

STATE AGRICULTURE DEVELOPMENT COMMITTEE

2013 Annual Appraisal Conference

Program review

Susan E. Payne – Executive Director

Program Review

Susan Payne Executive Director - SADC



SADC Website

- <http://www.state.nj.us/agriculture/sadc>

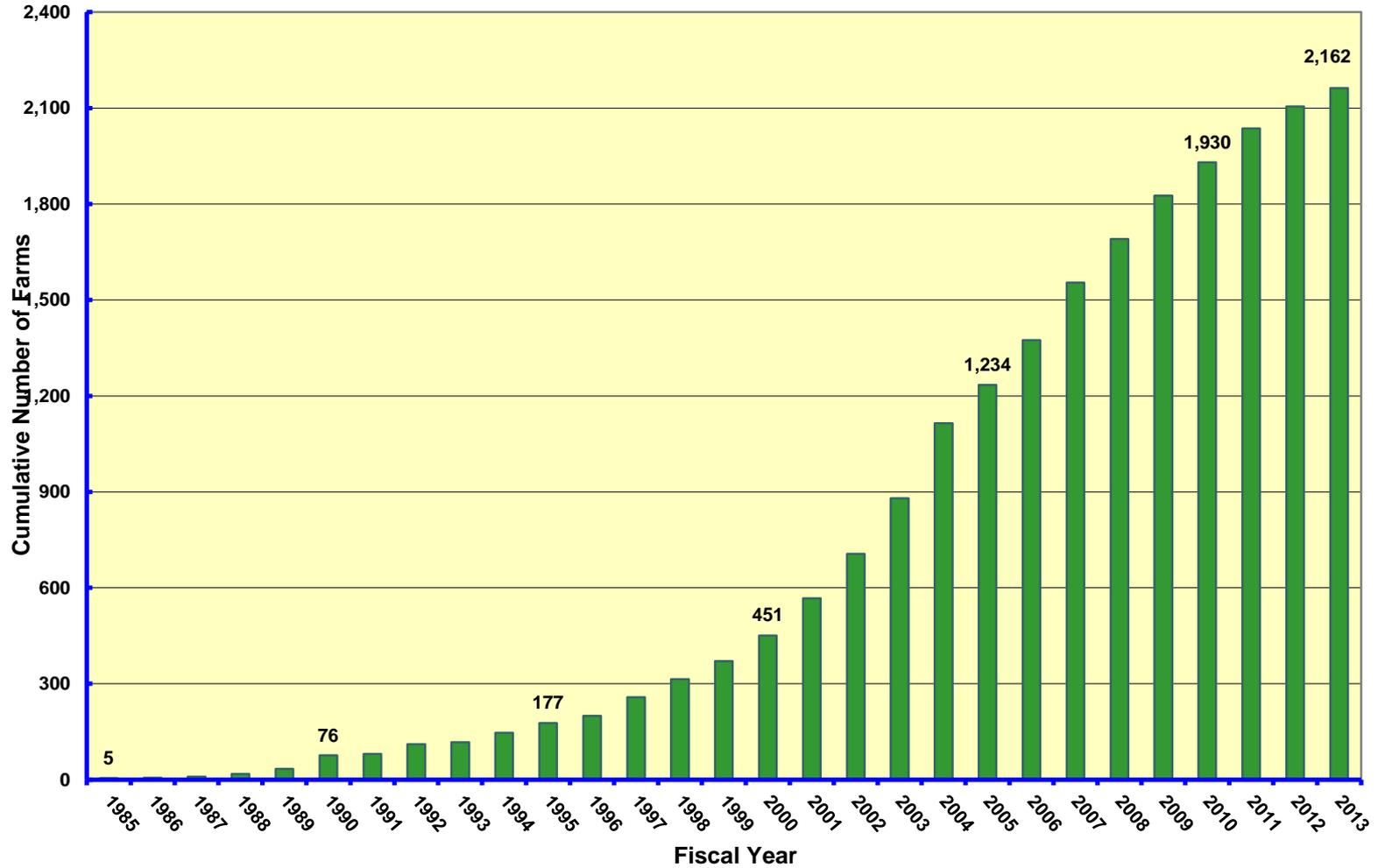
**New Jersey Farmland Preservation Program
SUMMARY of PRESERVED FARMLAND**

Participating Counties	Number of Farms	Percent of Total State Farms	Number of Municipalities	Acres	Average Farm Size	Percent of Total State Acres	Total Cost	Percent of Total Cost for State	Per Acre Total Cost	State Cost	Percent of State Cost for State	Per Acre State Cost	State Cost Share Percent	County/ Municipality/ Fed Fund Cost
Atlantic	48	2.2%	8	5,105	106	2.5%	17,477,982	1.1%	3,423	13,323,505	1.3%	2,610	76%	4,154,477
Bergen	7	0.3%	4	318	45	0.2%	16,016,072	1.0%	50,392	9,719,643	1.0%	30,581	61%	6,296,429
Burlington	198	9.2%	20	24,861	126	12.3%	146,732,726	9.4%	5,902	89,418,976	8.9%	3,587	61%	57,313,749
Camden	13	0.6%	3	988	76	0.5%	14,714,481	0.9%	14,890	8,463,046	0.8%	8,564	58%	6,251,435
Cape May	45	2.1%	6	2,649	59	1.3%	17,044,268	1.1%	6,434	10,310,831	1.0%	3,892	60%	6,733,437
Cumberland	148	6.8%	11	16,883	114	8.3%	41,116,402	2.6%	2,435	30,674,039	3.0%	1,817	75%	10,442,364
Gloucester	149	6.9%	12	12,146	82	6.0%	88,389,153	5.7%	7,278	57,220,260	5.7%	4,711	65%	31,168,893
Hunterdon	361	16.7%	16	29,323	81	14.5%	255,054,728	16.3%	8,698	178,184,538	17.7%	6,077	70%	76,870,190
Mercer	103	4.8%	8	7,722	75	3.8%	99,494,833	6.4%	12,884	60,128,777	6.0%	7,787	60%	39,366,057
Middlesex	50	2.3%	7	4,666	93	2.3%	58,088,128	3.7%	12,449	39,566,583	3.9%	8,480	68%	18,521,544
Monmouth	188	8.7%	10	14,378	76	7.1%	224,018,346	14.3%	15,581	141,230,570	14.0%	9,823	63%	82,787,776
Morris	118	5.5%	14	7,319	62	3.6%	143,340,725	9.2%	19,584	76,123,404	7.5%	10,400	53%	67,217,322
Ocean	48	2.2%	6	3,247	68	1.6%	27,060,259	1.7%	8,333	18,557,928	1.8%	5,715	69%	8,502,330
Passaic	1	0.0%	1	15	15	0.0%	2,566,650	0.2%	171,855	947,409	0.1%	63,435	37%	1,619,241
Salem	234	10.8%	10	29,803	127	14.7%	120,603,335	7.7%	4,047	93,469,469	9.3%	3,136	78%	27,133,866
Somerset	102	4.7%	7	7,992	78	3.9%	126,537,986	8.1%	15,834	73,632,431	7.3%	9,214	58%	52,905,555
Sussex	132	6.1%	14	14,675	111	7.2%	48,081,558	3.1%	3,277	32,588,669	3.2%	2,221	68%	15,492,889
Warren	217	10.0%	18	20,671	95	10.2%	115,034,802	7.4%	5,565	74,955,396	7.4%	3,626	65%	40,079,406
Total State	2,162		175	202,761			1,561,372,435		7,701	1,008,515,474		4,974	65%	552,856,961

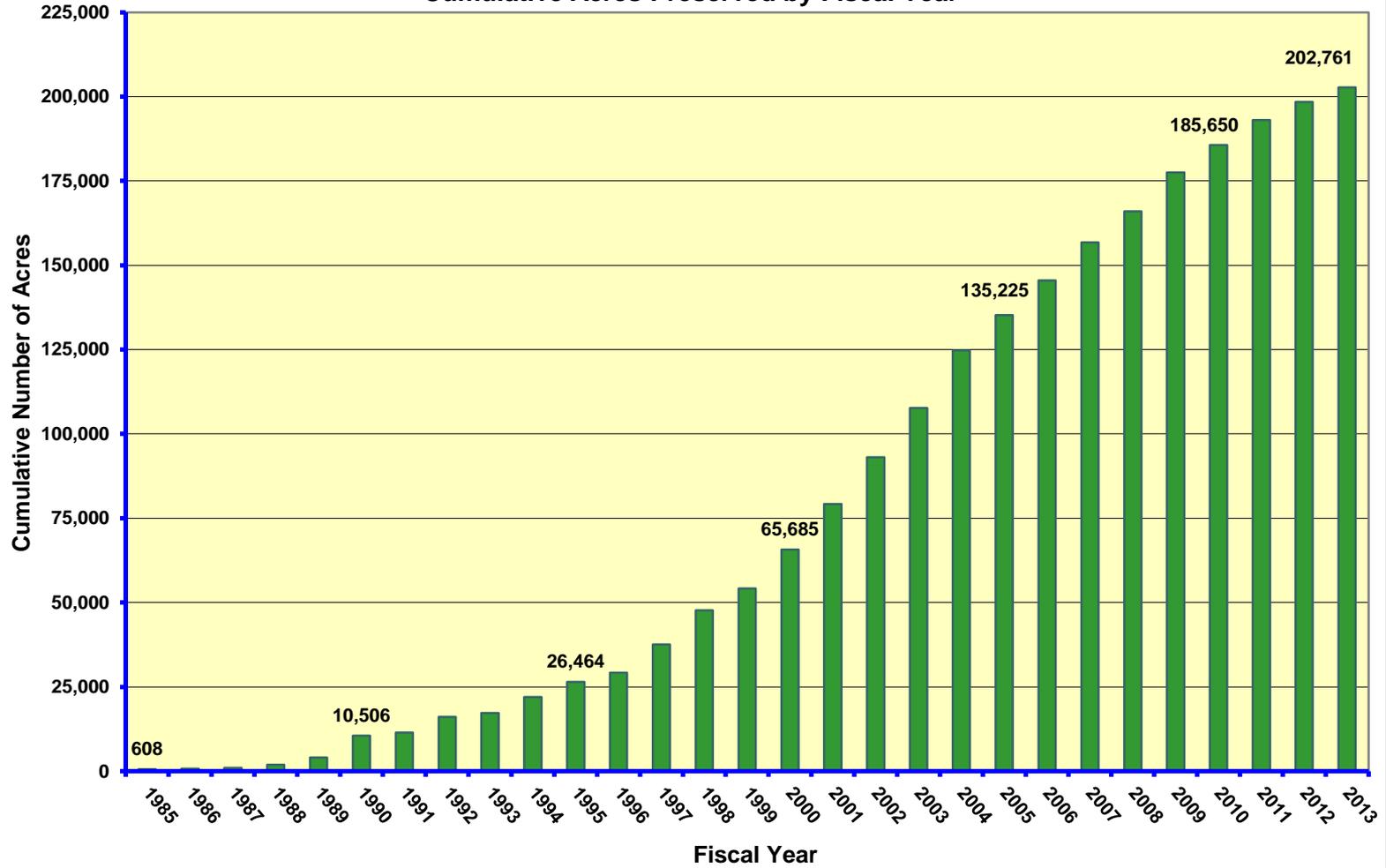
**New Jersey Farmland Preservation Program
PERMANENTLY PRESERVED FARMLAND BY FISCAL YEAR**

Fiscal Year	Number of Farms								Number of Acres								Acres/ Avg Year
	County Easement Purchase	Planning Incentive Grants	Non Profit Grants	Fee Simple Purchase	SADC Direct Easement Purchase	Donated and State Owned	Yearly Total	Cumulative Total	County Easement Purchase	Planning Incentive Grants	Non Profit Grants	Fee Simple Purchase	SADC Direct Easement Purchase	Donated and State Owned	Yearly Total	Cumulative Total	
1985	5						5	5	608						608	608	122
1986	1						1	6	160						160	768	160
1987	3						3	9	249						249	1,017	83
1988	9						9	18	859						859	1,875	95
1989	16						16	34	2,190						2,190	4,065	137
1990	41					1	42	76	6,300					142	6,441	10,506	153
1991	3			2			5	81	447			524			971	11,477	194
1992	30						30	111	4,641						4,641	16,118	155
1993	6						6	117	1,121						1,121	17,240	187
1994	28			2			30	147	4,225			491			4,716	21,956	157
1995	29			1			30	177	4,275			233			4,508	26,464	150
1996	23						23	200	2,695						2,695	29,159	117
1997	53			3		2	58	258	7,040			702		635	8,377	37,536	144
1998	51			3		2	56	314	8,835			1,012		291	10,138	47,674	181
1999	54			2		1	57	371	6,104			293		105	6,502	54,177	114
2000	68			8	1	3	80	451	8,567			2,068	237	637	11,508	65,685	144
2001	92	2	1	6	13	2	116	567	9,485	237	198	732	1,264	1,654	13,569	79,254	117
2002	103	1	1	11	21	2	139	706	9,692	97	132	1,083	1,894	876	13,774	93,028	99
2003	93	14	5	6	55	1	174	880	8,405	675	603	526	4,369	100	14,677	107,705	84
2004	130	34	2	5	59	4	234	1,114	8,781	2,032	116	600	5,108	381	17,018	124,723	73
2005	65	26		1	28		120	1,234	6,304	1,113		219	2,866		10,502	135,225	88
2006	82	29	1	5	23		140	1,374	5,270	1,421	32	737	2,781		10,240	145,464	73
2007	102	49	5	7	17		180	1,554	6,821	2,183	254	848	1,226		11,332	156,797	63
2008	54	56	6	3	17		136	1,690	3,676	3,210	367	298	1,593		9,145	165,941	67
2009	47	44	13	1	31		136	1,826	3,222	2,683	1,148	128	4,374		11,555	177,496	85
2010	53	21	16		14		104	1,930	3,101	1,853	1,659		1,541		8,154	185,650	78
2011	62	27	4		13		106	2,036	3,536	1,581	269		1,983		7,369	193,019	70
2012	43	13	3		10		69	2,105	3,308	669	156		1,234		5,366	198,386	78
2013	22	16	5		14		57	2,162	1,661	948	207		1,559		4,375	202,761	77
Total	1,368	332	62	66	316	18	2,162		131,575	18,700	5,141	10,495	32,029	4,820	202,761		94
% Total	63%	15%	3%	3%	15%	1%			65%	9%	3%	5%	16%	2%			

Cumulative Farms Preserved by Fiscal Year



Cumulative Acres Preserved by Fiscal Year



**BRIAN SMITH ESQ. – CHIEF OF LEGAL
AFFAIRS**

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
DOCKET NO. A-3904-10T3

UNPUBLISHED OPINION

IN RE CERTIFICATION OF FINAL
VALUE OF DEVELOPMENT EASEMENT
ON LANDS OF RIAMEDE FARM,
CHESTER TOWNSHIP, MORRIS
COUNTY BY STATE AGRICULTURE
DEVELOPMENT COMMITTEE.

Submitted September 19, 2012 – Decided October 10, 2012

Before Judges Reisner, Harris and Hoffman.

On appeal from the State Agriculture Development Committee.

Landowner applied to CADB to convey a development easement; SADC reviewed and approved the application

Two appraisals were authorized by CADB and completed; appraisals provided by CADB to landowner

Landowner sent a personal analysis of the appraisals along with 2 private appraisals landowner hired that critiqued the county's appraisals

SADC conducted desk review and issued a report certifying the development easement value of \$30,000 per acre (pre-Highlands value)

CADB offers landowner \$30,000 per acre; landowner writes letter #1 to SADC objecting to CMV, makes counteroffer of \$39,000 ; letter #2 to SADC sought reconsideration of CMV based on landowner's personal report and private appraisals

SADC advises that it does not evaluate appraisals not contracted for by a CADB, does not consider landowner's personal conclusions, and does not consider the opinions of other parties interested in the transaction.

But provides landowner with an itemized rebuttal of the private appraisals

Landowner makes a presentation to the SADC seeking an upward adjustment to the CMV of development easement

Committee finds no basis for amending the certification of value

Appeal filed

THE APPRAISAL REPORTS FAILED TO DETERMINE THE VALUE OF THE PROPERTY FOR "AGRICULTURAL PURPOSES" IN VIOLATION OF N.J.S.A. 4:1C-31

- A. THE RIGHT TO FARM ACT REQUIRES APPRAISALS THAT DETERMINE AGRICULTURAL VALUE
- B. IT WAS CLEAR ERROR FOR THE APPRAISERS TO USE HIGH END LOTS AS COMPARABLES
- C. THE APPRAISALS FAILED TO MAKE APPROPRIATE ADJUSTMENTS TO THE ESTATE LOT COMPARABLES

THE SADC RELIED UPON APPRAISALS THAT CONTAINED ERRORS AND OMISSIONS AND DID NOT UTILIZE RECOGNIZED APPRAISAL METHODOLOGIES

THE SADC FAILED TO CONSIDER THE HIGHLANDS MUNICIPAL AVERAGE FOR THE PROPERTY

THE SADC'S APPRAISAL REGULATIONS AND HANDBOOK GOVERNING THE CERTIFIED VALUE DETERMINATION ARE *ULTRA VIRES* OR INVALID

Most. . .of [appellant's] grievances start and finish with her disagreement with the appraisers' opinions of value provided to the Committee for its use in the formulation of a value to be offered for the development easement. This appraisal process is not intended to conclusively determine the amount of consideration that must be paid for a development easement. Rather, it is merely a guide to the Committee in the negotiation process. It is one step in a much more nuanced arrangement that includes such variables as the vagaries of negotiation, selection of funding options, and timing of payment. Moreover, "the appraisal of real property is not an exact science[.]“” [Citations omitted].

[Appellant's] contentions approach an insistence upon either mathematical perfection or a valuation analysis that inevitably yields a greater bounty to her. She is entitled to neither, but she rightfully can be adamant that the Committee follows the law and provides her with appropriate due process. From our review of the record, we are satisfied that [appellant] received all of the process that she was due.

Appellate oversight of an administrative agency decision is limited.

An administrative agency's determination is presumptively correct, and an appellate court will not substitute its judgment of the facts for that of the agency if the agency's findings are supported by sufficient credible evidence and are not arbitrary, capricious, or unreasonable.

Under the arbitrary and capricious standard, the scope of review is guided by: (1) whether the agency's decision conforms with relevant law; (2) whether the decision is supported by substantial credible evidence in the record; and (3) whether in applying the law to the facts, the agency clearly erred in reaching a result that was either arbitrary, capricious, or unreasonable.

Any purchase of farmland by the [Committee] is made with public funds, and the [Committee] is, in our judgment, obligated to ensure that it spends those funds wisely and exercises sound judgment in doing so. Indeed, if the [Committee] were not able to obtain appraisals to determine the fair market value, the process would be subject to collusion and chicanery.

[Bruce Papparone, Inc. v SADC, 392 N.J. Super. 391, 400 (App.Div.2007)]

There is a limit upon how much can be paid for any development easement. The property must be evaluated by "[t]wo independent appraisals," and "[n]o development easement shall be purchased at a price greater than the appraised value. . . ." This statutory limitation is included within the Committee's farmland preservation planning incentive grant program regulations.

Appellant sought to slant the pre-bargaining process by insisting that the Committee consider her lay and expert opinions as part of the Committee's certification-of-value determination. Her position, however, is not supported by the statute. The ARDA ensures that the purchase of a development easement is completed by an arms length transaction untainted by impropriety.

Appellant has no basis to compel the Committee to consider her viewpoint or that of her appraisers.

Appellant contended that the Committee's **equating agricultural purposes value with what is known as "restricted purpose" value** was contrary to the RTF Act.

Definitions of “agricultural purpose”, “agricultural use”, “agricultural value” and “agricultural market value” (NJSA 4:1C-31c. and i.)

Definitions in regulations (NJAC 2:76-10.2):

"Agricultural value" means the value of the property based solely on its agricultural productivity which does not take into account alternative uses for the property.

"Agricultural market value" means the market value of property with a present and future highest and best use for agricultural production. This includes consideration of exposure on the market and competition for agricultural property among farmers.

The regulations calculate the value of a development easement as "the difference between the market value unrestricted and the market value restricted" on a per acre and total basis.

"Market value restricted" is defined as "the market value of property subject to the deed restrictions placed on the title of the property as set forth in N.J.A.C. 2:76-6.15."

Although not a model of clarity, these regulations neither obviate the provisions of N.J.S.A. 4:1C-31(c) nor unfairly skew the valuation process against a farmer.

The ultimate goal is to identify and analyze all appropriate market forces that impact the potential fair value of a development easement. By its very nature, this is difficult to achieve, and we are satisfied that the Committee's regulatory scheme is consonant with legislative goals.

More important, we are unpersuaded by appellant's arguments that the appraisal methodology employed in this case was improper or resulted in a certification of value that was arbitrary, capricious, or unreasonable.

Appellant argued that the Committee erred in accepting "the appraisers' . . . **inappropriate use of estate properties as comparables** to determine the agricultural or restricted value of the property." Our review of the appraisals reveals rational support for the use of "estate type property" as a measuring stick to compare appellant's farm to the market.

One appraisal described "estate type properties" as those single family building lots with large acreage, together with "agricultural/horticultural uses and recreational purposes includ[ing] equestrian hobbies" and "there is market evidence to support" the "desirability" of appellant's farm as such an estate.

Appellant also argued that the Committee **failed to "provide adequate findings and conclusions to support the use of high end estate properties in different municipalities."** The appraisers' reports themselves address percentage adjustments that they made to account for differences in location. We observe nothing amiss in the Committee's reliance upon these opinions.

Appellant next argued that the appraisers did not properly apply adjustments to account for differences in "**build rights**" associated with comparable properties. Post contends that land with an associated build right is worth more than one without such a right. Riamede Farm has no associated build rights, yet the appraisers compared that acreage with properties that had associated build rights but failed to apply enough of a downward adjustment.

The Committee's regulations clearly permit appraisers to consider build rights associated with a farm. N.J.A.C. 2:76-10.7(a)(3)(ii) states:

The appraiser shall adjust the comparable sales to include, but not be limited to, the following: soil characteristics, zoning, hydrologically limited areas, date of sale, financing, and residential opportunities.

This is what the appraisers did, and the Committee's reliance upon their opinions did not render the certification of value decision arbitrary and capricious.

Appellant argued that the restricted values calculated by the appraisers were **inconsistent with restricted values calculated by them for other farms** in the municipality.

The SADC's letter addressed this issue as follows: "**Previous certifications are not usable data for the purposes of an appraisal. Appraisals are conducted to address changing market conditions and to acknowledge the conditions in place as of the date of the appraisal.**"

Appellant is not entitled to an appraisal that agrees with her perspective, and as noted, appraisers' opinions can change.

There was nothing arbitrary, capricious, or unreasonable about the Committee's use of the appraisals.

Appellant also argued that the Committee erred by **not considering the Highlands Municipal average** when certifying the value of the development easement.

N.J.S.A. 4:1C-31(c) states "If . . . the Highlands Water Protection and Planning Council has established a development transfer bank . . . , the municipal average of the value of the development potential of property in a sending zone established by the bank **may** be the value used by the [B]oard in determining the value of the development easement." **The use of the municipal average of the value of the development potential is permissive, not mandatory.**

The Legislature granted discretion to utilize one of two methods for valuing a farm's development easement when located where the Highlands Water Protection and Planning Council has established a development transfer bank.

The reason given by the Committee in not considering the municipal average is contained in the January 5, 2011 report prepared by the Committee's appraisal staff.

That report noted that the municipal average method was not used because "[t]he **[Committee]** would need to adopt **specific rules** and procedures if it were to purchase or retire development credits in lieu of its existing easement program."

We observe no abuse of discretion in not engaging in that process in light of the long experience of the Committee in valuing development easements using the regulatory framework of this case.

Appellant contended that the **appraisals "contained glaring errors and omissions** that should have led the [Committee] to question the accuracy of the appraisals or, at the very least, require that the reports be corrected." Instead, appellant argues, "[the Committee] simply ignored the errors and used the reports" because "the appraisals worked to the [Committee's] advantage to produce an unreasonably low value for the farmland preservation easement."

We find not even a scintilla of evidence to support appellant's assertions. We recognize that the proceedings in this matter may not have resulted in a perfect valuation process, but there is nothing in the law that guarantees an error-free proceeding. Whatever flaws emerged from the appraisals here were insufficient to warrant a different result. The Committee acted within the orbit of its authority when it utilized the appraisals submitted by the Board in calculating the value of the development easement, and we have no basis to intervene.

“To the extent we have not discussed any issue raised in this appeal, we are satisfied that it lacks sufficient merit to warrant discussion in a written opinion.”

Petition for certification denied 03/11/2013

Appellate Court decision reprinted at:

<http://njlaw.rutgers.edu/collections/courts/appellate/a3904-10.opn.html>

SADC v. QVF

Superior Court, Chancery Division, Hunterdon County

- Farm was preserved in 1993 by Hunterdon County with SADC cost share grant
- Farm had a soil rating of 28.21 out of possible 30 points (likely capable of supporting field crops such as corn, wheat, oats, barley, hay and soy beans)
- Deed of easement paragraph 7: “No activity shall be permitted which would be detrimental to. . .soil conservation, nor shall any other activity be permitted which would be detrimental to the continued agricultural use of the Premises.”
- DOE paragraph 14: “Grantor may construct any new buildings for agricultural purposes.”
- Farm sold in 1997 to QVF, large-scale commercial greenhouse operation

- In 2007, QVF converted 20 acres of land from open planting to a proposed site for heated greenhouses.
- Since slope of the land was not conducive for such structures, QVF undertook an effort to reduce the slope through an earth moving project:

Soil was removed to bedrock in some places

Naturally-formed layers of topsoil and subsoil were blended

Depth of cuts into the land in some areas was 10-12 feet

- SADC expert report: As a result, the characteristics of the land which made it ideal for farming had been stripped away, qualities which took 20,000 years to naturally form through geologic events and now require remediation

Preliminary injunction issued against QVF in April 2008; injunction was in effect for more than 4 years; summary judgment motion filed on the issue of liability, i.e., whether QVF's activities violated the deed of easement

SADC contended that deed is clear: no actions detrimental to soil conservation can be undertaken on preserved farmland

No dispute that QVF conducted extensive earth-moving activities

Earth-moving activities significantly impacted the future farming productivity of the land as it disrupted the essence of the soil.

QVF contended that:

- Constructing greenhouses is an agricultural activity
- Land underneath greenhouses is farmland assessed
- No evidence that land is less capable of producing any crop yield because the land was not previously farmed in such a manner
- Paragraph 14 allows for construction of agricultural buildings like greenhouses
- Farmland Assessment Act allows for the growing of nursery, floral, ornamental and greenhouse products.

Superior Court held that:

- The DOE specifically incorporates the ARDA and SADC rules as controlling the terms of the document
- The ARDA is clearly applicable to interpretation of the phrase “soil conservation” in paragraph 7
- The language of the easement derives from the ARDA statute
- GSPTA makes clear that the content of the soil, the soil’s ability to support agriculture, and the ability of the land to have agricultural production are the first priority uses of the property and are at the core of farmland preservation

Superior Court held that:

- The ARDA states that soil preparation and management is an agricultural use and that soil quality is a determinative factor in preserving farmland
- Accordingly, the SADC has a rule and deed of easement provision prohibiting activity detrimental to the continued agricultural use of the premises
- “Having such a rule connects the deed to the fundamental purpose for which the ARDA statute was enacted.”
- “The connection between the agriculture and soil is not an accident, but rather the planned byproduct of statutory farmland preservation.”

Superior Court held that:

- No dispute that topsoil and subsoil were blended together, converting prime soil capable of producing a wide variety of crops to a soil unsuitable for crop production
- Even in areas where the subsoil remained intact, the removal of topsoil can reduce future crop yields; QVF's own expert agreed that the soil characteristics were drastically altered at the site and are now not fit for usual agricultural production.
- The construction of greenhouses does not allow QVF to change the composition of the soil so drastically; the DOE is clear that no action can be taken which destroys the conservation of extant soils, the key basis for preserving the farm.
- Because QVF's actions damaged soil conservation and future agricultural use, QVF violated the DOE and must remediate the affected area of the preserved farm

Court's summary judgment decision in SADC's favor: August 8, 2012

Motion for reconsideration by QVF **DENIED**:
March 22, 2013

Nature and extent of QVF's remediation to be decided: June 2013

Legal impact

Appraisal impact

Restricted Farmland Sales – 2012 - 2013

- County by County Breakdown

County	Number Farms	Acres	Avg. Sale Price
Burlington	1	97	\$ 3,592 /ac
Cumberland	5	248	\$ 4,266 /ac *
Gloucester	4	231	\$ 8,944 /ac *
Hunterdon	3	201	\$ 12,716 /ac *
Mercer	2	155	\$ 6,638 /ac
Monmouth	3	216	\$ 13,212 /ac *
Morris	2	260	\$ 12,032 /ac *
Salem	4	436	\$ 4,281 /ac *
Somerset	4	332	\$ 23,088 /ac
Sussex	4	171	\$ 10,134 /ac *
Warren	2	299	\$ 4,818 /ac *
<u>Totals</u>	34 Sales	2,646 acres	\$9,429/ac average

(*) Includes contributory value of Improvements

Appraisal Handbook Amendments

Paul Burns, Chief Review Appraiser - SADC

<http://www.state.nj.us/agriculture/sadc>

Click Farmland Preservation Program

Click Appraisals

Click Farmland Appraisal Resources

2013 SADC Appraiser Handbook

SADC Handbook

- Electronic Appraisals
- RDSO Statement
- SSURGO Soils
- Flood Map Indication
- Pinelands Development Worksheet

Handbook

- **Page 3: SADC Appraisal Policy – (a.)**
- ALL APPRAISALS MAY BE SUBMITTED ELECTRONICALLY ACCORDING TO THE FOLLOWING PROCEDURE.

Handbook

- The appraiser will submit a completed copy of their appraisal in electronic format to the contracting party (County, Municipality, Non-Profit or SADC). The appraisals should be in Portable Document Format (PDF) or a similar format as approved by the SADC.
- The Contracting Party will submit the appraisal to the SADC for review via the State of New Jersey approved secure data exchange site. Instructions will be provided by the SADC. Each appraisal must be identified with a specific filename coded with a unique identifier for tracking and permanent retention purposes. SADC staff will provide appraisers and Contracting Parties with specific instructions and details for filenames.

Handbook

- Each appraiser shall include a signed and scanned PDF copy of the SADC's "Appraiser's Certification of Report Genuineness" with every appraisal, e.g., all drafts and final versions of appraisals, electronically submitted to the SADC.
- Any Alterations, Corrections and other Changes to the appraisal that are required or requested will be made to the entire document and resubmitted using the above procedure. There will no longer be any submission of single pages for changes. The original document will be deleted and replaced with the revised document.

RDSOs

- **Residual Dwelling Site Opportunity (RDSO):** The CADB is authorized to allocate RDSOs on the premises pursuant to N.J.A.C. 2:76-6.17. An “RDSO” means the potential to construct a residential unit and other appurtenant structures on the premises according to N.J.A.C. 2:76-6.17. The exercising of an opportunity to construct a residential unit must be approved by the CADB or **easement holder**. The residential building must be used for single-family residential housing and its appurtenant uses. Furthermore, the construction and use of the residential unit shall be for agricultural purposes, **and the resident of the dwelling must be regularly engaged in common farmsite activities on the premises.**

Handbook - SSURGO

- NRCS offers the Web Soil Survey, <http://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx> online; this website is the “single authoritative source of soil survey information” that is updated and maintained by NRCS. Appraisers must rely on this website for all soils data that is not provided to them by the contracting agency, including comparable sales data. For Septic Suitability, after identifying the area of interest and creating the soils map of the property, the appraiser is required to use the Sewage Disposal (NJ) located under Soil Data Explorer – Go to Suitabilities and Limitations for Use or Soil Reports, Sanitary Facilities, Click Sewage Disposal (NJ) and then click View Rating to obtain the report. To find the agricultural classifications of the soils (Prime, Statewide, local, unique) click on Land classifications, click Prime and other Important Farmlands.

Flood Maps

- Page 23 - Flood Maps are already required. It is emphasized that the subject be identified by an arrow and an estimate of land area impacted by any flood hazard zone be provided by the appraiser.

Pinelands Worksheet

- **AP (Agricultural Production) Management Area** **N.J.A.C. 7:50 – 5.24** **___yes ___ no**
- **1. Property is eligible for 1 unit per 40 acre cluster provision**
- Rule: Non-farm housing units at gross density of 1:40 acres (N.J.A.C. 7:50-5.24(a)3)
 - Unit(s) shall be clustered on one acre lots, unless municipality determines residential development is incompatible with agricultural use
 - *If new residential lots are being created (subdivided off), each new lot must be one acre in size (not smaller and not bigger).*
 - *Standard septic systems can be used*
 - Requires deed restriction of remainder of lot with severance of any PDCs
-
- *Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.*
-
- **Subject Property Potential Yield under 1:40 cluster provision**
- # of acres ____
- # of potential subdivisions ____ (# of acres/40) on 1 acre lots

AP -1:10 every 5 years

- **Property is eligible for 1 accessory to agriculture unit per 10 acres every 5 years for farm operator/employee**
- Rule: 1 unit: 10 acres farm related housing (N.J.A.C. 7:50-5.24(a)2)
- Dwelling must be accessory to active agricultural operation
- Dwelling must be for an operator or employee of farm actively engaged in operation
- Lot has not been subdivided within last 5 years unless done so under cultural housing provision
- No more than one lot can be created under this provision at one time
-
- **Subject Property Potential Yield under 1:10 every 5 years**
- # of acres ____
- # of potential dwellings/subdivisions ____ (# of acres/10) Accessory to Agriculture
- # of years until fully developed ____ (# potential units/subdivisions x 5)

AP -1:10 every 5 years cont'd

- *An appraiser should consider length of term to achieve full development when assessing value impact. For instance, under the above scenario a 100 acre property could be potentially subdivided 10 times until it can be subdivided no further, but it would take 50 years to accomplish this. The present value of such distant future benefits needs to be carefully considered by the appraiser. The requirement that the opportunity (new lot or house) needs to be accessory to agriculture must also be taken into account.*
- *Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.*

AP – Cultural Housing

- **Property is eligible for 3.2 acre Cultural Housing Provision**
- Rule - Cultural Housing Provision (N.J.A.C. 7:50-5.32)
- 3.2 acre lot requirement
 - For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
- Unit must be principal residence of property owner or immediate family member
- Individual whose residence it will be has not developed a similar unit within previous 5 years
- Parcel must have been in continuous ownership of individual or their family since Feb. 7, 1979
- Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years
-
- Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.

AP – Other Potential Uses

- **Other potential uses of the property under AP Management Area**
- Seasonal Agricultural Labor Housing -**Eligible**
- Agricultural Commercial Establishments up to 5,000 SF -**Eligible**
- Agriculture and Agricultural Structures __-**Eligible**
- Low intensity Recreational Uses __-**Eligible**
- Expansion of intensive recreational uses (in existence 2/7/1979) __ yes __no
- **Substantially Similar Zoning:** Please provide applicable municipal zoning code. This should be confirmed with the Pinelands Commission. _____ (check if applicable)
- **Wetlands/Buffers:** Wetland buffers are uniformly 300' wide in the Pinelands and septic systems are not permitted in the buffer area. If a proposed house cannot be sited on the property outside wetlands and wetlands buffers, the property may be eligible for a waiver of strict compliance from the Pinelands Commission. When considering a request for a waiver, the Commission considers not only the property itself but all contiguous lands in common ownership on or after 1979. A waiver would allow for the construction of only one dwelling on the parcel, in its entirety. If there is an existing house on the property or on any commonly owned contiguous lands, a waiver for an additional dwelling cannot be approved.

SAP – Special Ag Production

- **SAP (Special Agriculture Production) Management Area N.J.A. C. 7:50 – 5.25 ___ yes ___ no**
- **1. Property is eligible for large farm lot dwelling/subdivision (40+ acre units)**
- Rule: 1 unit: 40 acres farm –related housing (N.J.A.C. 7:50-5.25(b)) (If permitted by Township)
 - Dwelling must be accessory to active agricultural operation
 - Dwelling must be for an operator or employee of farm actively engaged in operation
 - Lot has not been subdivided within last 5 years unless done so under cultural housing provision
 - No more than one lot can be created under this provision at one time
-
- Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.
- Note: There are eight municipalities which contain SAP Areas: Bass River, Hammonton, Medford, Pemberton, Shamong, Tabernacle, Washington and Woodland. All but two (Medford and Pemberton) permit 1 per 40 farm related housing.
-
- **Subject Property Potential Yield under 1:40 large farm lot development**
- # of acres _____
- #of Potential 40 acre farm units _____ (# of acres/40)

SAP – Cultural Housing

- **Property is eligible for 3.2 acre Cultural Housing Provision (N.J.A.C. 7:50-5.32) dwelling/subdivision**
- Rule - Cultural Housing Provision (N.J.A.C. 7:50-5.32)
- 3.2 acre lot requirement
 - For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
- Unit must be principal residence of property owner or immediate family member
- Individual whose residence it will be has not developed a similar unit within previous 5 years
- Parcel must have been in continuous ownership of individual or their family since Feb. 7, 1979
- Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years.
-
- Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.

SAP – other potential uses

- **Other potential uses of the property under SAP Management Area**
- Seasonal Agricultural Labor Housing -**Eligible**
- **Accessory** Farm Markets -**Eligible**
- **Berry** Agriculture and related **Berry** Agricultural Structures -**Eligible**

Pinelands Preservation District

- **Pinelands Preservation Area District N.J.A.C. 7:50-5.22 ___ yes ___ no**
- **Property is eligible for Cultural Housing Provision (N.J.A.C. 7:50-5.32) subdivision**
 - 3.2 acre lot requirement
 - For lots existing as of Feb. 8, 1979 the 3.2 acre requirement may be reduced to 1 acre with township variance and purchase of 0.25 PDCs
 - Unit must be principal residence of property owner or immediate family member
 - Individual whose residence it will be has not developed a similar unit within previous 5 years
 - Parcel must have been in continuous ownership of individual or their family since Feb. 7, 1979
 - Individual whose residence it will be has resided in Pinelands for at least 5 years or he or member of family for a total of at least 20 different years.
-
- Note: Appraisers that feel this is the highest and best use of a property must deduct the number of PDCs that would need to be expended to develop a particular number of onsite units from consideration in the easement value, by not valuing those credits in the before value.

Pinelands Preservation District

- **Other potential uses of the property under Preservation District Management Area (If permitted by the municipality)**
- Seasonal Agricultural Labor Housing yes no
- Agricultural employee housing as an element of and accessory to an active agricultural operation yes no
- Accessory Farm Markets yes no
- Agricultural Structures yes no
- Low intensity Recreational Uses yes no
- Expansion of intensive recreational uses (in existence 2/7/1979) yes no

Pinelands Onsite Development Guide

	Area Type - No Deed Restriction			SADC Deed Restriction	
Development Opportunity	Agricultural Production	Special Agricultural Production	Preservation Area	Permitted on SADC DEED RESTRICTED PREMISES	Permitted on SADC EXCEPTION AREAS
3.2 ACRE CULTURAL HOUSING - 1 EVERY 5 YEARS	X	X	X	NO	YES
1DU/40 ACRE CLUSTER OPTION	X			NO	NO
1DU/10 ACRE ACCESSORY TO AGRICULTURE EVERY 5 YEARS	X			NO	YES if pre reserved - only once
1DU/40 - ACCESSORY TO AGRICULTURE EVERY 5 YEARS		X		NO	YES - if pre reserved - only once
SEASONAL AGRICULTURAL LABOR	X	X	X	YES	YES
RDSO - Residual Dwelling Site Opportunity	N/A	N/A	N/A	Yes -with approval	N/A
AGRICULTURAL STRUCTURES	X	FOR BERRY AGRICULTURE ONLY	FOR BERRY AGRICULTURE ONLY	YES	YES
FARM MARKETS UP TO 5,000 SF	X			YES - with approval	YES
LOW INTENSITY RECREATIONAL USES INCLUDING HUNTING /FISHING	X		X	YES per CADB/SADC review	YES
EXPANSION OF INTENSIVE RECREATIONAL USES IN EXISTENCE AS OF 2/7/79	X	X	X	NO	YES
ACCESSORY USES(EG. SMALL FARM MARKETS/CARTS, SOLAR FACILITIES	X	X	X	YES	YES
ALL DEVELOPMENT IS SUBJECT TO PINELANDS REVIEW AS WELL AS MUNICIPAL APPROVAL.					
WETLANDS AND WETLANDS BUFFERS STANDARDS APPLY TO AGRICULTURAL STRUCTURES AND ARE SUBJECT TO MUNICIPAL REVIEW					
EXCEPTION AREAS ARE SUBJECT TO PINELANDS AND MUNICIPAL REGULATIONS INCLUDING WETLAND AND BUFFER REGULATIONS.					
MUNICIPAL ORDINANCE SHOULD BE CHECKED TO VERIFY WHETHER A USE LISTED ON THE ABOVE CHART IS PERMITTED IN A PARTICULAR ZONING DISTRICT.					

State Board of Real Estate Appraisers

Barry Krauser, MAI, CRE

Margaret Nordstrom

Deputy Director Highlands Council

Fred Schoenagel

USDA Natural Resource Conservation
Service