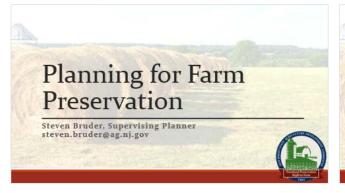
Farmland Preservation for Practitioners: Process and Best Practices

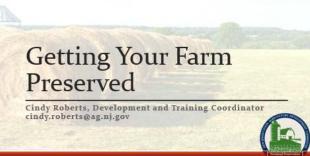
New Jersey Department of Agriculture State Agriculture Development Committee (SADC)

2018 New Jersey Land Conservation Rally March 2, 2018



What We Will Cover Today













Planning for Farm Preservation

Steven Bruder, Supervising Planner steven.bruder@ag.nj.gov



Agriculture Retention and Development Act

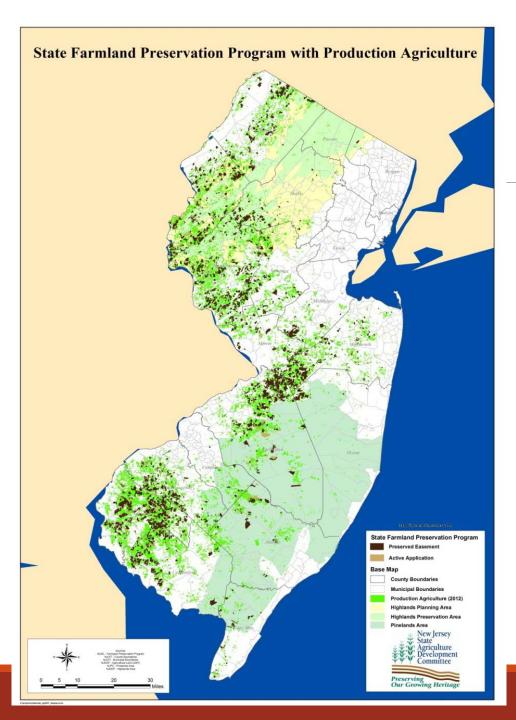
(N.J.S.A. 4:1C-11 et seq.)

- Established County Agriculture Development Boards (CADBs)
- Established Agricultural Development Areas
- Established basis for farmland preservation programs
 - Easement Purchase
 - Fee Simple
 - 8-Year
- Provision for soil and water conservation grants
- Eminent domain protection for preserved farms

"The strengthening of the agricultural industry and the preservation of farmland are important to the present and future economy of the State and the welfare of the citizens of the State ..."

"It is necessary to authorize the establishment of State and county organizations to coordinate the development of farmland preservation programs within identified areas where agriculture will be presumed the first priority use of the land ..."

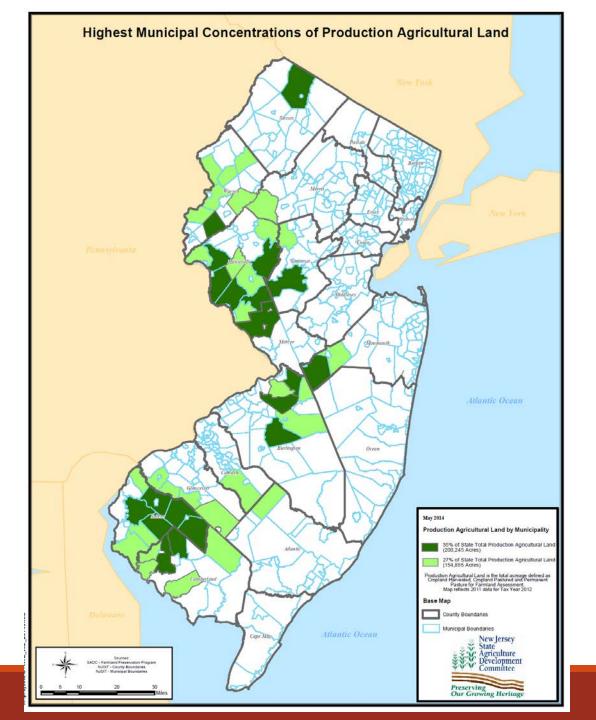




Farmland Preservation in "The Garden State"

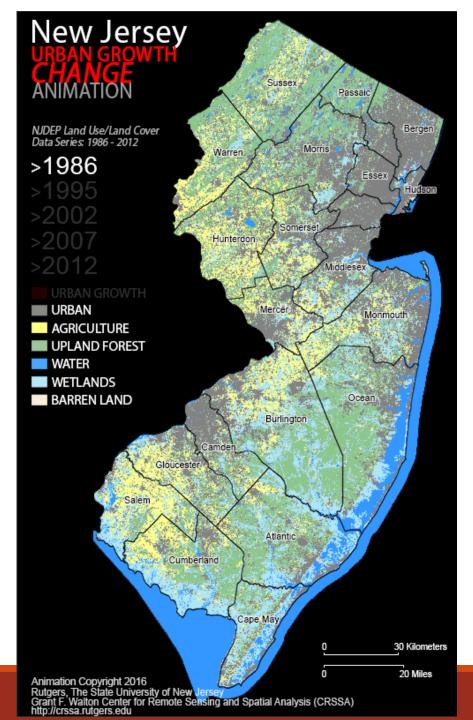
- USDA National Ag. Statistics Service (2017)
 - 9,100 farms / 720,000 acres
 - 15% of NJ Land Area in Farms
 - Average farm size = 79 acres
- Total preserved to date:
 - 2,515 farms / 227,739 acres
 - 32% of agricultural land base protected
 - Highest % in the nation
- Goal: ~550,000 preserved acres
- Geographic diversity
 - 201 municipalities
 - 18 counties





- Top 20 municipalities = 35% of active agricultural land in NJ (200,245 acres)
- Top 50 municipalities = 62% of active agricultural land in NJ (355,100 acres)





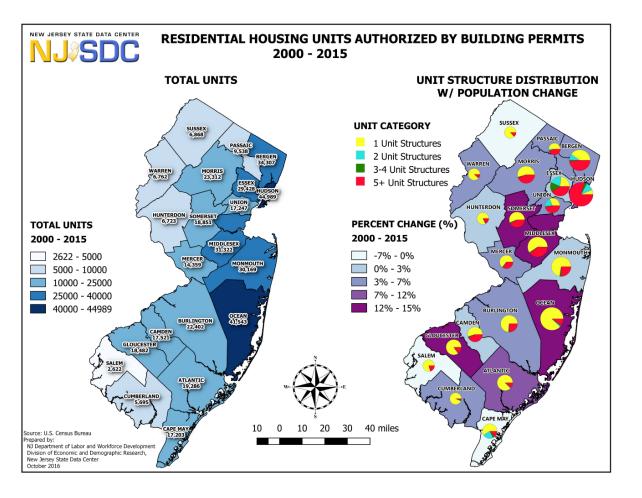


Table 2.2 Annualized rates of land use change.

		Annualized		
	T1('86-'95)	T2('95- '02)	T3('02- '07revised)	T4('07revised- '12)
Urban	13,999	16,852	16,422	4,850
Agriculture	-10,227	-8,234	-7,016	-2,760
Forest	-2,751	-6,816	-7,536	-751
Water	1,928	368	1,657	-206
Wetlands	-3,002	-2,374	-2,160	-454
Barren Land	-58	349	-1,384	-678



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Planning Incentive Grant (PIG) Program

- "Block grants" to <u>eligible</u> municipalities and counties
- SADC funding decisions based on designated project area's ability to:
 - Provide opportunity to preserve a significant area of contiguous farmland
 - Promote long term agricultural viability
- Eligibility Requirements:
 - Identify project areas of multiple, reasonably contiguous farms in an ADA
 - Establish an agricultural advisory committee. (CADB for counties)
 - Dedicated source of funding for farmland preservation
 - Farmland preservation plan element under Section 28 of MLUL
 - Right to Farm Ordinance

"The State Agriculture Development Committee shall make decisions regarding suitability for funding of development easement purchases for planning incentive grants based on whether the project area provides for an opportunity to <u>preserve a significant area of reasonably contiguous farmland</u> that will promote the long term viability of agriculture in the municipality or county."

- Planning Incentive Grant Statute, 1999 (N.J.S.A. 4:1C-43.1 et seq.)



Municipal and County Comprehensive Farmland Preservation Plan Guidelines

BURLINGTON COUNTY COMPREHENSIVE FARMLAND PRESERVATION PLAN (2009-2018)







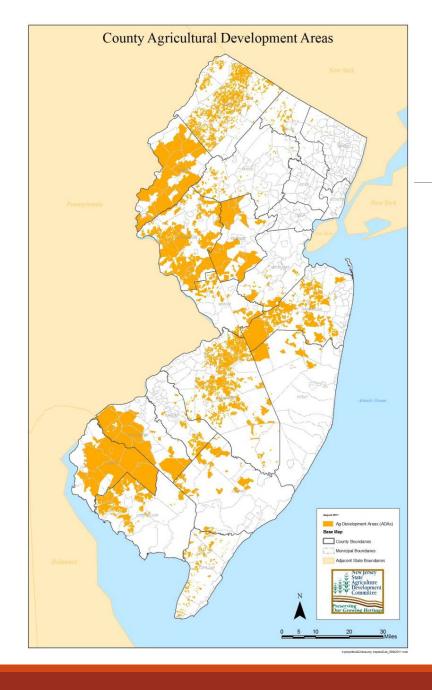




Adopted by the Burlington County Board of Chosen Freeholders By Resolution No. 1014 - December 30, 2008

- I. Agricultural Land Base
- II. Agricultural Industry Overview
- III. Land Use Planning Context
- IV. Current Farmland Preservation Program
- V. Future Farmland Preservation Program
- VI. Agricultural Economic Development
- VII. Natural Resource Conservation
- VIII. Ag Industry Sustainability, Retention and Promotion





Agricultural Development Areas (ADAs)

Regions of productive agricultural lands that have a strong potential for future production and where agriculture is the preferred but not necessarily the exclusive use.

ARDA Statutory Criteria Include:

- Agriculture is a permitted or permitted nonconforming use
- Is reasonably free of suburban and conflicting commercial development
- Comprises not greater than 90 percent of the agricultural land mass of the county
- Incorporates other characteristics deemed appropriate by the CADB

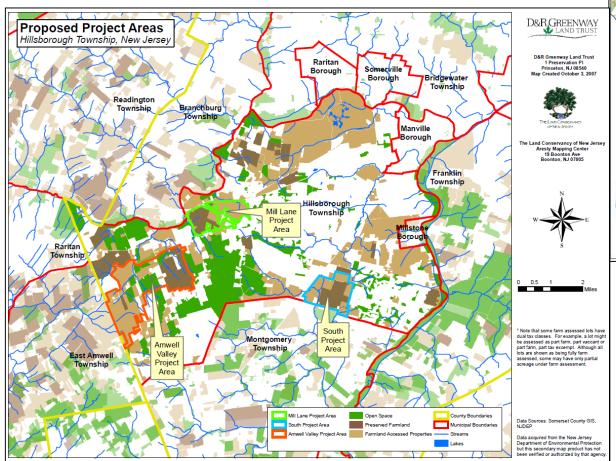
ARDA Local Criteria Considerations Include:

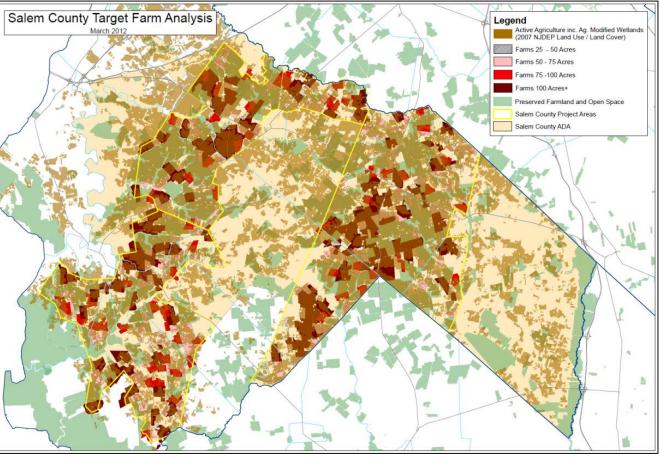
- Current and anticipated local land use plans and regulations
- Accessibility to publicly funded water and sewer systems
- Compatibility with comprehensive and special purpose county and State plans

Required review of eminent domain or other non-agricultural project by a public body or utility for agricultural impact



Project Areas and Target Farms







Delineating ADAs, Project Areas and Target Farms

Context Sensitive!

Agricultural Resources:

- Active agricultural land: continuity, size, ownership
- Proximity to existing preservation
- Soils: Prime, Statewide, Local and Unique
- Adjacent land uses

Planning Context:

- Sewer service and other infrastructure availability
- State Development and Redevelopment Plan designations
- Highlands and Pinelands Subzones
- Local zoning and redevelopment / rehabilitation designations
- Affordable housing or other planning conflicts?

Be strategic!

- Funding and staffing limitations
- Not every acre appropriate for farmland preservation



PIG Annual Application

- Due December 15th each year
- Municipal / county coordination

Updates to:

- Target farm list / project area boundaries
- Preservation goals
- Funding assumptions
- 1, 5 & 10 year goals
- Policies
- Preservation status
- Ag. Advisory Committee / CADB member list

Required submissions:

- Annual application
- Project area summary form
- Digital GIS data



Municipal Planning Incentive Grant **APPLICATION**

Municipality: County:

STATE AGRICULTURE DEVELOPMENT COMMITTEE

Farmland Preservation Program Municipal Planning Incentive Grant Program 2019 Planning Round

For information regarding the Planning Incentive Grant Program please reference the following statutes and regulations:

- Agriculture Retention and Development Act N.J.S.A 4:1C-11, et seq.
- Planning Incentive Grant Statute N.J.S.A. 4:1C-43.1
- Farmland Preservation Program Regulations N.J.A.C. 2:76
 - Municipal Planning Incentive Grant Regulations N.J.A.C. 2:76-17A

For additional questions please contact the SADC at (609) 984-2504.

Α



Other Preservation Tools

Contiguous clustering

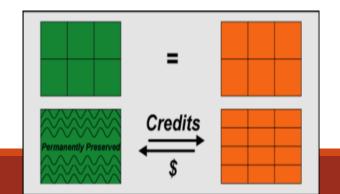
Lot size averaging

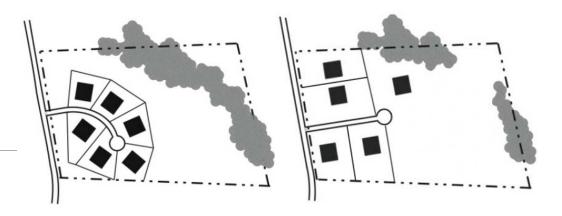
Open space subdivisions

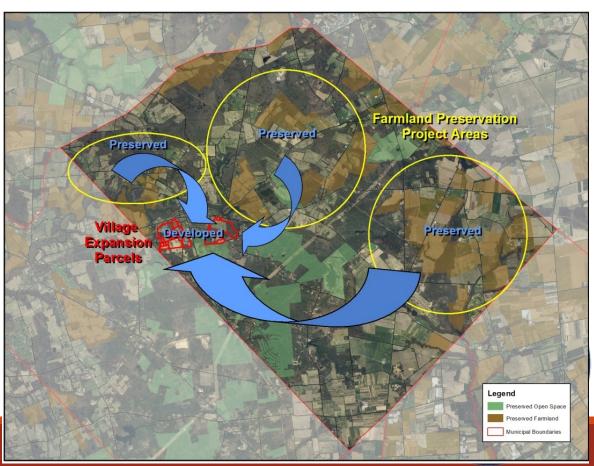
Non-contiguous clustering

• Two or more non-adjacent parcels are treated as a single site for the purpose of clustering

Transfer of development rights





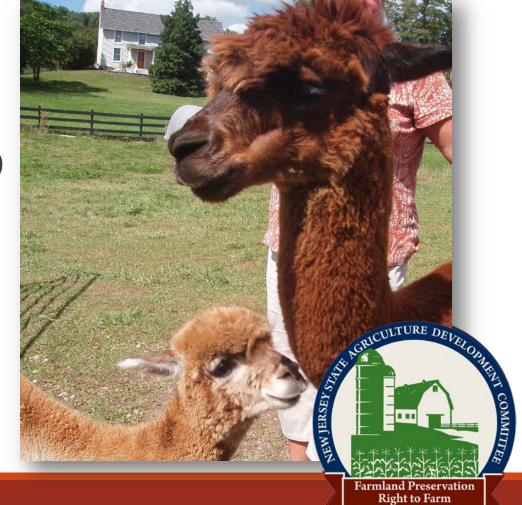


Getting Your Farm Preserved

Cindy Roberts, Development and Training Coordinator cindy.roberts@ag.nj.gov

Farmland Preservation Programs

- **State:** Direct Easement Program
- 2. County: Planning Incentive Grant (PIG) Program
- **Municipal:** Planning Incentive Grant (PIG) Program
- 4. Nonprofit Program





















Finding a Home

Focus is on large farms with prime soils that meet minimum acreage AND **Quality Score** requirements for a Priority farm.

If located in one of 18 counties participating in Planning Incentive Grant (PIG) program and is a targeted farm. Contact County Agriculture **Development Board** (CADB) for assistance.

If located in one of 48 municipalities participating in Planning **Incentive Grant** (PIG) program and is a targeted farm. Contact municipality for assistance.

MUNICIPAL PIG

Consider working with a nonprofit organization, particularly if not eligible for other programs. Contact nonprofit organization for assistance.

NONPROFIT

DIRECT EASEMENT

COUNTY PIG

	CONTACT & FARM VISIT	APPLICATION	REVIEW	APPRAISAL	OFFER	AGREEMENT
SADC DIRECT EASEMENT PROGRAM	Contact SADC for assistance. Project Managers are available to meet on the farm.	Submit application and necessary paperwork to SADC.	SADC reviews, ranks, and selects applications 3 times a year, subject to funding availability.			
COUNTY & MUNICIPAL PLANNING INCENTIVE GRANT (PIG) PROGRAMS	Contact County or Municipal Coordinator. Suggest having a farm visit for assistance in completing application.	Submit application and necessary paperwork to county or municipality. County or Municipality submits the application to SADC.	SADC reviews, ranks the application. Draws attention to issues that will need to be addressed in the "Green Light" letter.	2 appraisals will be completed. Reviewed by SADC Review Appraiser for certification of fair market	Accept or reject offer.	Enter into Agreement to purchase. Final approval resolutions are obtained.
NONPROFIT PROGRAM	Contact a nonprofit organization working in your area. Suggest having a farm visit for assistance in completing application.	Nonprofit submits application and necessary paperwork to SADC by annual deadline.	SADC reviews and ranks the applications. The SADC makes a recommendation for annual funding to nonprofit.	value by the SADC.		

Leveraging Funding

- To assist in funding acquisitions, securing a grant from outside agencies is encouraged
 - Federal
 - USDA Natural Resources Conservation Service (NRCS) Agricultural Land Easement (ALE) and Wetland Reserve Easement (WRE) programs
 - Nonprofits
 - Open Space Institute (OSI)





Minimum Eligibility Criteria

Farmland less than or equal to 10 acres	Farmland greater than 10 acres		
Produce at least \$2,500 annually			
At least 75% of the land or a minimum of 5 acres is tillable	At least 50% of the land or a minimum of 25 acres is tillable		
At least 75% of the land, or a minimum of 5 acres, consists of soils that are capable of supporting agricultural or horticultural production	At least 50% of the land, or a minimum of 25 acres, consists of soils that are capable of supporting agricultural or horticultural production		

The municipal zoning ordinance must permit at least one additional residential opportunity AND sufficient access and conditions for additional development

Lands less than 25 acres shall not contain more than 80% soils classified as freshwater or modified agricultural wetlands AND 80% soils with slopes in excess of 15%





Farm Visit

- Getting to know the landowner and the land
 - Observe areas in active production
 - Walk-through to see current operation
 - Discuss landowner's plans for the future
 - Identify any non-agricultural uses
 - Identify any potential areas of concern
- Use data from visit to complete an accurate application





Green Light Review Process

- SADC reviews the application for completeness and accuracy
- Resource mapping and quality scoring competed
- Review of appraisal order checklist
- Green Light Letter sent to landowner and partner















Appraisals Conducted

- Two independent appraisals are required to determine the value of the development easement
- •Fair market value is based on the difference between what a developer would pay for the land (before value) and what it is worth for agriculture (after value)
- •SADC Review Appraiser recommends fair market value to the SADC
- •SADC certifies value









Offer and Contract

- With the certified value an offer is extended to the landowner
- If the offer is accepted, landowner enters into a contract to purchase the development rights
- If the offer is rejected, a landowner cannot re-apply for 2 years. There is generally NO COST to the landowner. The application is simply made inactive.











Final Approval

State Direct Easement

Schedules resolution for upcoming SADC meeting agenda

Nonprofit

- Works with municipality and county for final approval resolutions
- Requests final approval from the SADC

County and Municipality

- CADB approves a resolution supporting preservation and recommending funding
- Municipality approves resolution supporting preservation and funding, if necessary
- Freeholder Board approves a resolution authorizing acquisition and expenditure of county funds, if necessary
- Request final approval from the SADC





Jessica Uttal, Acquisition Affairs Coordinator jessica.uttal@ag.nj.gov



What is needed for closing?

- Order title and survey
- Provide necessary documents for:
 - Entities
 - Estates





Identify the following on the Survey

- Point of Beginning with NAD coordinates
- 2. Acres and Square Footage
- 3. Adjacent Landowners
- 4. Surveyor Certification

- 5. Encroachments *
- 6. Waterbodies *
- 7. Structures *
- 8. Non-agricultural Uses *
- 9. Exception Areas *
- 10. Existing Easements *

* = Include an acreage calculation





Acres and Square Footage

- The following items should be stated in **acres** and **square feet**
 - 1. Area of individual lots
- 4. Encroachments

2. Structures

5. Existing Easements

3. Waterbodies

6. Rights-of-way

Block	Lot	Twp	Gross Acreage	Acreage in Road	Acreage in Non/Severable	Additional Acreage Notation as needed Subject to:	Acreage of Farmland
			Acreage	Road Right	Exception	needed subject to.	Preservation
				of Way	Exception		Easement
						Acreage in overlap/clouded title	GRICULT
						Acreage in easements	
						Acreage in encroachment	E E
						Acreage in boundary water body	ERSE ₁
TOTALS							E A
				•			Z wax

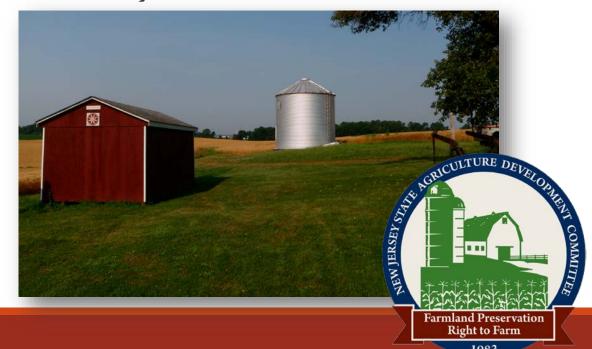
1983

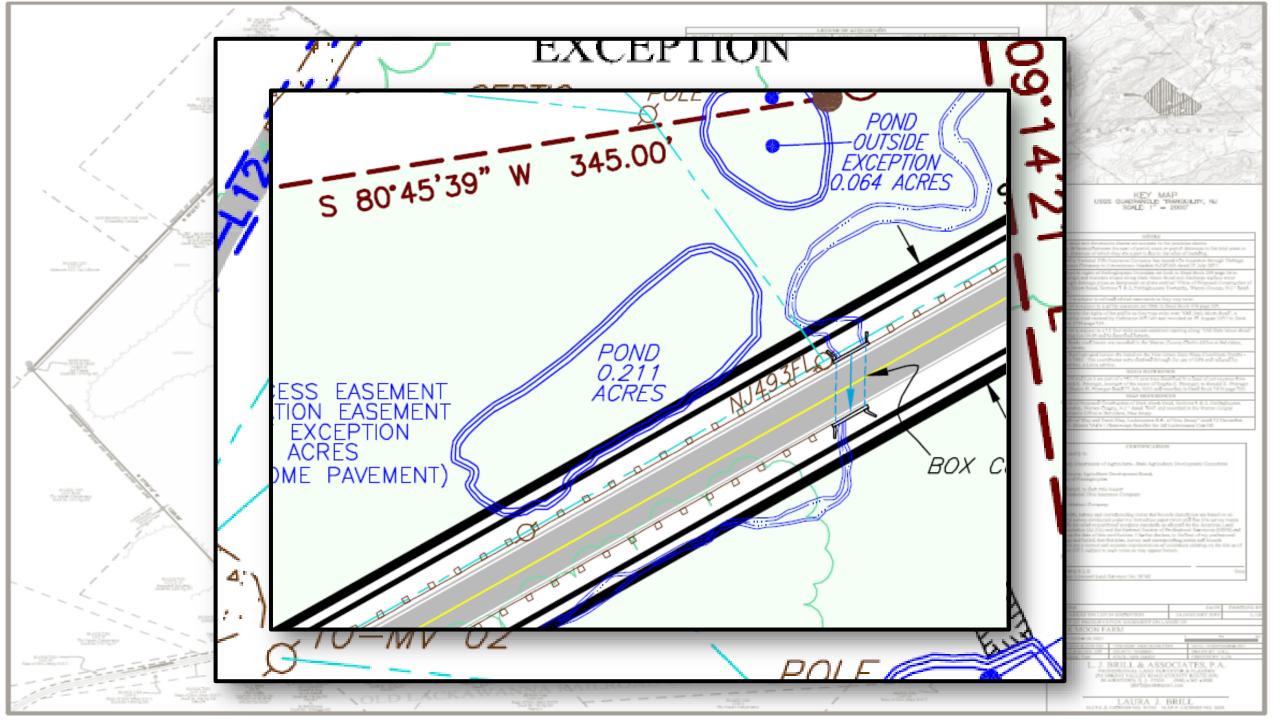


Structures and Waterbodies

- Any permanent buildings, paved, or concrete improvements must be drawn and labeled with dimensions provided for each.
 - All residential units
 - All agricultural labor units (residences)
 - All farm buildings and other structures

- All waterbodies found on the boundary premises must be labeled (including square footage)
 - Identify watercourse



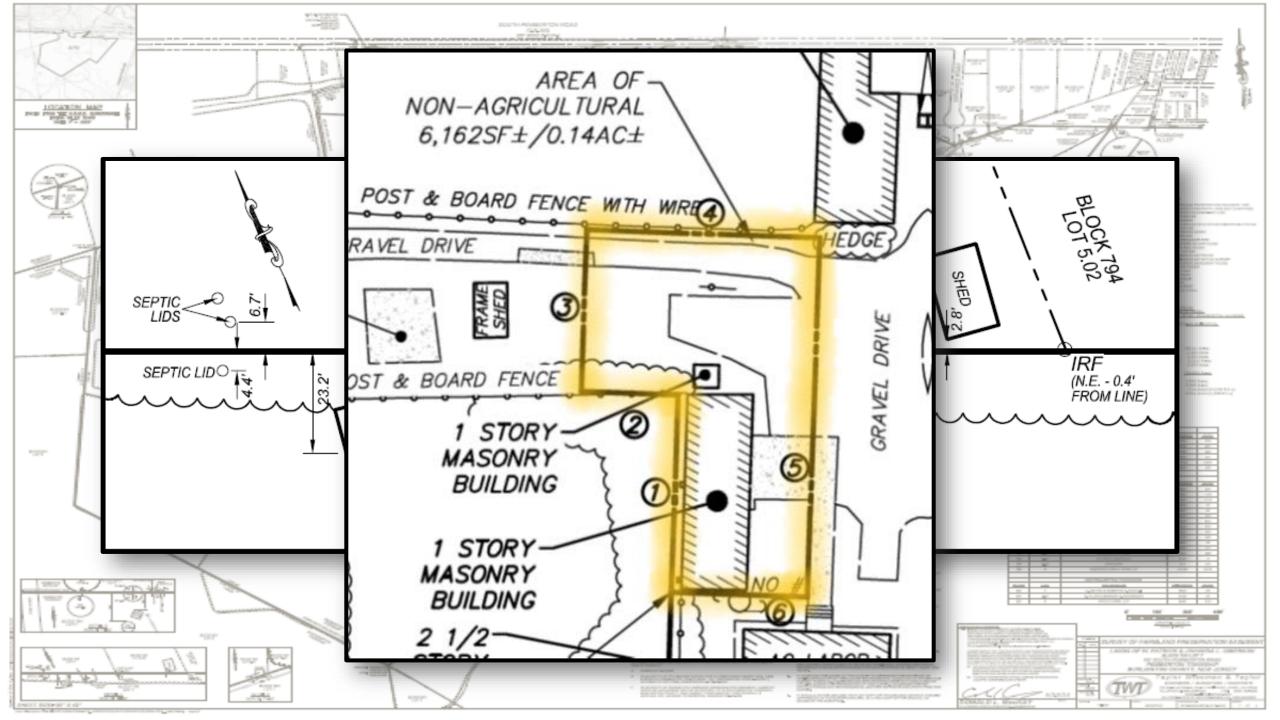


Encroachments and Non-agricultural Uses



- Encroachments must be identified (including square footage)
 - A detail of the encroachment may be necessary
- Non-agricultural uses must be identified (including square footage)







Exception Areas

- When describing an exception area in the Metes and Bounds Description, always utilize the phrase "excepting thereout and therefrom."
- Never use the phrase "subject to." This includes the exception area within the premises

- The surveyor must provide a separate description for the exception area and label it Schedule C
 - It is suggested the surveyor consult with the landowner and the partners to accurately determine the location of the exception area



Surveyor Certification

Make sure you are using our current certification language!

I hereby certify to the State of New Jersey, State Agriculture Development Committee (and to the County, Municipality, Property Owner, Attorney(s), Title Company, etc.) and on their behalf, to their title insurer that this plan, survey and corresponding metes and bounds description are based on an actual land survey conducted under my immediate supervision and that this survey meets or exceeds the relative positional accuracy standards as adopted by ALTA and NSPS and in effect on the date of this certification. I further declare, to the best of my professional knowledge and belief, that this plan, survey and corresponding metes and bounds description are a correct and accurate representation of conditions existing on the site as of (insert month & year), subject to such notes as may appear hereon.

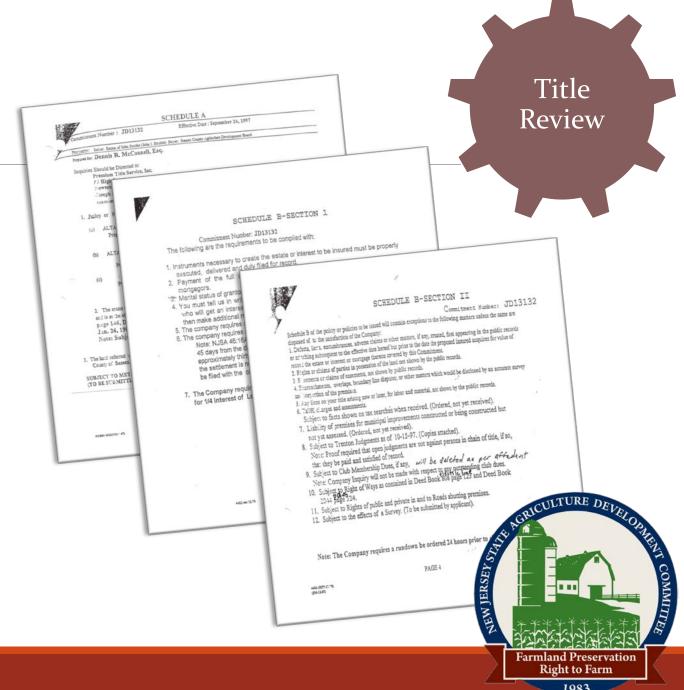
Signature of Surveyor Date Signed

New Jersey Licensed Land Survey No.



Title Review

- 1. Review Schedule A
- 2. Review Closing Requirements/ Schedule B, Section 1 (B-1)
- 3. Review Insurance Exceptions/ Schedule B, Section 2 (B-2)
- 4. Draft the Deed of Easement



Review Schedule A

- 1. Verify that the Commitment Date has not expired.
- 2. The Title Policy Amount must agree with the total consideration for the development easement.
- 3. Verify that the appropriate party is insured.
- 4. The final/sealed legal description prepared by the surveyor must be incorporated as Schedule A.





Review Schedule B-1

- 1. Make sure the parties identified in the title commitment are consistent with the parties from the application through final approval.
- 2. Identify any outstanding liens, loans, or mortgages appearing on the title.
 - These items must be released, discharged, or subordinated to the Deed of Easement:
 - The approved SADC Subordination Agreement should be provided to lenders as soon as possible for their review and acceptance
 - 2. Pay-off letters should be provided prior to closing if the loan is going to be paid off.



Title

Review

Review Schedule B-2

- Recorded easements, restrictions, and grant covenants that do not pertain to the premises must be removed.
- Copies of all deeds, easements, rights of way, restrictions, or conditions of record must be included.



Title

Review

Review Schedule B-2

- 1. Utility Easements
- 2. Survey and Metes and Bounds
- 3. Rights of the Public in Any Roadway
- 4. Taxes/Farmland Assessment (roll-back taxes)
- 5. Use Restrictions
- 6. Access Easements/Restrictions



Title

Review



Page/Section/Schedule	Component
Page 1	Grantor(s) names shall match the title commitment Consideration shall match the title commitment Tax map reference
Section 13(a)	Number of residences (residential and agricultural labor)
Section 13(b)	Exception area requirements shall match what is stated in the Final Approval
Section 14	Residual dwelling site opportunities
Section 22	Cost-share percentage
Section 23	Condemnation ratio
Schedule A	Easement legal description.
Schedule B	Non-agricultural uses, if any
Schedule C	Exception areas

Title

Review

Right to Farm



Legal Review

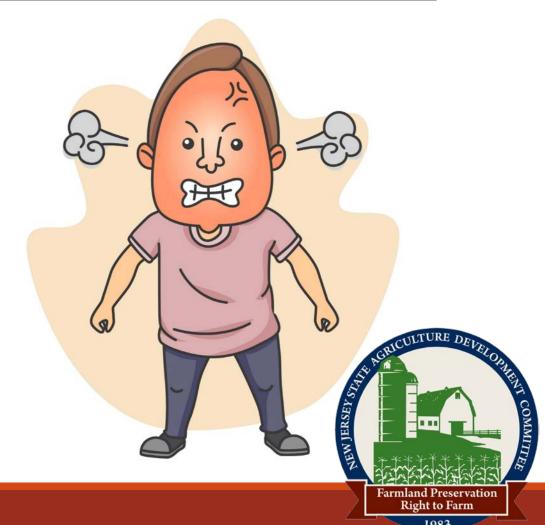
- A final review by in-house SADC legal counsel
- Including:
 - 1. Resolutions and Approvals
 - 2. Survey Plat and Legal Description
 - 3. Title Commitment
 - 4. Deed of Easement
 - 5. Additional closing documents, as needed





Delays

- 1. Refusal to remove exceptions.
- 2. Easements and Restrictions that conflict with the deed of easement
- 3. Incomplete entity documents
- 4. Lenders who do not accept the approved Subordination Agreement template
- 5. Outstanding estate taxes or other judgments





Closing

- All parties attend settlement at a designated time and place
- Sign the deed of easement and all appropriate closing documents
- Compensation is disbursed
- Farm is enrolled in Farmland Preservation Program



Post-closing and Record Retention

- Provide a copy of the recorded deed of easement, title policy, and all documents signed at closing
- Municipal PIGs and Nonprofits: Submit appropriate documents for cost-share reimbursement



Beyond

- If desired, a "Preserved Farmland" sign is installed on request
- Stewardship of land:
 - Obtain a farm conservation plan within 1 year of closing
 - Holder of the deed of easement shall perform annual monitoring for compliance and enforcement





For more information or questions: CONTACT THE SADC

Steven Bruder, PP, AICP: Planning Manager

Cindy Roberts: Development and Training Coordinator

Jessica Utall: Acquisition Affairs Coordinator

State Agriculture Development Committee (www.state.nj.us/agriculture/sadc.htm)

Phone: 609 / 984 – 2504





