those people because Salem County folks don't have accountants and attorneys. Mr. Siegel stated that separately we are looking at a NJ Bar Association presentation. Ms. Payne stated that the SADC's reorganization, getting more people in the field will help with more guidance to the local level to assist in moving closings along.

D. Resolution for Final Approval – FY 2009 Planning Incentive Grant Program Application Including Comprehensive Farmland Preservation Plan and Project Area Summary – Marlboro Township, Monmouth County

Mr. Brill referred the Committee to Resolution FY2012R9(2) for a request for final approval of the Fiscal year 2009 Planning Incentive Program Application including the comprehensive farmland preservation plan and project area summary for Marlboro Township, Monmouth County. Mr. Brill reviewed the specifics of the request with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Siegel and seconded by Mr. Danser to approve Resolution FY2012R9(2) granting final approval to the Marlboro Township, Monmouth County FY2009 Planning Incentive Grant Program Application Including Comprehensive

Farmland Preservation Plan and Project Area Summary, as presented and discussed, subject to any conditions of said Resolution. The motion was unanimously approved. (A copy of Resolution FY2012R9(2) is attached to and is a part of these minutes.)

E. Resolutions for Final Approval – County Planning Incentive Grant Program – FY 2009 Funding

Ms. Winzinger referred the Committee to two requests for final approval under the county Planning Incentive Grant Program – FY 2009 Funding. She reviewed the specifics with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Germano and seconded by Mr. Siegel to approve Resolution FY2012R9(3) and FY2012R9(4) granting final approval to the following landowners, as presented and discussed, subject to any conditions of said Resolutions:

1. Catherine Taylor Pascali (Resolution FY2012R9(3))
Block 752.01, Lot 39
Lower Township, Cape May County, 20.978 Acres
State cost share of \$47,000.00 per acre (57.67% of the certified market value and purchase price), totaling \$985,966.00. The county has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore 20.978 acres will be utilized to calculate the grant need. Base grant funds will be utilized for this property.
2. Alice, Carl and Kenneth Martin (Resolution FY2012R9(4))
Block 14, Lot 37
White Township, Warren County, 80 Acres
State cost share of \$204,143.22, which is equal to the County's remaining balance in the FY2009 County Planning Incentive Grant Program Competitive Grant fund and equals \$2,477.46 per acre (70.78% of the certified market value); the County has requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 82.4 acres will be utilized to calculate the grant need; the SADC grant will be funded from the Competitive Grant Fund and no additional SADC competitive grant funds can be sought for this property resulting from any increases in final surveyed acreage above the \$204,143.22 identified in this final approval.

The motion was unanimously approved. (A copy of Resolution FY2012R9(3) and Resolution FY2012R9(4) is attached to and is a part of these minutes.)

Mr. Boornazian left the meeting at this point. Cecile Murphy attended the meeting for Mr. Boornazian.

**F. Resolutions for Final Approval – County Planning Incentive Grant Program
– FY 2011 Funding**

Ms. Winzinger referred the Committee to the resolutions for final approval under the FY 2011 Planning Incentive Grant Program. She reviewed the specifics for each request with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Siegel and seconded by Mr. Waltman to approve Resolution FY2012R9(5) through Resolution FY2012R9(13) granting final approval to the following landowners, as presented and discussed, subject to any conditions of said Resolutions:

1. Roger J. & Margaret M. Ruske & Christopher J. Ruske (Resolution Y2012R9(5))
Block 7, Lots 34.01, 36, 37, 38; Block 8, Lot 1
Fairfield Township, Cumberland County, 205 Acres
State cost share of \$3,650.00 per acre (66.36% of the certified market value and purchase price). The County has requested to encumber an additional three percent buffer for possible final surveyed acreage increases, therefore, 211.15 acres will be utilized to calculate the grant need. Competitive grant funds will be utilized for this property. The three (3) percent acreage buffer has been applied to the funds encumbered from the County's competitive grant, which would allow for a maximum SADC cost share of \$770,697.50.
2. Joseph M. DiBella & Rosemary D. Wright (Resolution FY2012R9(6))
Block 43, Lots 13, 14
Woolwich Township, Gloucester County, 129.018 Acres
State cost share of \$7,110.00 per acre (60% of the certified market value and purchase price) totaling \$917,317.98. Base grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 129.018 acres will be utilized to calculate the grant need.
3. Michael S. DiBella and Jane B. DiBella (Resolution FY2012R9(7))
Block 44, Lots 8, 8.02
Woolwich Township, Gloucester County, 91.446 Acres
State cost share of \$7,350.00 per acre (60% of the certified market value and purchase price), totaling \$672,128.10. Both based grant funds and competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 91.446 acres will be utilized to calculate the grant need.
4. Still Run Properties, LLC (Resolution FY2012R9(8))
Block 2, Lots 3, 4, 5, 9

Mantua Township, Gloucester County, 93.233 Acres

State cost share grant of \$6,400.00 per acre (60% of the certified market value and purchase price), totaling \$895,036.80. Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 93.233 acres will be utilized to calculate the grant need.

5. Matthew Chiuccarello (Resolution FY2012R9(9))
Block 44, Lot 7
Woolwich Township, Gloucester County, 52.90 Acres
State cost share of \$9,000.00 per acre (60% of the certified market value and purchase price) totaling \$476,100.00. Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 52.90 acres will be utilized to calculate the grant need.
6. Gary Prowe (Resolution FY2012R9(10))
Block 265, Lot 9.02
Mantua Township, Gloucester County, 24.851 Acres
State cost share of \$8,400.00 per acre (60% of the certified market value and purchase price), totaling \$208,748.40. Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 24.851 acres will be utilized to calculate the grant need.
7. Heatherwood Farms III, LLC (Resolution #FY2012R9(11))
Block 55, Lot 1
Woolwich Township, Gloucester County, 77.992 Acres
State cost share of \$6,600.00 per acre (60% of the certified market value and purchase price), totaling \$514,747.20. Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 77.992 acres will be utilized to calculate the grant need.
8. W.W. Heritage Sons, Inc., a NJ Corporation (Resolution #FY2012R9(12))
Block 20, Lot 1
Harrison Township, Gloucester County, 37 Acres
State cost share of \$14,700.00 per acre (60% of the certified market value and purchase price of \$24,500.00), totaling \$543,900.00. Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 37 acres will be utilized to calculate the grant need.

9. Samuel A. Ayling and Richard A. Ayling (Resolution FY2012R9(13))
Block82.21, Lot 28
Washington Township, Gloucester County, 37 Acres
State cost share of \$272,021.52 (\$7,351.93 per acre, 36.04% of the certified market value and 32.83% of the purchase price). Competitive grant funds will be utilized for this property. The County has not requested to encumber an additional three (3) percent buffer for possible final surveyed acreage increases, therefore, 37 acres will be utilized to calculate the grant need.

The motion was unanimously approved. (A copy Resolution FY2012R9(5) through Resolution FY2012R9(13) is attached to and is a part of these minutes.)

10. Diamond Developers/Burke Farm, Manalapan Township, Monmouth County

It was moved by Mr. Siegel table action on this agenda item pending attorney/client consultation in closed session. The motion was seconded by Mr. Germano and unanimously approved.

The Committee returned to the open session portion of the meeting at this point.

Mr. Siegel stated that regarding agenda item F-10 pertaining to Diamond Developers/Burk Farm, Manalapan Township, Monmouth County he moves that the Committee table approval pending a referral to the Monmouth County CADB requesting that the Monmouth County CADB seek an opinion from the State Ethics Commission concerning the actions of the applicant on the approval of this application and the November 20, 2010 letter from the Local Finance Board. Mr. Germano asked Mr. Siegel if the Committee could call it the alleged conflict of interest to be more specific. Mr. Siegel responded yes. Mr. Requa seconded the motion. Ms. Reade requested an amendment to the motion to have the referral go to the Monmouth County Board of Chose Freeholders rather than to the Monmouth County CADB. Mr. Siegel stated whichever is appropriate but he felt it was best to send it to the CADB. He asked if the SADC sends issues to the Freeholders. Ms. Payne responded yes. Mr. Siegel requested that the amendment reflect that the referral be sent to the Monmouth County CADB “and” the Monmouth County Board of Chosen Freeholders. Mr. Siegel amended his motion as suggested and Mr. Requa amended his second to the motion. A roll call vote was taken as follows:

Douglas H. Fisher	Yes
Ralph Siegel	Yes
Cecile Murphy	Yes
James Requa	Yes
Alan Danser	Oppose
Denis Germano	Yes

James Waltman	Yes
Torrey Reade	Yes
Jane Brodhecker	Yes
Brian Schilling	Absent

Yes Votes: 8 Oppose Votes: 1 Absent – 1

The motion carried.

G. Resolutions for Amended Final Approval – Municipal Planning Incentive Grant Program

Chairman Fisher left the meeting. Vice Chairman Danser presided over the meeting.

Ms. Winzinger referred the Committee to two requests for final approval under the Municipal Planning Incentive Grant Program. She discussed the specifics with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Siegel and seconded by Mr. Germano to approve Resolution FY2012R9(14) through Resolution FY2012R9(16) granting final approval to the following landowners, as presented and discussed, subject to any conditions of said Resolutions:

1. Readington Township/Toll-Elbert Farm (Resolution FY2012R9(14))
Block 94, Lot 17
Readington Township, Hunterdon County, 26.755 Acres
State cost share of \$8,700.00 per acre for an estimated total of \$232,812.00
(48.33% of the certified market value and 60% of the purchase price, and estimated total cost).
2. Grace Fox (Resolution FY2012R9(15))
Block 703, Lot 1
Upper Deerfield Township, Cumberland County, 24 Acres
State cost share of \$4,500.00 per acre for an estimated total of \$108,000.00
(62.5% of the certified market value and purchase price and estimated total cost).
3. Peppadew Fresh, LLC (Resolution FY2012R9(16))
Block 170, Lot 8.01
Marlboro Township, Monmouth County, 14 Acres
State cost share of \$12,000.00 per acre for an estimated total of \$168,000.00
(60% of the certified market value and 53.33% of the purchase price.)

The motion was approved. (Chairman Fisher was absent for the vote.) (A copy of Resolution FY2012R9(14) through Resolution FY2012R9(16) is attached to and is a part of these minutes.)

H. Request for Final Approval – State Acquisition Program

1. Hill & Dale Farm, Tewksbury Township, Hunterdon County

Mr. Knox referred the Committee to Resolution FY2012R9(17) for a request for final approval on the Hill and Dale farm. He reviewed the specifics with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Germano and seconded by Ms. Murphy to approve Resolution FY2012R9(17) granting final approval to the Hill and Dale Farms, Inc. property, known as Block 51, Part of Lot 80, Tewksbury Township, Hunterdon County, 41 Net Acres, at a value of \$26,000.00 per acre for a total of approximately \$1,066,000.00, subject to any conditions of said Resolution. The SADC approves the use of funding pursuant to the SADC FY 2006 Highlands Preservation Appropriation Expenditure Policy-Amended. The motion was approved. (Chairman Fisher was absent for the vote.) (A copy of Resolution FY2012R9(17) is attached to and is a part of these minutes.)

I. Requests for Final Approval – Nonprofit Grant Program

Mr. Knox stated that there are two requests for final approval under the Nonprofit Grant Program. He reviewed the specifics of each request with the Committee and stated that staff recommendation is to grant final approval.

It was moved by Mr. Germano and seconded by Mr. Waltman to approve Resolution FY2012R9(18) and Resolution FY2012R9(19) granting final approval to the following landowners as presented and discussed, subject to any conditions of said Resolutions:

1. NJCF/Senti, LLC Farm (Resolution FY2012R9(18))
Block 48, Lot 2
Hopewell Township, Mercer County, 17 Acres
The SADC shall provide a cost share grant not to exceed \$6,000.00 per acre (total of approximately \$102,000.00 based on 17 acres). The SADC approves NJCF's use of its Federal Farm and Ranch Lands Protection Program funds for the preservation of this farm, which will include an impervious coverage limitation of two (2) percent (approximately 0.34 acre). **This final approval is conditioned upon the landowner obtaining final lot line adjustment approval from Hopewell Township and the recording of a deed confirming the lot line adjustment.**

Note: Senti, LLC has sought municipal approval to adjust the lot line between Lot 2 and

Lot 3.02. The SADC cannot close on this farm until the lot line adjustment is finalized and proper deeds are recorded.

2. NJCF/Hopewell Valley Enterprises (Resolution FY2012R9(19))

Block 48, Lot 3.02

Hopewell Township, Mercer County, 51 Acres

The SADC shall provide a cost share grant not to exceed \$6,500.00 per acre (total of approximately \$331,500.00 based on 51 acres). The SADC approves NJCF's use of its Federal Farm and Ranch Lands Protection Program funds for the preservation of this farm, which will include an impervious coverage limitation of two (2) percent (approximately 1 acre) outside the exception area. The SADC recognizes the landowner's request for a five (5) acre nonseverable exception around an existing winery; a 0.5 acre nonseverable exception around an existing barn; and a 1 acre nonseverable exception for a future single family residence.

This final approval is conditioned upon the landowner obtaining final lot line adjustment approval from Hopewell Township and the recording of a deed confirming the lot line adjustment.

Note: Hopewell Valley Enterprises has sought municipal approval to adjust the lot line between Lot 3.02 and Lot 2. The SADC cannot close on the farm until the lot line adjustment is finalized and proper deeds recorded.

The motion was approved. (Mr. Siegel abstained. Chairman Fisher was absent for the vote.) (A copy of Resolution FY2012R9(18 and Resolution FY2012R9(19) is attached to and is a part of these minutes.)

J. Farmland Stewardship

1. Solar Installations on Existing Rooftops

- a. Sarah and Thomas Bonham, Hopewell Township, Cumberland Co.

Ms. Reade recused herself from any discussions/action pertaining to this agenda item to avoid the appearance of a conflict of interest. Mr. Bonham's grandson is the District Manager for the Soil Conservation District.

Mr. Roohr referred the Committee to a request to install a solar generation facility on a portion of the rooftop of an existing building located on the Sarah and Thomas Bonham farm, located in Hopewell Township, Cumberland County. He reviewed the specifics with the Committee and stated that staff recommendation is to grant approval to the request by the landowners.

It was moved by Mr. Siegel and seconded by Ms. Murphy to approve Resolution FY2012R9(20) approving a request for the construction, installation, operation and maintenance of a photovoltaic energy generation facility, structures and equipment

consisting of approximately 3,600 square feet and having a rated capacity of 34.47 kW of energy to be located on the roof top of an existing building as identified in Schedule "B" of said Resolution on the Sara and Thomas Bonham Farm, Block 13, Lot 6, Hopewell Township, Cumberland County, 109.9 Acres, as presented and discussed and subject to any conditions of said Resolution. The motion was approved. (Ms. Reade recused herself from the vote. Chairman Fisher was absent for the vote.) (A copy of Resolution FY2012R9(20) is attached to and is a part of these minutes.)

Chairman Fisher returned to the meeting at this point and presided over the meeting.

2. Annual Monitoring Review
a. Summary of Findings

Mr. Roohr referred the Committee to the SADC Annual Monitoring Program Status-2011 Summary dated September 22, 2011. He stated that whenever SADC funds are used to purchase a development easement, the Grantee identified in the easement is required to conduct an annual inspection of the property to ensure that it remains in compliance with the terms of the deed of easement. The Summary presented to the Committee today is an accounting of the easements held by varying entities. Mr. Roohr reviewed the specifics of the summary report with the Committee.

Mr. Roohr stated that while an annual monitoring report for each farm must be submitted to the SADC, there has been no standard procedure for how to conduct or document monitoring inspections. Further, monitoring inspections are conducted by a variety of personnel. The SADC and some county agriculture development boards (CADBs) rely on their own staff, with some counties also using summer interns. Other CADBs have contracted out monitoring to outside agencies, such as Soil Conservation Districts, other county departments or private businesses. This leads to the use of a wide range of methods, procedures and documentation. He stated that we need to work to standardize monitoring procedures to ensure all landowners are being treated equally and to create consistent documentation to be used as a basis for future monitoring and compliance activities. Mr. Roohr stated that the report is for informational purposes and that no action is needed by the Committee.

Mr. Requa left the meeting at this point.

b. Presentation of New Web Based Monitoring Form

Mr. Roohr referred the Committee to his memorandum dated September 22, 2011 regarding the introduction to the SADC's new "e-form". In an effort to modernize the way preserved farm monitoring reports are prepared, submitted and utilized, SADC staff have been working with the NJDA's information technology department for the last year

to create a web based, paperless monitoring and inspection report program. The resulting form is referred to as the monitoring “e-form”. It is essentially a writable PDF which can be accessed by any user (SADC/County/Non-Profit) and is pre-populated with pertinent data from the SADC database simply by typing in the 8-digit ID number and a unique PIN number. The development of the e-form represents a major shift in the collection of, and ability to use, the data collected in the field by SADC, CADB and Non-Profit partner staff. With the first e-form now completed it is anticipated that different versions of the e-forms could be developed for other SADC programs, including acquisition and appraisals.

The form is designed to capture much of the relevant information needed to review farm compliance as well as information that could be needed to evaluate requests and applications for activities that are permitted on farms but require approval from the easement holder and/or the SADC, including but not limited to commercial non-agricultural use permits, renewable energy permits, as well as making determinations on impervious cover on farms that have such limits. Mr. Roohr reviewed the specifics of how the form would work. He stated that the immediate goal is to utilize the e-form in-house by SADC staff for monitoring the 400+ SADC owned easements. This process began in August. The next goal is formally unveil the e-form to the public and make the form available for use to any county or Non-Profit later this fall. The SADC staff will offer workshops and demonstrations on the use of the form and the benefits derived from its use. Eventually, the SADC envisions all easement holders using the e-form to collect and submit monitoring data. He stated that this is informational and that no Committee action is needed.

3. Request for a Division of the Premises

a. Katona Farm, Chesterfield Township, Burlington County

Mr. Smith referred the Committee to a request by Katona Farms, Inc. owner of Block 302, Lots 8.01 and 12.01, in Chesterfield Township, Burlington County to divide the premises. This property was preserved by Burlington County with a State cost share grant in 1989. It consists of two contiguous parcels and in 2007, Parcel “B” (Block 302, Lot 12.01) comprising 80 acres, was conveyed by Mr. Katona to Linwalt Farm, LLC. Katona Farms is owned, operated and controlled by Walter Katona and his son Chip. The managing member of Linwalt Farm, LLC is Jennifer Katona, daughter to the principal of Katona Farms, Inc., Walter M. Katona. The 2007 division was accomplished without county or state approval. What is before the Committee today is an “after the fact” approval request. In 2008 during an annual monitoring inspection of Katona Farms, Inc. by the Burlington CADB, Katona Farms, Inc. represented that it had conveyed Block 302, Lot 12.01 to Linwalt Farm, LLC. The Burlington CADB staff advised Katona Farms, Inc. that the property may not be in compliance with the Deed of Easement and that a division request would need to be approved by the Burlington CADB and the SADC. The division has been reviewed and approved by the Burlington CADB, passing

a resolution in May 2011 agreeing to the division along existing lot lines. Parcel "A" is 102 acres and Parcel "B" is 80 acres. The parcels are still owned by Katona Farms and Linwalt LLC. Burlington County found that the division kept the farm in the Katona family, allowed Katona Farms to continue farming both parcels and also provided Katona Farms, when it sold Parcel "B", funds to keep the farm operation in business and to pay off debts. Katona Farms also has a very long history of good stewardship over the past twenty years on both farm parcels. Linwalt Farm, LLC has no present intention of leasing the farm property Parcel "B" to anyone other than Katona Farms, Inc.

Mr. Smith stated that the deed of easement that was given by Katona Farms, Inc. to Linwalt Farm, LLC in 2007 for Parcel "B" does not contain any recital that Parcel "B" is subject to a development easement. Therefore the resolution before the Committee today does require that a new deed of conveyance be executed for Parcel "B" so that it contains the necessary notice in the recital that Parcel "B" is preserved and subject to a deed of easement.

Mr. Smith reviewed the tests regarding agricultural viability and purpose with the Committee as outlined in Resolution FY2012R9(21). He stated that SADC staff concurs with the Burlington CADB's findings and recommends granting approval to the division request as presented and discussed.

It was moved by Mr. Germano and seconded by Ms. Brodhecker to approve Resolution FY2012R9(21) granting approval to a division of the Premises to the Katona Farms, Inc. farm, as presented and discussed and subject to any conditions of said Resolution, including that the approval of the division of the premises is subject to, and shall be effective upon, the recording of a deed transferring ownership of Parcel B to Linwalt Farms, LLC, and such deed shall have been reviewed and approved in advance by SADC staff.

Ms. Murphy stated that in terms of the agricultural purpose of the division, her understanding was that estate planning was not a sufficient agricultural purpose and she didn't hear another one today. Ms. Payne stated that she thought it was the context of the estate planning rationale that was important. The SADC has had situations in the past where property owners just wanted to, for estate planning purposes, divide the property and deed a piece to each child. However, they have been disconnected from an agricultural operation that the family owns on that property. It is her understanding of this application that when Linda Katona, wife of Mr. Katona, died and they did their estate planning, deeded a portion of her interest to the daughter. That was the estate planning purpose. However, the bigger purpose is that Katona Farms still farms both of these properties and without being able to settle the estate the whole farm would have to be sold and the operation would no longer be there. Ms. Murphy inquired as to why the farm would have had to be sold. Ms. Payne responded that the estate would have to be settled and the daughter interest would have had to be bought out but her understanding is

that the subdivision was necessary to settle the financial obligations of the estate to the nonfarming child. That enabled the entire operation to stay intact.

Mr. Katona addressed the Committee. He stated that what Mr. Smith related is pretty much correct. The division happened shortly after his wife's passing and they did not realize that they could not sever the two farms that had been put together in a way to deed restrict for preservation. If they had realized that they would have gone through the proper process and when it was brought to their attention they wanted to make it right through whatever process that had to be done. He stated that what Mr. Smith related is true and that the division kept Parcel "B" in a manner that Katona Farms could continue to farm it, although we didn't directly own it. It also allowed for his daughter to own the house, which could not be subdivided from the farm. He stated that the bottom line was that the agricultural purpose was to keep the farms together to allow them to farm it and the money that came into the farm as a result of that transaction were used by Katona Farms to continue the operation.

The motion was approved. (Mr. Requa was absent for the vote.) (A copy of Resolution FY2012R9(21) is attached to and is a part of these minutes.)

Mr. Siegel wondered if the SADC should require financial information to verify an applicant's claim that a subdivision is necessary for estate planning reasons. He doesn't know if it would be required in this case but the other side of the coin is if a landowner is going to use estate planning as an agricultural purpose they need to actually document the estate planning. At that point he doesn't think it is unreasonable for the SADC, representing the tax-payers, to ask to be shown that it is estate-planning. He is not commenting to this application but as we go forward we should set up some type of protocol, even if it has to be on a confidential basis, where the staff is satisfied and not shared with the Committee. It should be the estate plan, the amount of money that transfers, the tax exposure, the value of the property and how they are planning their estate is something that is legitimate for this Committee to consider.

Ms. Payne stated for clarification purposes that the SADC has to balance several issues when we get these cases. One is estate planning and she agrees that every landowner who owns property should carefully plan for the property's disposition through their estate planning process. However, we cannot just say that estate planning is sufficient to satisfy the agriculture purpose criteria; it still has to meet the test of an agricultural purpose and the properties need to be agricultural viable. She stated that to her the distinction between this case and previous cases before the Committee is here there is a family run operation currently functioning on this property and they are asking for the right to subdivide the property in order to settle their finances to maintain that agricultural operation. If Mr. Katona was an attorney that just rented the ground out for soybeans, she doesn't know that the staff recommendation would have been the same. That is an important factor. That is why we take these applications on a case-by-case basis.

Ms. Murphy stated that it is important to note that what Ms. Payne related, that has been the basis for the Committee's decisions as a board. As a board we need to be consistent or we open ourselves up to beyond criticisms into lawsuits etc. We need to be consistent that our decisions are consistent with past ones or that we are very articulate as to why they are different.

K. Renewable Energy Regulations – Status and Work Plan

- 1. Wind AMP (Right To Farm)**
- 2. Renewable Energy Facilities on Preserved Farmland**
- 3. Rutgers University Proposed Contract**

Ms. Payne stated that this is related to the work that the SADC has done and will continue to do as it relates to renewable energy. She wanted to explain where staff is in looking at these issues and suggest a path moving forward. Ms. Payne referred the Committee to her Memorandum dated September 13th, giving the Committee the general background regarding the newly passed Solar/Wind/Biomass law, passed in the beginning of 2010. That law obligated the SADC to adopt four separate regulations: 1) a Solar agricultural management practice (AMP) for right to farm (RTF) purposes; 2) a Wind AMP for RTF purposes; 3) a Biomass AMP for RTF purposes; and standards for locating renewable energy facilities (solar/wind/biomass) on preserved farmland.

To date, the SADC has adopted the solar AMP (#1 above). The biomass AMP (#3) is a longer term project, because it will follow the NJDA's adoption of rules governing biomass development as required by the enabling act – and those rules are yet to be proposed. Therefore, the work left for the SADC is to accomplish in the near term are the Wind AMP (#2) and the Standards for Preserved Farmland (#4). Ms. Payne stated that there are a small but very interested number of preserved farmland owners that are very anxious to come before the Committee with an application to construct solar/wind facilities that are not on an existing rooftop, so we need to adopt those regulations in order to do that. In particular there are a couple of wind turbine applications that we cannot even consider until we adopt those preserved farm regulations. The immediacy is great for that.

Ms. Payne stated that regarding the wind AMP, the Interagency Task Group went as far as it could, taking the bones of the solar AMP and modifying it to fit wind to the extent that we could. However we quickly run up against two big issues – 1) what are the sound impacts of these large wind turbine facilities and 2) what should the setbacks be. As late as this week we were seeing the Senate Environment Committee considering a bill that would allow 500 foot wind turbines on preserved and nonpreserved farmland. One of the big issues discussed at that hearing is sound impacts of the turbines and how far back residences should be from them. Ms. Gruzlovic from our office has done a tremendous amount of research across the country and across the globe via the internet to find out

what other jurisdictions is doing and it is highly varied. Some have very low standards, some have no standards, some have setbacks 1 ½ times the system heights, some have a mile and a half setbacks.

Ms. Payne stated that wind facilities are different from solar facilities in that you have “small wind”, which according to the industry is typically sized up to 100 kw in capacity – what would typically be sufficient to serve a farm operation - and “large wind” which is everything above that level. What we are proposing is to separate the small wind and finish the AMP for that, developing an AMP standard immediately for small wind. In order to answer the large wind question, she feels we would need professional assistance.

Ms. Payne explained that there was a companion bill to the solar/wind/biomass law affecting SADC programs that was a “small wind” law, and it really tied municipalities’ hands from regulating small wind facilities and indicates that municipalities cannot create a setback of more than 150 percent of system height nor set a decibel level below 55 db. Mr. Waltman stated that legislation precludes municipalities from setting these setbacks but does it or does it not preclude the SADC from doing so. Ms. Payne stated she agreed, but that the main RTF issue for applicants is to help farm owners who cannot get approvals from their towns to put their turbines up. Since that legislation tied the hands of the municipalities so substantially, we don’t have as big of a RTF conflict potential as we do with the large wind.

Mr. Siegel felt that everything Ms. Payne is proposing is fine but he is confused as to what the expectations are concerning research into large turbines. He asked if she is expecting that we will be less restrictive in the large wind AMP - so it will allow them to be more noisy and closer than small turbines. If anything we would be more restrictive. At a minimum we could put these into an overall wind AMP without splitting the small and large. Ms. Payne stated that is the other option. Mr. Siegel stated that this way you are at least getting everything out of the baseline and then saying we will be revisiting large megawatt machines and may revise the AMP but at the moment these minimums are in place. Ms. Murphy felt that would not be fair because someone could make investments and then a year later we say something different. Mr. Siegel stated they could be grandfathered in if they were in compliance at the time of the existing AMP. Mr. Danser stated that if we anticipate that the large wind restrictions are going to be greater than the small wind you are producing a window where someone proposing a big turbine could get in before we adopt what is expected to be more restrictive standards, which is a bad idea.

Ms. Payne stated that the other path we could take would be that we move forward on the preserved farm rules because that mostly deals with disturbance and impervious cover as set forth in the statute and we don’t proceed on the wind AMP until we hire Rutgers to do the study that is needed in order to better understand the impacts of wind totally, including the sound and setback proposals. The Rutgers’ proposal sets forth that they

would propose to do an extensive literature search on the impacts on wind, the factors that affect it, its impact on humans and that they would help develop standards for noise and setback that would be included in the SADC's regulations.

Chairman Fisher asked whether in light of the "Small Wind" legislation that on these small wind projects we already know what can and cannot be done. Ms. Payne stated that we know what the municipalities are limited to doing in terms of their regulating small wind. Chairman Fisher asked that on large wind they don't have any further ability to allow these things to happen either? Ms. Payne stated that is an unanswered question about what the setbacks should be. We continue to have this discussion about whether the SADC the appropriate agency to be setting wind and noise limits for big wind through the AMP process, but in the absence of anyone else in the state doing it, that is what we are doing. She stated that someone can go in and do a big wind project and they don't have to care what is in our regulations if they are not seeking right to farm protection. We are just adopting a right to farm standard. She has no ability to suggest a standard for big wind turbines without hiring an expert to assist us. Ms. Reade asked if what we are saying is that we are going to afford right to farm protections for large wind projects on farms? Ms. Payne responded yes, eventually, as long as the project complied with the Farmland Assessment law restrictions on energy generation - up to 2 megawatts of power, and up to ten acres, and using the 1-5 land use ratio (one acre of land dedicated to energy production for every 5 acres in agricultural use). Mr. Waltman stated that as part of this research he would want to see what the other states have as standards for setbacks and noise. He stated that he could see a different standard for setbacks of large wind and small wind but when it comes to the noise it is either loud or it isn't. Why would there be a different standard for noise on small wind versus large wind.

Mr. Siegel stated that he mentioned at the last meeting regarding something that is occurring in Somerset County, Pa. called shadow-flutter. The setback itself was not enough because they put the turbines on top of a bridge and the shadows are fluttering across a large development of approximately 300 houses. He heard the term and it is a big issue there with the landowners litigating. The turbines are causing shadow flickering in the windows of the residences and if that happens for prolonged periods of time it is very disturbing to the homeowners. The landowners have gotten a restraining order to shut down the turbines in light of the issue.

Chairman Fisher asked that don't we almost have what we have to do in terms of the small wind, regardless of what the sound survey says for large scale operations? Ms. Payne responded that what the Committee is observing is that the small wind law that was passed tells the municipality that it cannot set a lower standard so we don't have the same kind of right to farm pressure there as we will have elsewhere. If the Committee would be more comfortable we cannot proceed on the AMP work until such time as Rutgers does its study, in which case we have sound impact information for all sources.

Mr. Waltman stated that if the SADC is the body that has been charged by the legislature to come up with regulations of these small wind turbines on farms, just because the legislature told the municipalities that they cannot regulate below 55db and a certain setback that doesn't mean that the SADC, if it wanted to, could establish lower standards. Ms. Murphy felt the responsibility is to set a standard that if someone is living next to a farm that has one of these facilities on it, that person doesn't feel like the farmer got one over them. The responsibility is also to the public to make sure that whenever this is established it is at a level that is scientifically demonstrated to be reasonable.

Ms. Payne indicated she was hearing a consensus to hold off on the wind AMP to allow Rutgers to do their work and incorporate that when it's completed. Mr. Siegel stated that he would move ahead with what Ms. Payne proposed with getting the small wind AMP out. Mr. Danser asked when the Rutgers study would be completed. Ms. Payne stated that their proposal states deliverables by March 31, 2012. Mr. Siegel suggested tightening the deadline date. He felt that we should move with the small wind AMP and tighten the deadline date to January 2012. He stated that the correspondence from the New Jersey Farm Bureau that was included in the meeting information for this agenda item mentions legislation that is out there that proposes to strip away authority because the sponsor believes we have acted too slowly. He doesn't want to feed that thinking. Ms. Payne felt that would not be doable for Rutgers. She spoke to Rutgers at length regarding the urgency and that was the date that could complete it by.

It was moved by Mr. Siegel to move forward with the small wind AMP and simultaneously commission Rutgers to research standards that would be appropriate for a large wind AMP. Mr. Germano seconded the motion.

Mr. Waltman stated that because we have had this pending legislation brought to our attention by the NJ Farm Bureau and he can attest that there are numerous environmental groups that have heard about it and we know that the League of Municipalities is also concerned about it, he knows that this body has expressed itself on similar legislation in the past to the legislature so he thinks that while we are moving forward to comply with the legislation that passed before, he would like the Committee to simultaneously register an opposition to this recent legislation. Chairman Fisher and Ms. Payne indicated that they have sent testimony to that affect.

Ms. Murphy asked if the small wind legislation had scientific research behind the numbers. Ms. Payne stated she was confident that there was not. Ms. Murphy stated that the Administration is very supportive of renewable energy but they are always very supportive of anything being scientific-based. Ms. Payne stated that the legislation was signed prior to this administration being in place. She felt that the work that Rutgers does will also inform the Administration and the legislature about what we are really dealing with here. Chairman Fisher stated that doesn't stop staff from preparing a document, we haven't approved anything....you are beginning the construction and preparation of a

document that you may ultimately reject so why don't we just do that and see what we can find out, put it together. We still have the opportunity to not approve what staff will have put together. Ms. Payne stated that staff will go as far as we can to see whether, in light of the legislation, it is possible for us to put those standards into small wind now, in advance of the Rutgers study. If we come back and advise that we are not comfortable with that and want to do small and large wind at the same time, then we have that opportunity.

Chairman Fisher called for the vote at this point. The vote was not fully completed as Mr. Waltman asked for the vote as amended with the request to go on record against the recent legislation. Chairman Fisher stated it was not an amendment to the resolution therefore he couldn't do that. It would need to be a separate resolution.

Chairman Fisher called for the vote again. The motion was approved. (Ms. Murphy abstained. Mr. Requa was absent for the vote.)

Mr. Waltman proposed an additional resolution that the SADC indicate its opposition to pending legislation Senate Bill S2887. This is a renewable energy from wind on preserved farms legislation. Ms. Reade asked if his motion was in addition to the opposition that they have already articulated. Mr. Waltman stated that this body should pass a resolution supporting the position that has been taken by the staff and the Secretary of Agriculture. Chairman Fisher stated that this is memorializing the opposition that we have already related.

Mr. Siegel stated that the SADC, as a Committee, did not adopt that decision because this creates problems for the departmental representatives. Chairman Fisher stated that Mr. Waltman made motion, is there a second? Mr. Germano seconded the motion.

Mr. Siegel stated that this legislation came up in June and when he asked about the fact that Secretary Fisher and Ms. Payne testified, that the SADC speaks on legislation and we are an administration and the Administration have to make decisions about what bills they support and the problem in June was that we don't want our Committee to ever be in a position of saying "red" on a piece of legislation that the Governor's Office is proceeding to say "green". He always worries about hurting the program. He felt that everything that Secretary Fisher and Ms. Payne did was appropriate but in terms of the SADC as a Board officially saying here is a piece of legislation that an Assembly person has submitted and the SADC says its bad, that is not what boards traditionally do. It's really the Governor's Office call on how it feels regarding a piece of legislation. Chairman Fisher indicated that the Governor's Office was aware that he was going to make testimony. Mr. Siegel stated that in terms of how he is supposed to vote as a representative from the Treasurer's Office he needs to confer with his office as to how it feels on the issue. Chairman Fisher stated that their statements didn't recommend not

passing the legislation, we related the issues that were involved about what this meant and what the effects were.

Chairman Fisher called for the vote on the motion on the floor from Mr. Waltman and seconded by Mr. Germano. Mr. Waltman stated that he was going to withdraw the motion. Chairman Fisher advised that the motion is now withdrawn.

Mr. Germano left the meeting at this point.

PUBLIC COMMENT

Harriet Honigfeld requested clarification on the directive pertaining to Diamond Developers seeing there was a Local Finance Board letter on the matter already. She asked what the Committee is now seeking and is the Local Finance Board the same as the State Ethics Board? Mr. Stypinski stated that what the SADC is asking the county to do is to request an opinion from the State Ethics Commission to address the question concerning the alleged conflicts of interest. Ms. Honigfeld asked if that was something that the SADC could initiate because she has to say that this has become a county and local campaign issue as well as a lawsuit, therefore it may not be the most neutral entity to ask. Chairman Fisher stated that her county would have to respond to what the SADC is going to send it and that the Committee will not comment on it further. Mr. Germano stated that the local finance board and the State Ethics Board are different.

Charles VanMater stated that his comments are regarding subdividing a farm also that has been before the Committee and denied. The property in question is Crescent Farm, Inc. and it was preserved in 1989, the same as Katona's. His father and his uncle at the time were the principal owners in the corporation and his uncle was not involved in the farming operation at the time but we didn't have the money to buy him out. What was put in preservation was allotted two RDSOs so that the property could be subdivided into three parcels and it was his father's and his uncle's understanding that it could be as an estate planning tool also because his uncle had three children, who were not involved at all in the farm and were going to have to be taken care of somehow. Those children and two of his brothers have gotten together and kicked him off the farm. He has fifty years of hard work on the farm. By denying the subdivision he is going to lose the entire farm. He owns 46 percent of the corporation and has no say. The court says because it isn't 51 percent he has no say. Between the five other members, they control 54 percent. Two years ago they offered a settlement of his problem really, to give him half of the north side of the farm with one RDSO and his 46% of the south side of the farm when it was sold but because of the SADC's denial none of it could happen. He feels that it needs to be looked at again. Now they are offering him just his half of the north side because they think that the SADC will accept that and leave the other two parcels together. It's not enough to satisfy him.

Chairman Fisher stated that anyone who has been farming for fifty years you want to hope that they can continue farming. He asked if there was a court case pending now? Mr. VanMater stated that he signed an agreement with them. Mr. Germano stated that his office represented the other side of this issue so he has to recuse. Ms. Payne stated that she doesn't have all the details but she recalls that this proposal has come through the office and staff reviewed them but she didn't think that Mr. VanMater's subdivision request has ever been before the Committee so there has not been a denial to date. That would be the next step. She explained that is what we do all the time - an attorney for an applicant will come and propose something and, after review, staff will indicate whether or not it can recommend approval to the SADC. If not, it is always the landowner's option to say they want to go to the Committee anyway or sometimes they will reconfigure their application to get staff support. From what she knows to date, that is as far as it has gotten. Mr. VanMater indicated that he was told that it did come before the Committee. He stated that they came to him and offered this proposal to stop litigation. Chairman Fisher suggested that Mr. VanMater have a conversation with staff to see what the options are and that is all he can say at this time. The next thing is that you have an issue that you want to deal with, with the SADC and the Committee and he is saying that you will get to talk to staff who will tell you what options are available to you. Whether or not the outcome is what you want, he doesn't know but you have every right and expectation to get what is available and staff will tell you what is available to you.

TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: Thursday, December 8, 2011, beginning at 9:00 a.m. Location: Health/Agriculture Building, First Floor Auditorium.

CLOSED SESSION

At 1:30 p.m. Ms. Brodhecker moved the following resolution to go into Closed Session # 2. The motion was seconded by Ms. Murphy and unanimously approved.

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

Action as a Result of Closed Session

A. Real Estate Matters - Certification of Values

County Planning Incentive Grant Program

It was moved by Mr. Danser and seconded by Mr. Waltman to certify the development easement values for the following landowners as presented and discussed in closed session:

1. Burlington County/G&C D'Amico
SADC # 03-0358-PG
Block 301, Lot 14.03
North Hanover Township, Burlington County, 52 Acres
2. Cross Farm Associates, LP (Cross Farm # 3)
SADC #06-0115-PG
Block 19, Lot p/o 2
Hopewell Township, Cumberland County, 67.5 Acres
Certification of value is contingent upon the subject property being subdivided as described in the Certification of Value Report and not subject to any development restrictions prior to closing.
3. Cross Farm Associates, LP (Cross Farm # 4)
SADC #06-0116-PG
Block 19, Lot p/o 2
Hopewell Township, Cumberland County, 67.5 Acres
Certification of value is contingent upon the subject property being subdivided as described in the Certification of Value Report and not subject to any development restrictions prior to closing.

The motion was approved. (Mr. Requa and Mr. Germano were absent for the vote. Mr. Siegel abstained.) (Copies of the Certification of Value Reports are attached to and are a part of the closed session minutes.)

It was moved by Mr. Danser and seconded by Ms. Reade to certify the development easement values for the following landowners as presented and discussed in closed session:

1. Jeff Crisman Brothers LLC # 1
SADC #19-0016-PG
Block 1902, Lot 8
Fredon Township, Sussex County, 101.86 Acres
2. Jeff Crisman Brothers LLC # 2
SADC # 19-0017-PG
Block 2005, Lot 11.01
Fredon Township, Sussex County, 72.92 Acres

3. Jeff Crisman et al
SADC #19-0018-PG
Block 2101, Lot 4
Fredon Township, Sussex County, 69.36 Acres
4. Richard and Gail Havens # 2
SADC # 19-0004-PG
Block 24, Lot 10.01
Wantage Township, Sussex County, 38 Acres

The motion was approved. (Mr. Requa and Mr. Germano were absent for the vote. Ms. Brodhecker recused herself from the vote.) (Copies of the Certification of Value Reports are attached to and are a part of the closed session minutes.)

State Acquisition Program

It was moved by Mr. Danser and seconded by Mr. Waltman to certify the development easement values for the following landowner as presented and discussed in closed session:

1. Southwark Farms, LLC/Jorgensen
SADC # 19-0195-DE
Block 11, Lot 3
East Amwell Township, Hunterdon County, 62 Acres

The motion was approved. (Mr. Requa and Mr. Germano were absent for the vote. Mr. Siegel abstained.) (A copy of the Certification of Value Report is attached to and is a part of the closed session minutes.)

Municipal Planning Incentive Grant Program

It was moved by Mr. Danser and seconded by Mr. Waltman to certify the development easement values for the following landowners as presented and discussed in closed session:

1. Maurice and Delores Kernan
SADC # 17-0096-PG
Block 40, Lots 14, 29
Upper Pittsgrove Township, Salem County, 76 Acres
2. J. Lin and D. Un Lin
SADC #17-0098-PG
Block 401, Lot 61

Pittsgrove Township, Salem County, 18 Acres

3. Charlotte Lippincott/Charles Hurff
SADC # 17-0092-PG
Block 43, Lot 2
Pilesgrove Township, Salem County, 150 Acres
4. Judith Newkirk
SADC #17-0097-PG
Block 21, Lot 23
Upper Pittsgrove Township, Salem County, 57.78 Acres
5. Carl S. Race, Jr. and Joyce E. Race
SADC #21-0502-PG
Block 1803, Lots 3.01, 3.04, 3.06, 3.07
Blairstown Township, Warren County, 46 Acres
6. Daniel L. and Lois A. Sauder
SADC #17-0099-PG
Block 2101, Lot 36
Pittsgrove Township, Salem County, 15 Acres
7. Louis Schmidt
SADC #17-0095-PG
Block 202, Lots 2, 48, 49; Block 801, Lots 22, 35
Pittsgrove Township, Salem County, 91 Acres
8. Herbert and Catherine Wegner
SADC #17-0100-PG
Block 202, Lot 35
Pittsgrove Township, Salem County, 20 Acres
9. George and Evelyn Williams # 1
SADC #17-0094-PG
Block 87, Lot 1
Pilesgrove Township, Salem County, 30.1 Acres

The motion was approved. (Mr. Requa and Mr. Germano were absent for the vote. Mr. Siegel abstained.) (Copies of the Certification of Value Reports are attached to and are a part of the closed session minutes.)

Nonprofit Grant Program – Amended Certification of Value

It was moved by Mr. Danser and seconded by Mr. Waltman to certify the development easement values for the following landowner as presented and discussed in closed session:

1. MCF/Thomas Gimbel
SADC #13-0004-NP
Block 835, Lot 16
Middletown Township, Monmouth County, 34 Acres

The motion was approved. (Mr. Requa and Mr. Germano were absent for the vote. Mr. Siegel abstained.) (A copy of the Certification of Value Report is attached to and is a part of the closed session minutes.)

B. Attorney/Client Matters

None

ADJOURNMENT

There being no further business, it was moved by Mr. Danser and seconded by Ms. Murphy and unanimously approved to adjourn the meeting at 2:04 p.m.

Respectfully Submitted,

Susan E. Payne, Executive Director
State Agriculture Development Committee

Attachments

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