WARREN COUNTY AGRICULTURE DEVELOPMENT BOARD

Department of Land Preservation P.O. Box 179 500 Mt. Pisgah Avenue Oxford, NJ 07863

Meeting Minutes April 16, 2015

The regular monthly meeting was held at the office of the Department of Land Preservation, 500 Mt. Pisgah Avenue, Oxford, New Jersey. The meeting was called to order by Chairman Schnetzer at 7:34 p.m. An announcement was read as required by the Open Public Meetings Act, N.J.S.A. 10:4-6-21.

Members present: Lou Baduini, Tim Bodine, Bradley Burke, David Dempski, Jason Menegus, Joel Schnetzer, Wendy Willever

Members absent: none

Others present: C. Tierney, T. Kaminski, Staff; Michael Lavery, Special County Council; Sam Race, Bill Thompson, White Township; Dan Mull, NRCS; Gary Pohorely, SADC.

Chairman Schnetzer led the Pledge of Allegiance.

Minutes of the meeting held on March 19, 2015 were approved on a motion by Mr. Baduini and seconded by Ms. Willever. Motion carries.

Executive Minutes of the meeting held on March 19, 2015 were approved on a motion by Mr. Baduini and seconded by Mr. Bodine. Motion carries.

Policy Discussion on Paying CMV — Chairman Schnetzer stated that he joined the CADB in 1989 and for a period of 10-15 years there was not enough money for preserving all farms every round, and the landowner had the option of bidding down to move up on the list. If the farm ranked high, it was higher on the list and bidding down would move it up even further. The County at that time was not collecting Open Space Tax, there was not enough money in the State and the whole State was competing with each other. There were farms that were waiting for 10 years for project areas in the County to open up since there was not an Agricultural Development Area as of yet. After the County's Open Space Tax took effect and there was enough State funding, the farmland application process changed and the SADC policy N.J.A.C. 2:76-17.12 & N.J.A.C. 2:76-17A.12 allows for landowner's to ask for the highest appraisal value, but the difference has to be 100% paid by the County or the Municipality since the SADC would not cost-share on anything higher than the CMV.

Chairman Schnetzer confirmed with Mr. Tierney that the County's Open Space Tax was reduced for the last three years in a row from .060 to .040 per \$100 of total County equalized real property evaluation. The CADB received 55% of that for farmland preservation which amounts to about \$2 million/year. Mr. Tierney talked about the proposed Open Space funding bills at the State and stated that between \$14 and \$26 million would be for Open Space. The SADC's operating costs are about \$3 million, so funding for farmland preservation could be as low as \$11 million per year divided amongst the numerous counties, municipalities, and nonprofits. The SADC is already reallocating looking to reallocate MUNI PIG funding. It's possible the County's might receive only \$750,000 each in base grants, far less than in prior years. Currently, Warren County has drawn down the base grant and it will be completely exhausted and then would go into the competitive process.

Mr. Menegus stated that the decision to pay a higher CMV should be done by a case by case basis. Mr. Tierney stated that most applications had come in before expiration of dual appraisal last year. Mr. Tierney went over the proposed factors of criteria for considering paying above the CMV: A. The Appraisal Process 1) The higher of the two appraisal values is 30% or more above the lower appraisal value (the higher value is \$7,000/acre and the lower value is \$4,000/acre); 2) The CMV is equal to the lower of the two appraisal values; 3) The CMV report contains a significant error which substantially reduces the value; B. Farm Quality 1) 90% of the average County score ranking or above (priority farm per SADC). And a majority vote by the CADB may waive the above criteria for other good cause shown. In all, if a farm meets one or more of the above criteria, the CADB may entertain a request for a purchase price higher than CMV. The burden shall be on the landowner/applicant to demonstrate why the property is more valuable than the professional SADC review appraiser determined and/or why the property is a preservation priority. Mr. Tierney will find out if the other Counties have a policy on paying above CMV.

Mr. Dempski stated that there should be a written CADB process or policy of the Board on paper with parameters. Chairman Schnetzer would like to appoint himself and Mr. Dempski to work with Mr. Tierney and Mr. Lavery to put a draft together and then go over with the Board. Mr. Baduini made a motion to appoint Chairman Schnetzer and Mr. Dempski to work with Mr. Tierney and Mr. Lavery on a policy for paying above the CMV. Mr. Menegus seconded the motion.

Roll Call: Mr. Schnetzer – yes; Mr. Bodine – yes; Mr. Burke – yes; Mr. Baduini – yes; Mr. Dempski – yes; Ms. Willever – yes; Mr. Menegus – yes

Motion carries.

Correspondence: Noted

Public Input (Non-agenda Items): None

Old Business:

McCullough Road Land Development Farmland Application Drainage Issues Update – Mr. Tierney stated that this farm is set to close on Friday, April 17th, 2015.

Roes Island Wetland Mitigation Project — Mr. Baduini said that he attended the Independence & Liberty Township Land Use Boards' (LUB) meetings and that Liberty Township made a determination against the applicant's interpretation of agriculture use. However, the Liberty Township LUB had not voted on the D variance. The Independence Township LUB has not yet voted on either an interpretation or variance. The applicant has said that their planting of trees, taking clippings to nurseries, and bee hives will constitute an agricultural management practice. The SADC is concerned about the project because Section 19 of the Agriculture & Development Retention Act may require such a project located within an Agricultural Development Area to be reviewed by the CADB and the SADC. The applicant advised the Liberty Township Land Use Board that Section 19 of ARDA is inapplicable to them because there is no change in use.

New Business:

Soil Disturbance Draft Regulations Discussion Update – Mr. Tierney stated that at the CADB Administrator's meeting with Susan Payne, the draft soil disturbance rules were discussed. The Administrators acknowledged that it is currently unclear what soil disturbances are permissible and what disturbances are not. Several ideas were discussed such as a soil disturbance mitigation program, a cap and trade type program, etc., but no consensus was reached. Chairman Schnetzer attended the State Board of Agriculture's Soil Disturbance Subcommittee second meeting in April and stated that the State Board of Agriculture was going to make a draft submission regarding soil disturbance. Mr. Pohorely said that the SADC's soil disturbance rules were in limbo and they were waiting for a report from the State Board of Agriculture.

CMV Discussion for Farmland Applications

Chairman Schnetzer feels that this discussion should be postponed because of such financial concerns and the CADB did not decide on a policy. Mr. Race stated that any increase would be made at the County level and not at the State level.

Sam & Jean Race Farm, White Township — Mr. Race was concerned about his agricultural easement value being as \$0 by the one appraiser, he stated that the Highlands Act was devastating, that he lived on this farm his whole life and that it is a piece of him.

Thompson Farm, White Township — Mr. Thompson stated that he looked online and noted that asking for above the CMV was allowable according to the State policy N.J.A.C. 2:76-17.12, and stated that his father had lived on the farm and the land was important to him.

No decision was made pending a possible adoption of a CADB policy criteria on paying above the CMV and has been postponed until next meeting.

Certification of a Commercial Farm

Phillips Farm, LLC – BL 113 L 20, Pohatcong Twp., approx. 50 acres – This application meets the eligibility criteria for Certification of a Commercial Farm which is: (1) Five or more acres, applicant supplied tax map, and; (2) \$2,500 annual income from agricultural and/or horticultural products which was provided by a Schedule F from 2014 Income Tax Return and grain sale receipts, and; (3) Satisfies the eligibility criteria for differential property taxation pursuant to the Farmland Assessment Act of 1964, applicant provided Farmland Assessment Form (FA-1 Form), and; (4) Is located in an area in which, as of December 31, 1997 or thereafter, agriculture has been a permitted use under the municipal zoning ordinance and is consistent with the municipal master plan. Marc Phillips is the landowner for this block and lot.

Mr. Baduini made a motion to justify the Certification of Commercial Farm for the Phillips Farm, LLC, owner Marc Phillips, BL 113 L 20 in Pohatcong Township. The applicant provided all the required documents for certification. Mr. Menegus seconded the motion.

Roll Call: Mr. Schnetzer – yes; Mr. Bodine – yes; Mr. Burke – yes; Mr. Baduini – yes; Mr. Dempski – yes; Mr. Menegus – yes. Motion carries.

Mr. Tierney stated that the applicant would be required to make notice for the SSAMP hearing. Mr. Phillips asked about mediation. The Board discussed options with Mr. Phillips who has a cease and desist order from the County Engineering Department not to use the access and a Pohatcong Township summons and fine. The Township would conceivably be involved in the mediation along with the County Engineering Department if the mediation option is taken. Mr. Tierney explained to Mr. Phillips that he is welcome to pursue mediation as an option.

Ms. Willever retook her position on the Board.

Dan Mull, NRCS Discussion — Dan Mull and the Board discussed Conservation Plans and soil erosion. Gary Poherly, SADC stated that the deed of easement doesn't require the plan to be implemented but that responsibility falls on the County. Currently, the CADB cannot get a copy of the preserved farm or unpreserved farm Conservation Plan where soil erosion exists because it is the landowner's ownership of the plan and they would have to provide us with a copy or sign a release form with the NRCS. The County's Agreement to Sell Development Easement Contract and the Deed of Easement require that a Conservation Plan is obtained within one year of closing. During the Warren County Soil Conservation District's yearly monitoring they ask the landowners or have to check the inspection form whether the preserved farm has a Conservation Plan. Dan Mull said it was hard to get the landowners to get the DEP permit which range from \$500-\$4,000. There are some funding available for soil and water grants through the NRCS and the SADC has less than \$100,000 and 5% is for Conservation Practices. The CADB and Department of Land Preservation are still searching for the proper procedure and where to get help for soil erosion.

Other updates -

Mr. Dempski stated that the farm market at his building is a CSA by Norris Hills Farms and he met with William Walker. Chairman Schnetzer stated that he went to the Horse Sleigh Farm auction and there was only one registered bidder.

Administrator's Report: Mr. Tierney briefly went over the status of the applications on the report.

New Applications:

County Applications

- Crouse, Dale & Pamela (#1) Harmony Twp. (Approx. 54 acres) SADC requested info re sludge & township approval on application. Twp. approved the application. Landowner changed exception area and requested mapping revision from Planning.
- Crouse, Dale & Pamela (#2) Harmony Twp. (Approx. 17 acres) SADC requested info re sludge & township approval on application. Twp. approved the application. Landowner change exception area and requested mapping revision from Planning.
- Shoemaker White Twp. (Approx. 81 acres) Need more info; applicant needs to define subdivision line.

Total Applications: 3 Total Acres: 152

Awaiting Green Light Approval:

County Applications

- Apple Mountain— White Twp. (Approx. 70 acres)
- **715 Harmony Station Rd. (Crouse, Rich)** Harmony Twp. (Approx. 108 acres) SADC requested DEP info & township approval on application. Twp. approved the application.
- Hart Farm #1 Franklin Twp. (Approx. 113 acres)
- Hart Farm #2 Franklin Twp. (Approx. 267 acres)
- Tasevski Franklin Twp. (Approx. 88 acres) SADC received satisfactory letter from LUB attorney.

Total Applications: 5 Total Acres: 646

Municipal Applications

- Croucher Blairstown (Approx. 90 acres)
- Myers/Toretta Franklin Twp. (Approx. 64.42 acres) Landowner acquiring 5 more acres. Will resubmit application.
- Post Frelinghuysen Twp. (Approx. 41 acres)
- Rothman (Oxbow Acres) White Twp. (Approx. 57 acres) Revised application submitted to SADC with 7 acre lot for autistic home.
- Spencer (Terra Bella Farm) White (Approx. 20 acres)

Total Applications: 5 Total Acres: 272

State Applications

- Oberly, Jack Pohatcong/Alpha (Approx. 92 acres) On hold pending resolution of zoning issue.
- Santini/Resnick Pohatcong Twp. (Approx. 84.5 acres) On hold pending resolution of zoning issue.
- **Santini/Chambers** Pohatcong Twp. (Approx. 56 acres) Application is still with the SADC; they're trying to resolve issue with a landlocked parcel.

Total Applications: 3 Total Acres: 232.5

Received Green Light Approval:

County Applications

- Bartha White/Oxford Twps. (Approx. 52 acres) Appraisals underway.
- Barton #1 Mansfield/Independence Twps. (Approx. 43 acres) Appraisals sent to SADC for CMV
- **Brandywine** Franklin Twp. (Approx. 64 acres) Appraisals sent to SADC for CMV. Additional information needed from township regarding COAH and Zoning.
- Burke/Dinsmore Farm #1 Harmony Twp. (Approx. 81 acres) Green Acres asked for a trail easement.
- Crouse, Carl Washington Twp. (Approx. 120 acres) Sent request for RFP's on appraisals.
- Jones, Mitchell Franklin/Harmony Twps. (Approx. 28 acres) Appraisals underway.

- Klimas Independence/Mansfield Twp. (Approx. 174 acres) Appraisals sent to SADC for CMV.
- RLL Enterprises, Inc. Franklin Twp. (Approx. 51 acres) Appraisals sent to SADC for CMV.
- Sigler, Carl Franklin Twp. (Approx. 174 acres) Appraisals sent to SADC for CMV.
- Unangst White Twp. (Approx. 85 acres) Appraisals sent to SADC for CMV.

Total Applications: 10 Total Acres: 872

Municipal Applications

Total Applications: 0 Total Acres: 0

State Applications

Total Applications: 0 Total Acres: 0

Received CMV & Offer Made:

County Applications

- Barton #2 Mansfield/Liberty Twps. (Approx. 70 acres) CMV \$4,800. Offer letter sent to landowner.
- Barton #3 Mansfield/Liberty Twps. (Approx. 28 acres) CMV \$5,800. Offer letter sent to landowner.
- Burke/Dinsmore Farm #2 Harmony Twp. (Approx. 18 acres) CMV \$6,100. Landowner accepted offer.
- O'Dowd Farm (East) #2 Greenwich & Franklin Twps. (Approx. 94 acres) CMV Received; offer made to landowner.
- O'Dowd Farm (West) #1 Greenwich Twp. (Approx. 113 acres) CMV Received; offer made to landowner.
- O'Dowd Farm (South) #3 Greenwich & Franklin Twps. (Approx. 119 acres) CMV Received; offer made to landowner.
- Race, Sam & Jean White Twp. (Approx. 85 acres) CMV \$5,700. Offer letter sent to landowner.
- Smith, John & Jean #1 Harmony/White Twp. (Approx. 82 acres) CMV \$4,600. Sent contract out.
- Smith, John & Jean #2 Harmony (Approx. 36 acres) CMV \$6,000. Sent contract out.
- Smith, Skip #2 Franklin Twp. (Approx. 22 acres) CMV \$5,500. Offer letter sent to landowner.
- **Thompson Farm** White Twp. (Approx. 38 acres) CMV \$3,600. Offer letter sent to landowner.

Total Applications: 11 Total Acres: 705

Municipal Applications

- Berry Farm Frelinghuysen Twp. (Approx. 106 acres) CMV \$6,250.
- Twin Brook Farm White Twp. (Approx. 22 acres) CMV \$6,600.

Total Applications: 2 Total Acres: 128

State Applications

■ Hannema — SADC Direct - Mansfield Twp. (Approx. 164 acres) CMV \$2,900.

Total Applications: 1 Total Acres: 164

<u>Under Contract (Title Search & Survey):</u>

County Applications

- Bullock (Yellow Rock Horse Farm) White Twp. (Approx. 64 acres) CMV \$3,900. Received title commitment & final survey.
- Cericola Farm #1 Franklin Twp. (Approx. 182 acres) CMV \$6,200. Requested title search & survey underway.
- Cericola Farm #2 Franklin Twp. (Approx. 31.5 acres) \$6,000. Requested title search & received draft survey.
- Smith Farm #1, J&K Harmony Twp. (Approx. 49 acres) CMV \$6,000. Received title search & survey underway.
- Smith Farm #2, J&K Harmony Twp. (Approx. 53 acres) CMV \$5,500. Received title search & survey underway.

Total Applications: 5 Total Acres: 379.50

Municipal Applications

Total Applications: 0 Total Acres: 0

State Applications

Total Applications: 0 Total Acres: 0

Non-profit Applications

- K-J Farm Harmony Twp. (Approx. 104.72 acres) \$3,175 CMV. Received draft survey.
- Star D Farm Harmony Twp. (Approx. 46.74 acres) \$6,900 CMV. Received draft survey.

Total Applications: 2 Total Acres: 152

Waiting to Close (Final Legal Review):

County Applications

- Kinney Estate Blairstown/Knowlton Twps. (Approx. 34 acres) \$5,600 CMV.
- McCullough Washington Twp. (Approx. 44 acres) \$7,000/acre.

Total Applications: 2 Total Acres: 78

Municipal Applications

- Al-Ruby Farm (Waters & Schanzlin) Harmony Twp. (Approx. 27 acres) CMV \$7,000. Final inspection performed.
- Anderson Knowlton Twp. (Approx. 119 acres) CMV \$5,200. Closing set for 4/17.

Apgar Cider Press – Harmony (Approx. 19 acres) CMV \$7,000. Received survey.

Schanzlin – Harmony Twp. (Approx. 87 acres) CMV \$6,000. Final inspection performed.

• Walburn Farm – White Twp. (Approx. 28 acres) CMV \$5,900; Final inspection performed.

Total Applications: 5

Total Acres: 280

State Applications

Santini – Lopatcong/Greenwich Twp. (Approx. 105 acres) Closing file review. Waiting for survey revisions.

Total Applications: 1

Total Acres: 105

Farms closings:

Farley Acres (Stern) – Harmony Twp. (Approx. 108 acres) CMV \$5,600. Closed on 3/27/15!

Public Comment - None

Executive Session – Mr. Baduini made a motion to enter into Executive Session which was seconded by Mr. Menegus. Motion carries. Mr. Lavery stated that the Board entered into Executive Session to discuss the Roes Island Wetlands Mitigation Project at 9:22 pm.

Mr. Burke made a motion to come out of Executive Session which was seconded by Mr. Bodine. Motion carries.

Mr. Lavery stated that the Board came out of Executive Session at 9:42 pm where attorney/client privileges where discussed regarding Roes Island Wetlands Mitigation and possible litigation matters where no official action was taken and that these these minutes will be available to the public when the CADB deems there will be no harm to the public.

Adjournment: A motion for adjournment was made by Mr. Baduini and seconded by Mr. Menegus. Motion carries. Chairman Schnetzer adjourned the meeting at 9:44 pm.

Respectfully submitted,

Teresa Kaminski