

STATE AGRICULTURE DEVELOPMENT COMMITTEE
Department of Agriculture
Market and Warren Streets
1st Floor Auditorium
Trenton, NJ 08625

REGULAR MEETING

July 23, 2009

Acting Chairperson Purcell called the meeting to order at 9:01 a.m. In compliance with the “Open Public Meetings Notice”, the following statement was read:

“Pursuant to N.J.S.A. 10:4-6 et seq., adequate public notice of this meeting has been provided by giving written notice of the time, date, location and, to the extent known, the agenda. At least 48 hours in advance, this notice has been posted on the public announcement board, third floor, Health/Agriculture building, John Fitch Plaza, Trenton, NJ, mailed and/or faxed to the Newark Star Ledger, the Times of Trenton, the Camden Courier Post, and filed with the Office of the Secretary of State.”

Roll call indicated the following:

Members Present

Monique M. Purcell, Acting Chairperson
Cecile Murphy (rep. DEP Acting Commissioner. Mauriello)
Ralph Siegel (rep. State Treasurer. Rousseau) (Arrived at 9:37 a.m.)
Brian Schilling (rep. Executive. Dean Goodman)
Jane R. Brodhecker
Denis C. Germano, Esquire
Alan A. Danser
James Waltman
Torrey Reade
Stephen P. Dey

Members Absent

Joy Farber (rep. DCA Commissioner Doria)

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

Others present as recorded on the attendance sheet: Robert J. Baumley, Heidi Winzinger, Brian D. Smith, Charles Roohr, Paul Burns, Edgar Madsen, Edward Ireland, Timothy Brill, Steve Bruder, David Kimmel, Cassandra McCloud, Patricia Riccitello and Sandy Giambrone, SADC staff, Daniel Pace, Mercer County Agriculture Development Board, Harriet Honigfeld, Monmouth County Agriculture Development Board, William Millette, Hunterdon County Agriculture Development Board, Barbara Ernst, Cape May County Agriculture Development Board, Ryan Rapp, Middlesex County Agriculture Development Board, Ryan Allen, Ocean County Agriculture Development Board, Tom Beaver, New Jersey Farm Bureau, Robert Resker, Warren County Agriculture Development Board, Katherine Coyle, Morris County Agriculture Development board, Maura Tully, Governor's Authorities Unit.

Minutes

- A. SADC Regular Meeting of June 25, 2009 (Open Session)
- B. SADC Regular Meeting of June 25, 2009 (Closed Session)

Ms. Reade stated that the name of "Rolan" DeWilde, a renewal applicant under the eight year program was misspelled. The correct name is "Roeland". She asked that this be corrected.

It was moved by Dr. Dey and seconded by Ms. Brodhecker to approve the open session minutes of the SADC regular meeting of June 25, 2009 with the above noted correction. The motion was unanimously approved.

It was moved by Dr. Dey and seconded by Mr. Danser to approve the closed session minutes of the SADC regular meeting of June 25, 2009. The motion was unanimously approved.

REPORT OF THE CHAIRPERSON

Acting Chairperson Purcell stated that she is chairing today's meeting on behalf of Chairman Fisher who is attending a tour with United States Department of Agriculture Secretary Vilsack. She stated that the New Jersey State Board of Agriculture held its reorganizational meeting yesterday and swore in two new members, Jim Giamarese who is a vegetable grower from Middlesex County and Dr. Lewis DeEugenio who is a fruit grower from Gloucester County. Mr. McNaughton and Mr. Mattarazzo are no longer on the State Board and the new President is Roger Kumpel with Scott Ellis from Mercer County as the new Vice President.

Acting Chairperson Purcell stated the Department has been working with the Delaware River Basin Commission (DRBC) and the New Jersey Water Supply Authority (NJWSA) regarding farmers having to pay administrative, water usage or other fees. A revised Agreement has been drafted between the DRBC and the DEP that would make it no longer necessary for farmers withdrawing water from the Delaware River Basin to apply to the DRBC and pay an administrative fee. That Agreement is anticipated to be signed in the near future. The NJWSA is open to exploring the idea of having farmers with Ag

Water Conservation Plans implemented on their farms to be exempt from any debt service or water usage fees if they withdraw water from the two water supply systems that the Authority operates and maintains - the Raritan Basin and Manasquan Water Supply System.

REPORT OF THE EXECUTIVE DIRECTOR

Ms. Craft discussed the following with the Committee:

- SADC E-Newsletter: Will be sent out to a large distribution list at least quarterly. Requested feedback from the Committee and from the county administrators to make the newsletter as useful and helpful as possible.
- Tours with SADC Members: To visit various farms and speak with farmers regarding issue such as agri-tourism, farm markets and greenhouse operations. SADC staff is working on the first tour that will deal with farm markets and agri-tourism operations. Staff is looking at the first tour being sometime in late August and will reach out to the Committee for possible dates. Once the tours have been completed the information collected will be used for discussions by the Deed of Easement Subcommittee.
- Appropriation Bills: Still awaiting the Governor's signature. The SADC has communicated the importance of getting the bills signed since it is having an effect on pending closings.
- Fiscal Year 2009 Figures: Ms. Craft referred the Committee to the Summary of Preserved Farmland and Summary of Permanently Preserved Farmland by Fiscal Year. She reviewed the specifics with the Committee. She stated that in 2009 the SADC conducted 47 municipal easement purchase closings, 44 planning incentive grant program closings, 13 nonprofit grant program closings, which is a very large number for the nonprofit program, 1 fee simple program closing, and 31 closings in the direct easement purchase program. She stated that the total acreage for fiscal year 2009 is 11,555 acres, which is the highest acreage amount since 2004. She stated that the most farms that were closed were in Warren County with 30 closings, the most acreage preserved was in Salem County with 2,409 acres and the most money expended was in Monmouth County at \$39 million with \$21 million of SADC funding. She thanked SADC staff, the county and municipal partners for their efforts.
- Right to Farm Decision – Middlesex County: The SADC recently emailed the counties and other individuals regarding a right to farm decision that came down in Middlesex County. Because it didn't go to the Appellate Division, this is only technically law in Middlesex County. This was a right to farm case where the landowner was being cited as not complying with the County Health Act and sought right to farm protection. She stated that she didn't have many details but the Court denied the right to

farm relief because what was at issue was enforcement of a state law. In this case the county is the implementing arm of the State and Federal health regulations, so in order to seek right to farm protections the landowner has to be in compliance with all applicable State and Federal laws and regulations.

COMMUNICATIONS

Ms. Craft encouraged the Committee to take home the various articles provided in the meeting binders. She stated that there were two comment letters received regarding the readoption of the SADC rules, one was signed by many environmental agencies urging the SADC to establish impervious coverage limits in the program and urging the Committee to incorporate stormwater management regulations into its regulations. The other letter is from the NJDEP stating the same concerns. As we get through the soils disturbance issue and as we emerge with the results from those studies, then issues such as these will be addressed by the Committee.

PUBLIC COMMENT

William Fox from Ocean County addressed the Committee. He stated that regarding his comments at the last meeting regarding agri-tourism he asked if the SADC ever took an official position early on in the program regarding agri-tourism on preserved farms. Ms. Craft responded that the SADC never took a position stating that agri-tourism is not permitted on preserved farms. She stated that if the agricultural community is seeking clarification on the issue, then hopefully as the Committee attends the various farm tours it could begin to clarify what are permitted activities.

NEW BUSINESS

A. Reorganization

1. Appointment of Vice Chairperson

Mr. Germano nominated Alan Danser to be re-appointed as Vice Chairperson of the SADC. There were no other nominations.

It was moved by Mr. Germano and seconded by Mr. Schilling to appoint Alan Danser as the Vice Chairperson of the SADC. The motion was approved (Mr. Siegel was absent for this vote.).

2. August 2009 through July 2010 SADC Meeting Dates

Ms. Craft referred the Committee to the Regular Meeting Dates for the SADC from August 2008 through July 2009, along with the list of Special/Subcommittee Meeting date "Reservations". She indicated that the dates for the special/subcommittee meetings are reservation dates only in the event the SADC needs to call a special/subcommittee meeting. She stated the list indicates a

meeting date for the month of August. This date is being reserved in the event the SADC needs to call a meeting however, she does not anticipate having an August meeting. She stated that the months of October and November are combined and that the Committee will meet the first Thursday of the month in November due to the holiday season and that the Committee will meet the second Thursday in December, also due to the holiday season.

It was moved by Ms. Brodhecker and seconded by Mr. Danser to accept the August 2009 through July 2010 meeting dates for the State Agriculture Development Committee as presented and discussed. The motion was approved (Mr. Siegel was absent for this vote.) (A copy of the August 2009 through July 2010 meeting dates is attached to and is a part of these minutes.)

B. Eight Year Farmland Preservation Program – New Enrollment

1. Gerard and Frances DeFiccio, Town of Hammonton, Atlantic County

Ms. Winzinger referred the Committee to Resolution FY2010R7(1) for a new enrollment under the Eight Year Farmland Preservation Program for Gerald and Frances DeFiccio, SADC #01-0130-8F, Block 5002, Lots 1 and 1Q, Town of Hammonton, Atlantic County, 22.14 acres, with a soil and water conservation cost share eligibility of \$13,284.00 (subject to available funds). She stated that staff recommendation is to approve the new enrollment for this applicant as presented and discussed.

It was moved by Mr. Danser and seconded by Dr. Dey to approve Resolution FY2010R7(1) granting approval to the new Eight Year Program Farmland Preservation Program enrollment to Gerard and Frances DeFiccio, SADC #01-0130-8F, Block 5002, Lots 1 and 1Q, Town of Hammonton, Atlantic County, 22.14 acres, with a soil and water conservation cost share eligibility of \$13,284.00 (subject to available funds) and subject to any other conditions of said resolution. The motion was approved. (Mr. Siegel was absent for this vote.) (A copy of Resolution FY2010R7(1) is attached to and is a part of these minutes.)

Ms. Reade stated that she received a letter from Nick Cassetta, Manager of the Cape Atlantic Conservation District, who is responsible for administering any conservations on eight year programs or any others in the district. Mr. Cassetta has stated that the associated costs with administering the soil and water conservation cost shares program at the district level used to be covered by a state distribution. However, those funds are no longer available. He was inquiring if there would be some way that those costs could be defrayed. Ms. Reade stated that she hoped that this is not something that would result in fewer cost share projects because she feels they are really important in the counties that are doing production agriculture and are not as well-funded as some of the other counties. She stated this continues to be an issue and she heard it again in Cumberland County the other evening. She stated that she would pass the letter on to SADC staff to see if anything could be done to assist in this area.

C. Renewals, Terminations and Withdrawals of Eight Year Programs

Ms. Winzinger referred the Committee to the Eight Year Program Summary for FY 2010, showing no renewals or withdrawals of eight year programs. She stated that there were four (4) terminations of eight year programs as follows:

1. Joseph Donio, Jr.
SADC #0113-71F-01/01-0034-8F
Town of Hammonton, Atlantic County, 34.28 Acres
Soil and water conservation cost share funds remaining at time of termination:
\$0.00 (\$20,568.00 expended).
 2. Young Lee
SADC #0113-73F-01/01-0036-8F
Town of Hammonton, Atlantic County, 53.42 Acres
Soil and water conservation cost share funds remaining at time of termination:
\$21,450.00 (\$9,233.92 expended).
 3. John H. Friedmann *
SADC #1438-20M-01/14-0007-8M (Municipally Approved Farmland
Preservation Program)
Township of Washington, Morris County, 12.1 Acres
Soil and water conservation cost share funds remaining at time of termination:
\$2,736.23 (\$4,523.77 expended).
- * Note: This farm was permanently preserved on March 18, 2003.
4. Joseph A. and Samuel M. Leone
SADC #0803-03F-01/08-0005-8F
Township of East Greenwich, Gloucester County, 78 Acres
Soil and water conservation cost share funds remaining at time of termination:
\$12,901.83 (\$22,698.17 expended).

Ms. Winzinger stated that this was for the Committee's information only and that no action is required.

D. Soil and Water Conservation Cost Share Grant Requests

Mr. Lofberg referred the Committee to the Status of FY 2009 and FY 2010 Funds and the Soil and Water Conservation Project Cost Share Grants – Projects for Funding Summary showing nine (9) requests for soil and water conservation cost share grant funding under Priority # 1 and one (1) request for an extension of a soil and water conservation cost share grant.

Mr. Lofberg reviewed the specifics of the 2009 and 2010 funding summary with the Committee. He stated that the interest earnings in the amount of \$246,951.00 from the 1989, 1992 and 1995 Bond Funds are in the pending appropriation bills waiting for the Governor's signature. He stated that amount would be available in FY2010 and that the

cost share requests that the Committee will be considering today would be coming from those funds with the condition of the signing of the appropriation bill by the Governor. He stated that back in April the SADC transferred \$350,000.00 from the Department of Agriculture, Division of Agriculture and Natural Resources' CCSP and NPS funds to the SADC so that we could fund soil and water projects and that \$160,895.38 of that money has been expended and the remaining balance of \$189,104.62 has been encumbered. He stated that next month an additional \$350,000.00 will be transferred from the Agriculture and Natural Resources CCSP and NPS funds to the SADC to fund additional projects. Once the Committee approves the requests it has before it today there will be a balance of \$438,171.00 available for FY 2010 for projects. Ms. Craft stated that the SADC does not expect the same opportunities to transfer these types of funds next year. She stated that the Department of Agriculture has been very helpful in trying to identify funds to use for this program and the SADC is very appreciative. She stated that staff will send notification to all the county agriculture development boards and the district offices and the NRCS district offices letting them know what is still available for projects.

Mr. Lofberg reviewed each request for a soil and water conservation cost share grant with the Committee. He stated that staff recommendation is to approve the requests as presented and discussed subject to the signing of the FY2010 appropriation bills by the Governor and the appropriation of those funds.

PRIORITY # 1

GLOUCESTER COUNTY

It was moved by Mr. Danser and seconded by Dr. Dey to approve Resolutions FY2010R7(3) through FY2010R7(7) granting approval to a soil and water conservation cost share grant for the following landowners as presented and discussed, subject to the signing of the FY2010 appropriation bills by the Governor and the appropriation of those funds, and subject to any other conditions of said resolutions:

1. LC Acres, LLC (Cassaday Farms, LLC, Agent) (Resolution FY2010R7(3))
SADC #08-0018-FS
Elk Township, Gloucester County, 154.258 Acres
Cost Share Grant Amount: \$22,430.00, under Obligation # 1
2. Brian Frattaroli, SADC # 08-0064-EP (Resolution FY2010R7(4))
Franklin Township, Gloucester County, 13.360 Acres
Cost Share Grant Amount: \$4,250.00, under Obligation # 1
3. Ronald and Gloria Emerson, SADC #08-0200-EP (Resolution FY2010R7(5))
Franklin Township, Gloucester County, 28.501 Acres
Cost Share Grant Amount: \$4,700.00, under Obligation # 1
4. Sam and Rose Sorbello (C&M Visalli, Agent) (Resolution FY2010R7(6))
SADC #08-0021-EP
Harrison/South Harrison Townships, Gloucester County, 73.080 Acres
Cost Share Grant Amount \$34,616.00, under Obligation # 1

5. HFM Properties, Inc. (C&M Visalli, Agent) (Resolution FY2010R7(7))
SADC #08-0079-EP
South Harrison Township, Gloucester County, 48.94 Acres
Cost Share Grant Amount \$29,364.00, under Obligation # 1

The motion was approved. (Mr. Siegel was absent for this vote.) (Copies of Resolution FY2010R7(3) through Resolution FY2010R7(7) are attached to and are a part of these minutes.)

CUMBERLAND COUNTY AND SALEM COUNTY

Note: Ms. Reade recused herself from any discussion/action pertaining to the Cumberland and Salem County soil and water conservation cost share grant requests to avoid the appearance of a conflict of interest.

It was moved Mr. Danser and seconded by Ms. Brodhecker to approve Resolution FY2010R7(2) and FY2010R7(9) granting approval to a soil and water conservation cost share grant for the following landowners as presented and discussed, subject to the signing of the FY2010 appropriation bills by the Governor and the appropriation of those funds, and subject to any other conditions of said resolutions:

CUMBERLAND COUNTY

1. Bonham Farms, LLC, SADC # 06-0005-PG (Resolution FY2010R7(2))
Hopewell Township, Cumberland County, 106.818 Acres
Cost Share Grant Amount: \$15,000.00, under Obligation # 1

SALEM COUNTY

1. Marino Brothers (Resolution FY2010R7(9))
SADC # 17-0182-DE (Mannington Township, Salem County, 349.200 Acres
SADC #17-0185-DE (Mannington Township, Salem County, 319.834 Acres
SADC #08-0016-EP (South Harrison Township, Gloucester County, 176.510 Acs.
Cost Share Grant Amount: \$27,500.00, under Obligation # 1
Approval of this soil and water conservation cost share grant is conditioned upon the SADC review and approval of the sale of two (2) Salem Farms Corporation parcels (# 4 and #6, ID#17-0182-DE and # 17-0185-DE) to the Marino Brothers.

The motion was approved. (Ms. Reade recused herself from the vote and Mr. Siegel was absent for this vote.) (A copy of Resolution FY2010R7(2) and Resolution FY2010R7(9) is attached to and is a part of these minutes.)

MERCER COUNTY

Note: Acting Chairperson Purcell recused herself from any discussion/action pertaining to the Mercer County soil and water conservation cost share grant

request to avoid the appearance of a conflict of interest. Scott Ellis is a sitting member of the NJ State Board of Agriculture to whom Chairman Fisher reports in the discharge of his duties as the NJ Secretary of Agriculture. Ms. Purcell is Chairman Fisher's designee.

It was moved Mr. Danser and seconded by Ms. Brodhecker to approve Resolution FY2010R7(8) granting approval to a soil and water conservation cost share grant for the following landowners as presented and discussed, subject to the signing of the FY2010 appropriation bills by the Governor and the appropriation of those funds, and subject to any other conditions of said resolution:

1. Walter and Nancy Ellis (Scott Ellis Agent) (Resolution FY2010R7(8))
SADC #11-0089-EP
Township of Hamilton, Mercer County, 90.857 Acres
Cost Share Grant Amount: \$17,500.00, under Obligation # 1

The motion was approved. (Acting Chairperson Purcell recused herself from the vote and Mr. Siegel was absent for this vote.) (A copy of Resolution FY2010R7(8) is attached to and is a part of these minutes.)

SUSSEX COUNTY

Note: Ms. Brodhecker asked if she had to recuse herself from the Sussex County soil and water conservation cost share grant request. Ms. Craft asked if Ms. Brodhecker had a role in the district office with the approval of this project or is it just because of her association with the CADB. Ms. Brodhecker responded that it was just her association with the CADB. It was then determined that Ms. Brodhecker would not have to recuse from the discussion/action pertaining to the following Sussex County project request.

It was moved Mr. Danser and seconded by Dr. Dey to approve Resolution FY2010R7(10) granting approval to a soil and water conservation cost share grant for the following landowners as presented and discussed, subject to the signing of the FY2010 appropriation bills by the Governor and the appropriation of those funds, and subject to any other conditions of said resolutions:

1. Robert and Gail Vendetti, SADC #19-0007-NP (Resolution FY2010R7(10))
Stillwater Township, Sussex County, 28.542 Acres
Cost Share Grant Amount \$3,420.00, under Obligation # 1

The motion was approved. (Mr. Siegel was absent for this vote.) (A copy of Resolution FY2010R7(10) is attached to and is a part of these minutes.)

E. Soil and Water Conservation cost Share Grant – Request for Extension

1. Michael Wilk, Township of Tabernacle, Burlington County

Mr. Lofberg referred the Committee to the Extension of Project Approvals Summary listing one request for an extension of a soil and water conservation cost share grant for

Michael Wilk, located in the Township of Tabernacle, Burlington County. He reviewed the specifics of the request with the Committee and stated that staff recommendation is to approve the extension request.

It was moved by Dr. Dey and seconded by Ms. Reade to approve Resolution FY2010R7(11) granting approval to a request by Michael Wilk, Township of Tabernacle, Burlington County, to extend his soil and water conservation cost share grant in the amount of \$14,547.00, under Obligation # 1, for a period of twelve (12) months until January 26, 2010. The motion was approved. (Mr. Siegel was absent for this vote.) (A copy of Resolution FY2010R7(11) is attached to and is a part of these minutes.)

F. Requests for Final Approval – Planning Incentive Grant Program

Ms. Winzinger stated that there are five (5) requests for final approval under the Planning Incentive Grant Program, four in Burlington County and one in Warren County. Ms. Murphy stated that the existing houses on these parcels bring up the issue that the Committee discussed previously about the existence of having two houses on the same property. She wondered if the Committee should put a paragraph in the resolution in situations like these where there are multiple nonseverable exceptions and the Committee encourages the county or municipality to clarify and make sure the landowner understands that he or she is not guaranteed the ability to subdivide the farm in the future and that it has to be approved by the CADB and the SADC. She feels that all of these are subdivision requests just waiting to happen. Ms. Craft stated that the Committee can incorporate language, either in the resolution in the future or in a case like this in correspondence transmitting the resolution.

Mr. Waltman felt that would be a good suggestion so that you are not sending mixed signals. Mr. Danser stated that possibly you could make it part of the closing documents but not part of the deed so that it was something that had to be acknowledged at closing. Mr. Siegel felt that was part of the landowner's attorney's job to inform them. He stated that the State is limited in what legal advice can be provided. He stated that a few years back there were some sessions with the Planning Incentive Grant coordinators and possibly it would be good to do that again, where you discuss all the various issues that we assume and owners already know such as subdivisions, easement restrictions, etc. Ms. Murphy stated that a good example was the landowner, Mr. Willis, who came in for a subdivision last month and did not realize that his properties were considered as one premises. Ms. Craft stated that one of the things that Ms. Winzinger has been advocating for is to improve knowledge either through correspondence and possibly a landowner handbook that would walk the landowner through issues such as residential dwelling site opportunities, subdivisions, what exceptions mean, etc. She stated that the program doesn't benefit by landowners coming in after the fact and not understanding what they committed to.

Mr. Waltman was concerned about SADC members that succeed the present board members to ensure that the resolutions that are passed send a clear message. Ms. Craft stated that staff is providing as much detail as possible in the resolutions for clarification purposes.

Ms. Winzinger suggested that the next E-Newsletter could provide information on this subject as a reminder to the local partners that are dealing with landowners with multiple houses and/or exceptions on the property. Ms. Craft stated that staff has also been discussing having some training sessions regarding appraisals beginning in the fall and will take this issue into account as well.

Ms. Winzinger stated that staff recommendation is to grant final approval to those applications as presented and discussed. She stated that for the Committee's information, as of today there would be just over \$8 million remaining in the competitive funds for the counties to use.

It was moved by Mr. Danser and seconded by Mr. Waltman to approve Resolution FY2010R7(12) through Resolution FY2010R7(16) granting final approval to the following landowners as presented and discussed, subject to any conditions of said resolution:

1. Burlington County/Homestead Nursery, Inc. (Resolution FY2010R7(12))
Block 779, Lot 9.01 and Block 795, Lot 1.01, Pemberton Township, Burlington County, 76.963 Acres
State cost share of \$6,780.00 per acre (60% of the certified market value and 54.02% of the purchase price) for a total grant of approximately \$521,809.14, subject to any conditions of said Resolution, and that the SADC grant will be funded using \$521,809.14 of the County's base grant funds and that no competitive funding will be needed for this cost share grant and there is no request for a three (3) percent buffer for surveyed acreage for this property.
2. Burlington County/Orchard Enterprises LLC (Resolution FY2010R7(13))
Block 502, Lot 5.01, Chesterfield Township, Burlington County, 48.31 Acres
State cost share of \$11,550.00 per acre (60% of the certified market value of \$19,250.00 and 48% of the purchase price (\$24,487.69) for a total grant of approximately \$557,980.50, subject to any conditions of said Resolution, and that the SADC grant will be funded using \$557,980.50 of the County's base grant funds and that no competitive funding will be needed for this cost share grant and there is no request for a three (3) percent buffer for surveyed acreage for this property.

Note: pursuant to N.J.A.C 2:76-6.23(c) where the county has acquired land in fee simple title and is requesting an SADC cost share for the purchase of a development easement and the county resold the restricted premises prior to the SADC providing its cost share grant, the SADC's cost share grant shall be based on the development easement value determined pursuant to N.J.A.C. 2:76-10 and certified by the SADC, on the purchase price of the premises paid by the county minus the certified "after" value of the restricted premises or on the purchase price paid by the county less the payment received for the resale of the restricted premises, whichever is less. It has been determined that the SADC's certified value of the development easement of \$19,250.00 is the lower of the development easement values according to N.J.A.C 2:76-6.23(c)

3. Burlington County/Robine Parker (Resolution FY2010R7(14))
Block 601, Lot 3; Block 603, Lot 5, North Hanover Township, Burlington County, 90.906 Net Acres
State cost share of \$4,150.00 per acre (63.85% of the certified market value and 63.85% of the purchase price) for a total grant of approximately \$377,259.90, subject to any conditions of said Resolution, and that the SADC grant will be funded using \$377,259.90 of the County's base grant funds and that no competitive funding will be needed for this cost share grant and there is no request for a three (3) percent buffer for surveyed acreage for this property.
4. Burlington County/Estate of Angelina Puglia (Resolution FY2010R7(15))
Block 601, Lot 15.01, Springfield Township, Burlington County and Block 100, Lot 1, Eastampton Township, Burlington, 66.6 Net Acres
State cost share of \$3,525.00 per acre (42.47% of the certified market value and 67.14% of the purchase price) for a total grant of approximately \$234,765.00, subject to any conditions of said Resolution, and that the SADC grant will be funded using \$234,765.00 of the County's base grant funds and that no competitive funding will be needed for this cost share grant and there is no request for a three (3) percent buffer for surveyed acreage for this property.
5. David S. Slack (Resolution FY2010R7(16))
Block 41, Lot 5, Greenwich Township, Warren County, 115 Net Acres
State cost share of \$5,100.00 per acre (60.71% of the certified market value and 60.71% of the purchase price) for a total grant of approximately \$604,095.00, subject to any conditions of said Resolution, and that the SADC grant will be funded using \$604,095.00 of the County's base grant funds and that no competitive funding will be needed for this cost share grant. A three (3) percent buffer for possible final surveyed acreage increases will be applied. Therefore 118.45 acres will be utilized to calculate the grant need. There was discussion by the Committee to ensure that the owner is aware that any potential subdivision of the premises in the future would require CADB and SADC approval.

The motion was unanimously approved. (Copies of Resolution FY2010R7(12) through Resolution FY2010R7(16) are attached to and are a part of these minutes.)

G. Requests for Final Approval – Nonprofit Grant Program

1. New Jersey Conservation Foundation/Cianfrani Farm
2. The Land Conservancy of New Jersey/Dower Farm

Mr. Knox stated that there are two (2) requests for final approval under the Nonprofit Grant Program. He reviewed the specifics with the Committee and stated that staff recommendation is to grant final approval to the following applicants as presented and discussed:

1. New Jersey Conservation Foundation/Cianfrani Farm, Alloway Township, Salem County

It was moved by Mr. Danser and seconded by Mr. Germano to approve Resolution FY2010R7(17) granting final approval to the New Jersey Conservation Foundation/Cianfrani Farm, Block 5, Lot 23, Block 6, Lot 3, and Block 18, Lot 10, Alloway Township, Salem County, 67 Acres, providing a cost share grant not to exceed \$4,100 per acre (total of approximately \$274,700.00 based on 67 acres) with the New Jersey Conservation Foundation using Federal Farm and Ranch Lands Protection Program funds, which will include an impervious coverage limitation of four (4) percent and other restrictions required under the Federal Farm and Ranch Lands Protection program, and subject to any other conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY2010R7(17) is attached to and is a part of these minutes.)

2. The Land Conservancy of New Jersey/Dower Farm, Peapack-Gladstone Borough, Somerset County

It was moved by Mr. Danser and seconded by Mr. Germano to approve Resolution FY2010R7(18) granting final approval to the The Land Conservancy of New Jersey/Dower Farm, Block 26, Lot 16, Peapack-Gladstone Borough, Somerset County, 47.81 Surveyed Acres, providing a cost share grant not to exceed \$27,000.00 per acre (up to a maximum of \$1 million from the 2007 Nonprofit Round appropriation to The Land Conservancy of New Jersey) subject to any conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY09R4(18) is attached to and is a part of these minutes.)

H. Farmland Stewardship

1. First Right and Option to Purchase

Valenzano Farm (Eight Year Program), Shamong Township, Burlington County

Mr. Roohr referred the Committee to Resolution FY2010R7(19) dealing with the eight year farmland preservation program for Anthony Valenzano, owner of Block 23.01, Lot 12 in Shamong Township, Burlington County, 43.62 acres. He stated that Mr. Valenzano has informed the Burlington CADB of his proposal to sell the property to his two sons, Mark and Anthony in June 2009 and he is in the process of dividing the premises for the purpose of conveying the property as two parcels to his sons. He stated that the sons are partners and full-time participants in the Valenzano family vineyard and winery operation and are in the process of taking over the operation from their father. As part of the transaction Mr. Valenzano (seller) is proposing to replace the existing single family residence that was located on Block 23.01, Lot 12 with a new home on a 10-acre portion of the premises to be known as Block 23.01, Lot 12.02 to serve as the primary residence for his son Mark.

Mr. Roohr stated that the SADC has the first right and option to purchase the property. He stated that staff recommendation is to decline exercising its first right and option to purchase the property and terminate its first right and option to purchase the property on the basis that the premises is not being sold for development purposes and that it will continue in agricultural production by being transferred to the next generation of vineyard/winery operators. He stated that the SADC's termination of its first right and

option to purchase the farm only applies to this transaction and any potential future sales would have to be presented to the SADC for consideration.

It was moved by Mr. Siegel and Dr. Dey to approve Resolution FY2010R7(19) to decline exercising its first right and option to purchase the property and terminate its first right and option to purchase the Anthony Valenzano property, known as Block 23.01, Lot 12, Shamong Township, Burlington County, 42.62 acres, on the basis that the premises is not being sold for development purposes and that it will continue in agricultural production by being transferred to the next generation of vineyard/winery operators. The motion was unanimously approved. (A copy of Resolution FY2010R7(19) is attached to and is a part of these minutes.)

2. Request to Replace a Single Family Residence

Anthony Valenzano, Shamong Township, Burlington County

Mr. Roohr referred the Committee to Resolution FY2010R7(20) for a request by Anthony Valenzano, owner of Block 23.01, Lot 12, in Shamong Township, Burlington County to replace the original single family residence, which has been removed from the property, to build a new, approximately 2,400 square foot home in the location shown on Schedule A of the resolution, to serve as the primary residence for his son Mark Valenzano, who will be taking over the family winery operation, along with his brother Anthony. The Valenzano family believes that by having Mark Valenzano live on the premises the duties of the vineyard management will be able to be performed in the most efficient and effective manner possible. The proposed location was chosen to satisfy local zoning, the Pinelands Commission and septic suitability requirements while minimizing any adverse affect on agricultural production. He stated that staff recommendation is to approve the request.

It was moved by Mr. Siegel and seconded by Dr. Dey to approve Resolution FY2010R7(20) granting a request by Anthony Valenzano, owner of Block 23.01, Lot 12, Shamong Township, Burlington County, 43.62 acres, to construct an approximately 2,400 square foot single family residence on the Premises as presented and discussed and subject to any conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY2010R7(20) is attached to and is a part of these minutes.)

I. State Acquisition Minimum Standards – FY 2010

Mr. Knox referred the Committee to Resolution FY2010R7(21) dealing with memorializing the standards for determining priority and alternate farms pursuant to the State acquisition programs. He reviewed the specifics of the resolution with the Committee and stated that staff recommendation is to adopt the average quality scores for each county as identified on the attached Schedule “A” of the resolution, adopt the average acres for each county as identified on the attached Schedule “A”, adopt the individual scores for determining a “priority farm” and an “alternate farm” as identified on Schedule “A”, and that the individual scores, pursuant to N.J.A.C. 2:76-8 and 11 shall be effective as of July 1, 2009 for all applications which have not had appraisals authorized by that date. The standards established in said resolution and Schedule “A”

shall remain in effect for all applications for which appraisals are authorized through June 30, 2010.

Mr. Knox reviewed the SADC Minimum Standards Summary with the Committee. He stated that other criteria the SADC looks at is size. He stated that up until this year the SADC was looking at the 2002 census figures. The 2007 census figures have come out so staff is recommending using those. That information is also listed on the summary report. He stated that if you compare the 2002 census with the 2007 census it will show that the average size acreage numbers are dropping and that is what you are seeing statewide.

Mr. Schilling commented that the SADC is interested in going after larger parcels but the comment that staff is trying to be more representative of what is going on out there....the average farm size isn't representative of anything. He stated that seventy five percent of the statewide average is probably about sixty acres, whereas the median statewide average is about nineteen acres. He stated that he offers that again as a comment that the reality is that we are picking a lot of larger farms and increasingly what is left are the smaller farms and this procedure would not necessarily account for that in his opinion.

Ms. Winzinger stated that staff just uses it as a benchmark and it is not that we are saying it is representative across the state, but we're using it as a prioritization. She stated that the SADC will go down the list if funding allows but it is a way to prioritize farms for each county.

It was moved by Mr. Germano and seconded by Ms. Reade to approve Resolution FY2010R7(21) Memorializing Standards for Determining Priority and Alternate Farms Pursuant to the State Acquisition Program, to adopt the average quality scores for each county as identified on the attached Schedule "A" of the resolution, adopt the average acres for each county as identified on the attached Schedule "A", adopt the individual scores for determining a "priority farm" and an "alternate farm" as identified on Schedule "A", and that the individual scores, pursuant to N.J.A.C. 2:76-8 and 11 shall be effective as of July 1, 2009 for all applications which have not had appraisals authorized by that date. The standards established in said resolution and Schedule "A" shall remain in effect for all applications for which appraisals are authorized through June 30, 2010, as presented and discussed, subject to any conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY2010R7(21) is attached to and is a part of these minutes.)

J. County Planning Incentive Grant Minimum Standards – FY 2010

Ms. Winzinger referred the Committee to Resolution FY2010R7(22) dealing with memorializing standards for determining eligible farms pursuant to the County Planning Incentive Grant (PIG) Program. She reviewed the specifics of the resolution with the Committee. She stated that staff recommendation is to adopt the average quality scores for each county as identified on Schedule "A" of the resolution for PIG applications, adopt the seventy (70) percent average quality score values for determining an "eligible farm", pursuant to N.J.A.C. 2:76-17.2, with the exception of Camden and Passaic Counties, and that the seventy (70) percent of average quality scores for determining an

“eligible farm” shall be effective as of January 1, 2010 and shall apply to an application for the sale of a development easement that is approved by the SADC prior to December 31, 2010, pursuant to N.J.A.C. 2:76-17.9

It was moved by Mr. Danser and seconded by Mr. Waltman to approve Resolution FY2010R7(22) Memorializing the Standards for Determining Eligible Farms Pursuant to the County Planning Incentive Grant Program and to adopt the average quality scores for each county as identified on Schedule “A” of the resolution for Planning Incentive Grant applications, adopt the seventy (70) percent average quality score values for determining an “eligible farm”, pursuant to N.J.A.C. 2:76-17.2, with the exception of Camden and Passaic Counties, and that the seventy (70) percent of average quality scores for determining an “eligible farm” shall be effective as of January 1, 2010 and shall apply to an application for the sale of a development easement that is approved by the SADC prior to December 31, 2010, pursuant to N.J.A.C. 2:76-17.9, as presented and discussed, subject to any conditions of said resolution. The motion was unanimously approved. (A copy of Resolution FY2010R7(22) is attached to and is a part of these minutes.)

PUBLIC COMMENT

Ms. Honigfeld from the Monmouth County Agriculture Development Board stated that she wanted to follow up on the earlier discussion on division of premises and some of the suggestions regarding outreach. She stated that in Monmouth County and many of the CADB administrators have a good handle on the deed of easement language and they really try to advise the landowners but she and the administrators have noticed a gap in communications and it is often at the attorney level because many times they are not as familiar with these kinds of deals and also the title companies at times allow what are essentially illegal division of premises in estate situations. She stated that her county is dealing with three at the present time. A lot of times it has to do with estate planning issues where they record these deeds without going through the process. She stated that one tool that her county has used, and she feels would be a good topic for the outreach meetings is the use of LLCs. It has been a useful tool for her county.

TIME AND PLACE OF NEXT MEETING

SADC Regular Meeting: **NOTE: NO AUGUST MEETING IS ANTICIPATED.**
NEXT MEETING - Thursday, September 24, 2009, beginning at 9:00 a.m. Location: **Health/Agriculture Building, First Floor Auditorium**

CLOSED SESSION

At 10:35 a.m. Mr. Siegel moved the following resolution to go into Closed Session. The motion was seconded by Ms. Brodhecker and unanimously approved.

“Be it resolved, in order to protect the public interest in matters involving minutes, real estate, attorney-client matters and personnel, pursuant to N.J.S.A. 10:4-12, the NJ State Agriculture Development Committee declares the next one 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
Planning Incentive Grant Program – 2009 County**

Ms. Craft stated that regarding the Vogel farm in Jackson Township, Ocean County the Committee has requested that staff clarify language to be imposed on the severable exception area that may be used to protect the farm viability on the Vogel farm and to bring that language back to the Committee at its next meeting. Mr. Danser stated that the Committee will take action on certification of value pending a discussion on the language that staff will provide. Ms. Craft stated that this action will inform the landowner that the certification of value is conditioned upon establishing specific language to be imposed on the severable exception to provide access across the exception area to connect the east and west portions and to include language on the exception area to ensure protection of the preserved farm's agricultural viability.

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

1. Jeff Vogel (Holgate Farm)
Block 1101, Lot 7, Jackson Township, Ocean County, 33 Acres
Certification is contingent upon an access easement being placed on the severable exception to provide a permanent connection between the east and west portions of the preserved premises. It was the consensus of the Committee to have SADC staff clarify language that may be used to protect the preserved farm's viability on the Holgate Farm in light of the severable exception and to bring that language back to the Committee at its next meeting.
2. Denis and Janice Krowicki (Amended Certification of Value)
Block 79, Lot 25, Plumsted Township, Ocean County, 28 Acres
3. Robert and Geraldine Schuster
Block 44, Lot 5, Greenwich Township, Warren County, 55 Acres
4. Frank Demeter (Farm # 3)
Block 11, Lot 4, White Township, Warren County
Block 13, Lot 14, Harmony Township, Warren County
59 Total Acres
5. Gerald J. Baldachino
Block 67, Lot 9.06, Manalapan Twp., Monmouth County, 68.59 Acres

The motion was approved. (Mr. Siegel and Ms. Murphy abstained.) (Copies of the Certification of Value Reports are attached to and are a part of the closed session minutes.)

Municipal Planning Incentive Grant Program

It was moved by Mr. Siegel and seconded by Dr. Dey to certify the development easement value for the following landowners as presented and discussed in closed session:

1. Herbert Rosenfield (Fieldrose Farm)
Block 18, Lots 14, 14.09, Alexandria Township, Hunterdon County, 30 Acres
2. Mary, Anna and Phillip Felix
Block 14, Lot 23, Kingwood Township, Hunterdon county, 178.3 Acres

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

Direct Easement Purchase Program

Note: Mr. DuBois is a sitting member of the NJ State Board of Agriculture, to whom Chairman Fisher reports in the discharge of his duties as New Jersey Secretary of Agriculture. As Chairman Fisher's designee Acting Chair Purcell recused herself from any discussion/action pertaining to the following landowner to avoid the appearance of a conflict of interest.

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

1. Henry and Steven DuBois
Block 1301, Lot 4, Pittsgrove Township, Salem County
Block 81, Lot 8, Upper Pittsgrove Township, Salem County
100 Total Acres

The motion was approved. (Acting Chairperson Purcell recused herself from the vote.) (A copy of the Certification of Value Report is attached to and is a part of the closed session minutes.)

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

1. Hannah Kaithern
Block 40, Lot 15, Upper Pittsgrove Township, Salem County, 67.18 Acres
Block 48, Lot 12Q, Upper Pittsgrove Township, Salem County, 87.17
Acres
2. Donald and Joan Scheese (Scheese Farm #1)
Block 37, Lots 47, 50, 54; Block 102, Lots 1 and 2
Alloway Township, Salem County, 347 Acres

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

County Easement Purchase Program-2009A Round (Amended)

It was moved by Mr. Germano and seconded by Dr. Dey to certify the amended development easement value for the following landowner as presented and discussed in closed session:

1. William and Margaret Goldsborough
Block 9, Lot 1, Greenwich Township, Cumberland County, 22 Acres

The motion was unanimously approved. (A copy of the Certification of Value Report is attached to and is a part of the closed session minutes.)

B. Attorney/Client Matters

1. Proposed Final Decision, I/M/O Ronald Binaghi, Stokes Farm (Office of Administrative Law case)

Ms. Craft stated that staff is recommending the Committee approve a final decision in a right to farm case in the matter of Ronald Binaghi, Stokes Farm in Bergen County. The matter has been resolved as a result of going through the Office of Administrative Law (OAL) process. The OAL has approved the settlement agreement between the landowners and the SADC is recommending affirming that agreement with a notation that some of the factual statements made in the agreement were not in the record, namely that it is a commercial farm as defined in N.J.S.A. 4:1C-3 of the Right to Farm Act and that the farm engages in any of the permitted activities recognized in N.J.S.A. 4:1C-9.

It was moved by Dr. Dey and seconded by Mr. Germano to approve the Final Decision to affirm the Administrative Law Judge's Initial Decision in the Matter of Ronald Binaghi, Stokes Farm as presented and discussed in closed session with a notation that some of the factual statements made in the agreement were not in the record, namely that it is a commercial farm as defined in N.J.S.A. 4:1C-3 of the Right to Farm Act and that the farm engages in any of the permitted activities recognized in N.J.S.A. 4:1C-9. The motion was unanimously approved. (A copy of the Final Decision In the Matter of Ronald Binaghi, Stokes Farm, is attached to and is a part of the closed session minutes.)

ADJOURNMENT

There being no further business, it was moved by Dr. Dey and seconded by Ms. Reade and unanimously approved to adjourn the meeting at 12:15 p.m.

Respectfully Submitted,

Susan E. Craft, Executive Director
State Agriculture Development Committee

Attachments

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