

**STATE AGRICULTURE DEVELOPMENT COMMITTEE**

**POLICY**

**PRIORITIZATION OF PROJECT AREAS AND INDIVIDUAL APPLICATIONS**

I. Purpose

To establish a priority ranking of individual applications to direct the expenditure of farmland preservation bond funds dedicated for the purchase of development easements.

II. Authority

N.J.A.C. 2:76-6  
N.J.S.A. 4:1C-31

III. Supersedes

Policy: P-14-A dated 12/15/88  
Policy: P-14-A dated 9/21/89  
Policy: P-14-A dated 1/18/90  
Policy: P-14-B dated 3/25/93  
Policy: P-14-C dated 9/28/95  
Policy: P-14-D dated 12/19/96

IV. Definition

As used in this Policy, the following words and terms shall have the following meanings.

“Agricultural Development Area, hereafter referred to as ADA, means an area identified by a board pursuant to the provisions of N.J.S.A. 4:1C-18 and certified by the State Agriculture Development Committee.

“Exceptions”, means portions of the applicant’s land holdings which are not to be encumbered by the deed restriction contained in N.J.A.C. 2:76-6.15.

“Project area” means an area identified by a board or the Committee which is located within an ADA and is comprised of one or more development easement purchase applications approved by the board and received by the Committee, lands where development easements have already been purchased, other permanently deed restricted farmlands, farmland preservation programs and municipally approved farmland preservation programs.

“The degree to which the purchase would encourage the survivability of the municipally approved program in productive agriculture” means the degree to which the purchase of a development easement on the farm would encourage the survivability of the project area in productive agriculture.

V. Summary Policy for Ranking Individual applications and Project Areas

Utilizing the criteria in N.J.A.C. 2:76-6.16 individual applications will be ranked in order of highest to lowest statewide by the State Agriculture Development Committee. This ranking will be based on a numeric score, hereafter referred to as the “**quality score**” which evaluates the degree to which the purchase would encourage the survivability of the municipally approved program in productive agriculture and the degree of imminence of change of the land from productive agriculture to a nonagricultural use. The Relative Best Buy criterion will also be used as a factor to determine which applications will receive a higher funding priority. Although this policy contains the procedure for ranking project areas, the Committee will only utilize the criteria that pertains to ranking “individual” applications to determine the applicant’s quality score.

The factors used to determine the degree to which the purchase would encourage the “survivability of the municipally approved program, in productive agriculture” and “degree of imminence of change of the land from productive agriculture to a nonagricultural use,” will be evaluated at least 30 days prior to the Committee’s certification of a development easement value.

The “relative best buy formula” to determine the applicant’s formula index will be calculated at the time of the Committee’s final review. The formula index will be factored with the applicant’s quality score to establish the applicant’s final score. The application will be ranked by the Committee from the highest to lowest to determine a funding priority subject to available funds.

The general philosophy will be to acquire development easements on “key” farms which result in a stabilization of agriculture in that project area or act as a catalyst to encourage future program participation in the project area.

The Prioritization Policy is organized in accordance with statutory requirements identified in the Agricultural Retention and Development Act N.J.S.A. 41C-11 et seq. and criteria described in N.J.A.C. 2:76-6.16. Listed below is a summary of the major criteria with their relative weights.

A. FACTORS WHICH DETERMINE THE DEGREE TO WHICH THE PURCHASE WOULD ENCOURAGE THE SURVIVABILITY OF THE MUNICIPALLY APPROVED PROGRAM IN PRODUCTIVE AGRICULTURE (N.J.S.A. 4:1C-31b. (2))

1.0	SOILS	Weight15
1.1	TILLABLE ACRES	Weight15
2.0	BOUNDARIES AND BUFFERS	Weight20
3.0	LOCAL COMMITMENT	Weight20
4.0	SIZE AND DENSITY	Weight20
5.0	CADB PRIORITIZATION (HIGHEST RANKED APPLICATION)	Weight10

B. DEGREE OF IMMINENCE OF CHANGE OF THE LAND FROM PRODUCTIVE AGRICULTURE TO NONAGRICULTURAL USE (N.J.S.A. 4:1C-31b. (3) Weight10

C. RELATIVE BEST BUY (N.J.S.A. 4:1c-31b. (1))

VI. Specific Methodology for Ranking Project Areas and Individual Applications.

A. FACTORS WHICH DETERMINE THE DEGREE TO WHICH THE PURCHASE WOULD ENCOURAGE THE SURVIVABILITY OF THE MUNICIPALLY APPROVED PROGRAM IN PRODUCTIVE AGRICULTURE.

1.0 SOILS Weight 15

The New Jersey Important Farmlands Inventory prepared in 1990, by the U.S.D.A., Natural Resource Conservation Service is used as the reference to identify soil quality -Prime, Statewide, Unique or Locally Important. A percentage figure for each of these four soil categories is calculated for both the individual application and the project area.

The acreage of each Important Farmland Classification shall be to the rounded to the nearest whole number.

Formula:

% Prime soils x 15= \_\_\_\_\_  
% Statewide soils x 10= \_\_\_\_\_  
% Unique soils x (0 or 12.5\*) = \_\_\_\_\_  
% Local soils x 5 = \_\_\_\_\_

Total weight = the sum of the categories.

\* If a designated “unique” soil is not being used for its unique purpose, no points will be assigned. If points are to be awarded for unique soils, the county must provide justification.

### **1.1 TILLABLE ACRES Weight 15**

The Committee shall evaluate tillable acres which emphasize the importance of land use and productivity. Priority will be given to the proportion of land deemed tillable. Factor to consider will be lands devoted to cropland, harvested, cropland pasture and permanent pasture. The following weights have been allocated in the land use classifications below.

Formula:

% Cropland Harvested x 15 = \_\_\_\_\_  
% Cropland Pastured x 15 = \_\_\_\_\_  
% Permanent Pasture x 2 = \_\_\_\_\_

The following definitions shall be used for evaluating tillable acres.

“Cropland harvested” means land from which a crop was harvested in the current year. Cropland harvested shall include the land under structures utilized for agricultural or horticultural production.

“Cropland pastured” means land which can be and often is used to produce crops, but its maximum income may not be realized in a particular year. This includes land that is fallow or in cover crops as part of a rotational program.

“Permanent pasture” means land that is not cultivated because its maximum

economic potential is realized from grazing or as part of erosion control programs. Animals may or may not be part of the farm operation.

**2.0 BOUNDARIES AND BUFFERS: Weight 20**

The weights reflect differences in both permanence and the buffers' effectiveness in reducing the negative impacts of nonagricultural development.

The following weights have been assigned:

Deed restricted farmland (permanent)	20
Deed restricted wildlife areas, municipal county or state owned parcels	18
Eight year programs and EP applications	13
Farmland (unrestricted)	6
Streams (perennial) and wetlands	18
Parks (limited public access)	14
Parks (high use)	5
Cemeteries	16
Golf course (public)	14
Military installations	14
Highways (limited access), Railroads	10
Residential Development	0
Other: (landfills, private golf courses)	*

\* Value to be determined on a case by case basis at the time of review.

Formula:

$$\text{Weight of buffer} \times \frac{\% \text{ perimeter of project area affected by buffer}}{100} = \text{Total Weight per buffer}$$

Total of all the individual buffer scores = Total boundary and buffers score.

2.1 Negative Consideration:

**EXCEPTIONS** Weight (Up to -10)

The Committee shall evaluate all exceptions. Factors for determining if there is an adverse effect to the applicant's agricultural operation are as follows:

- \* Severability potential from the Premises
- \* Number requested
- \* Size
- \* Percent of Premises
- \* Right to Farm language
- \* Location and use (negative impact)

**NOTE:** Each county is responsible for future monitoring of each exception for ensuring compliance with restrictions placed upon the exception.

**No negative points are assessed if one or both of the following pertain to the application.**

1. The exception is for county and/or municipal farmland preservation and/or open space purposes.
2. The exception cannot be severed from the restricted premises unless associated with an agriculturally viable parcel pursuant to the terms of the Deed of Easement.

**If one (1) or two (2) above do not apply, proceed with the following:**

A. Number Requested:

For each exception requested: **(-2 points)**

B. Size:

The size of the individual exception exceeds local zoning requirements to construct one single family residential dwelling.

For each building lot, or portion thereof, in excess of the local zoning requirements: **(-1 point)**

**Note:** **If the exception exceeds the local zoning requirement but the landowner agrees to restrict the exception to permit only one residential dwelling, then no negative points shall be assigned.**

C. Percent of Premises:

The total acreage of the exception(s) exceeds 10% of the total acreage. **(-1 point)**

D. Right to Farm Provisions:

Approved Right to Farm language will be incorporated in the deed of the exception. **(1 point)**

E. Location and Use:

The location and/or use of the exception has a significant negative impact on the premises. **(Max. - 10 points)**

**NOTE:** Each county is responsible for ensuring compliance with restrictions placed upon exceptions.

**3.0 LOCAL COMMITMENT: Weight 20 Max.**

Priority will be given where municipal, county, regional, and state policies support the long term viability of the agricultural industry. Factors indicating support:

- 3.1** Zoning requiring an average minimum lot of at least three acres with clustering and/or mandatory buffering to provide separation between development and existing agricultural operations and/or use of other measures such as transfer of development credits, sliding scale, very low density zoning and/or any other equivalent measures which discourage conflicting nonagricultural development.

5 points

- 3.2** There is sewer or other growth leading infrastructure serving the premises or within hook-up distance.

Yes \_\_\_ 0 points

No \_\_\_ 3 points

- 3.3** The purchase of a development easement is consistent with municipal, county, and state plans.

Yes \_\_\_ 2 points

No \_\_\_ 0 points

**3.4** Municipal commitment to actively participate in the Agriculture Retention and Development Program;

- A. Active Municipal Liaison with CADB
- B. Planning board actions regarding nonagricultural development support farmland preservation. (Ex. Planning board requests CADB review of applications for subdivision approval within ADAs.)
- C. Municipal governing body actions regarding nonagricultural development support farmland preservation.
- D. Municipality has previously approved eight year programs.
- E. Development easements have already been purchased in the community.

1 point each

**3.5** Right to Farm ordinances

- A. A township that has a “Right to Farm” ordinance.

4 points

- B. The Right to Farm ordinance requires a developer and/or landowner who plans to build or sell a dwelling in an agricultural area to inform through their agent, prospective purchasers of the existence of the Right to Farm ordinance and the protection it grants to agricultural operations. This notification is included in the deed and recorded.

1 point

**3.6** Community financial support for the project area/individual application.

Financial support is construed as strong local commitment. Generally, if municipal/private dollars are invested in a project, there is greater care taken by the community to protect the area from the negative effects resulting from the nonagricultural development. The method to compare the many diverse municipalities with respect to their direct financial support for farmland preservation is to measure their total dollar contribution per thousand dollars of current equalized (100%) assessed value for the municipality.

The local contributions include the total of all passed municipal bond referenda and/or allocations from the budget, private or corporate contributions, and funding from any other sources since January 1, 1980 with the exception of landowner donations, county, state, and federal contributions. Landowner donations will be considered under the Relative



Best Buy criterion.

The current Equalized Assessed Value for the municipality will be the one in effect on January 1 of the current year expressed in thousands of dollars.

The assessment of points will be based on an index derived from the following ratio:

Formula:

$$\frac{\text{Total locally committed dollars since Jan. 1980}}{(\text{State Equalized valuation}/\$1,000)} = \text{Index}$$

\* for the specific municipality

This Equalized valuation figure is listed in the most recent Annual Report of the Division of Local Government Services, prepared by the Department of Community Affairs or may be obtained by contacting the local tax office.

Example 1.

Benefit Township has committed \$1.8 million toward Farmland within the past five years. The State equalized valuation figure divided by 1,000 is 80,120.

The index is calculated as follows:

$$\frac{\$1,800,000}{\$ 80,120} = 22.47$$

Based on the scale, listed below an index of 22.4 is awarded 5 points.

Example 2.

In Harrow Township \$150,000 has been set aside for Farmland Preservation. The state equalized valuation figure divided by 1,000 is \$1,290,839.

The index is calculated as follows:

$$\frac{\$150,000}{\$1,290,939} = .12$$

Based on the scale listed below, an index of .12 is awarded 1 point.

Points will be allocated based on the following scale:

Index of greater than 10	5 points
Index between 7 and 10	4 points
Index between 5 and 7	3 points
Index between 2 and 5	2 points
Index greater than 0 but less than 2	1 point

Discretion may be used in the assignment of points, based on whether or not actual funds have been expended for farmland preservation.

**4.0 SIZE AND DENSITY Weight 20 Max.**

**4.1 Individual Applications:**

Individual applications will be scored on both size and density with a maximum of 10 points awarded for density for a maximum total combined score of 20.

**4.1(2) Size (Max. 10 points)**

Points are based on the size of each individual application relative to average farm size in the respective county according to the latest U.S. Census of Agriculture. Points will be awarded for size up to a maximum of 10 as follows:

$$\text{Points Awarded} = 10 \times \frac{\text{Size of Individual application}}{(2 \times \text{county average farm size})}$$

The factor 2 encourages counties to enroll farms above average in size.

**4.1 (3) Density (Max. 10 points)**

The density score will be awarded based on the following:

An application which is not reasonably contiguous (within one-half mile linear distance) with another development easement purchase application approved by the board and received by the Committee, lands where development easements have already been purchased, other permanently deed restricted farmlands, farmland preservation programs and municipally approved farmland preservation programs in the project area will receive (0) points. One (1) point will be allocated for each reasonably contiguous (within one-half mile linear distance) farmland preservation program or municipally approved farmland preservation program. Two (2) points will be allocated for each of the other above noted lands in the project area which are determined to be reasonably contiguous (within one-half mile linear distance)



Township Comparisons (relative indices):

1. Township Single Family Unit Permits for 3 years:  
(1 pt. max.)
2. Township Farmland Assessed cropland acre loss for 10 years:  
(1 pt. max.)
3. Township Farmland Assessed cropland percent loss for 10 years:  
(1 pt. max.)

Farm-specific indicators:

1. Subdivision approval (final): 2 pts.
2. Estate situation: 2 pts.
3. Bankruptcy/Foreclosure: 2 pts.

II. Factors considered for evaluation the impact of the farmland Conversion

State Comparisons (relative indice):

1. Combined SADC Quality Scores for size, boundaries, and buffers and density: (0.5 pt. max.)

County Comparisons (relative indice):

1. Combined SADC Quality Scores for size, boundaries and buffers and density: (0.5 pt. max.)

MAXIMUM FOR CATEGORY: (10 POINTS)

The above indices will be updated annually and provided to CADB Staff.

C. **RELATIVE BEST BUY (STATUTORY FORMULA)**

This criterion will only be evaluated at the time of final Committee review.

$$\frac{\text{Nonagricultural development value} - \text{agricultural nonagricultural development value}}{\text{agricultural landowner asking price} - \text{agricultural value}} = \text{formula index}$$

**“Landowner Asking Price” means the applicant’s per acre confidential offer for the sale of a development easement.**

**D. FUNDING PRIORITY**

1. The Committee's funding priority will be given to those applications which have a higher numeric values obtained by the application of the following formula:

applicant's  
quality score + (formula index x 200) = final score

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