CHAPTER 3: HUNTERDON COUNTY’S FARMLAND PRESERVATION PROGRAM – AN OVERVIEW

The Role of the County

The State Agriculture Retention and Development Act of 1983, created a statewide farmland preservation program and authorized the creation of county agriculture development boards to administer several programs and participate in farmland preservation matters. Many of the elements of this legislation were patterned after Hunterdon County’s already existing CADB program. The CADB was created by the Hunterdon County Board of Chosen Freeholders in 1981 and is comprised of 12 voting members, an alternate and four ex-officio members. By law, a simple majority of the voting members are farmers. In Hunterdon County, a simple majority is seven members. The Agriculture Retention and Development Act enumerates the duties and responsibilities of the CADB. These include:

- Develop a purchase of development rights (PDR) program
- Develop minimum acreage and guidelines for the MAFPP (eight year program)
- Review and approve applications to the MAFPP
- Review and approve applications to the PDR program
- Monitor and make recommendations to municipal and county governing bodies and boards concerning their actions that negatively impact agriculture
- By municipal request, require a report on agricultural impacts of nonagricultural development proposals within the agricultural development area.
- Develop educational programs and distribute literature to promote farmland preservation.

The overall role of the CADB is to administer the State farmland preservation program at the local level. Final approval of applications rests with the County Board of Chosen Freeholders who have the sole authority to authorize county funding. The CADB works closely with the Freeholders so that their goals are synonymous and the approval process is predictable.

The Hunterdon County Board of Chosen Freeholders is responsible for the appointment of CADB members and the final approval and funding of farmland preservation applications. The Freeholders have historically supported agriculture and farmland preservation. They have cost-shared on farmland preservation applications since the first program in 1983. The Freeholders budget for two CADB full time employees – offices are within the Hunterdon County Planning Board.

The Role of the Municipality

Municipalities play an important role in Hunterdon County’s farmland preservation program by educating landowners about the program, providing a regulatory climate that is suitable for agriculture, and by cost-sharing on PDR applications. If desired, the municipality may develop its own farmland preservation program and target specific areas for farmland preservation efforts. Municipal programs can include easement acquisitions, option contracts, farm markets, and various other programs that support agriculture.

A municipality must determine the extent of its involvement in farmland preservation. While the
County accepts and reviews applications, it looks towards the municipality for input as to which individual farms are the best candidates for preservation. Therefore, the program is essentially “bottoms-up”. A municipality can play a pivotal role in the success of its program by targeting areas most suitable for farmland preservation, soliciting applications that meet program criteria, educating farmers about the program and following-through with the application process.

The most important links between the County’s Farmland Preservation Program and the municipality are the designated municipal liaisons. Each participating municipality is required to designate a liaison that attends CADB meetings, understands the program, and conveys information from the CADB to his/her municipal officials. The liaison also assists landowners in preparing applications for the County program, communicating the needs and/or concerns of farmers to the CADB, and offering recommendations to municipal officials for improving local planning policies to protect agricultural interests.

More municipalities are becoming proactive in the farmland preservation program. An increasing number of municipalities have acquired development easements on local farmland and, in turn, submitted easement purchase applications to the CADB for reimbursement. This technique is attractive to landowners because the municipality is able to purchase the easement more quickly than the County and State. Thus, the landowner receives compensation faster. This is also advantageous for applications that would otherwise not score as high because municipalities are able to bid down the cost of the easement. The drawback of this technique is that if municipalities do bid down, they have to absorb the difference in cost between the landowner’s asking price and the bid down easement value. Also, there is no guarantee that the County and State will approve the municipality’s easement purchase application.

The Planning Incentive Grant Program (PIG) greatly expands the municipality’s role in farmland preservation planning. The PIG program permits the assemblage of core areas of farmland for preservation. These large preservation areas may be eligible for State (and County) funds if the municipality has satisfied the planning requirements of the PIG program. The requirements include a farmland inventory, an Agriculture Advisory Committee, an adopted Right to Farm ordinance, a dedicated funding source and an adopted farmland preservation element in the municipal master plan.

The Role of the State
In 1983, the State Agriculture Development Committee (SADC) was formed to administer a statewide farmland preservation program, pursuant to the Right to Farm Act and the Agriculture Retention and Development Act. The statewide program includes the following major programs: a purchase of development rights program (PDR) – the acquisition of development easements; a fee simple program - the purchase of farms that are later deed restricted and sold at auction; and the municipally approved farmland preservation program - land deed-restricted for an eight year period in exchange for water/soil conservation grants, protection from eminent domain and exclusive agricultural zoning.

The State Agriculture Development Committee is responsible for the rules and policies that govern the farmland preservation program. Counties are largely responsible for administering many of the programs, but the final approval of the SADC is required for every application receiving state funding.
Agricultural Development Areas
The Hunterdon CADB adopted Agricultural Development Areas (ADAs) in 1983 to satisfy minimum eligibility requirements for the statewide farmland preservation program, pursuant to the State Agriculture Retention and Development Act. The purpose of the ADAs is to identify where agricultural operations are likely to continue in the future and therefore be eligible for the farmland preservation program. The ADA is also used to identify areas in which agriculture is the preferred land use.

Delineation Criteria
The state statutory criteria and purpose for designating an Agricultural Development Area are to encompass productive agricultural land which are currently in production or have a strong potential for future production in agriculture and in which agriculture is a permitted use under the current municipal zoning ordinance or in which agriculture is permitted as a non-conforming use, identify an area that is reasonably free of suburban conflicting development and comprises not greater than 90 percent of the agricultural land mass of the county as well as incorporate any other characteristics deems appropriate by the County Agriculture Development Board. (§ 2:76-1.3)

The statute § 2:76-1.4 indicates factors that shall be considered by the board in developing individual county ADA criteria. These factors include soils, current and anticipated local and use plans and regulations, farmland assessment status, anticipated approvals for non-agricultural development, accessibility to publicly funded water and sewer systems, compatibility with comprehensive and special purpose county and state plans, proximity and accessibility to major highways and interchanges, minimum size of and ADA, landowner sign-up, land within boroughs, towns or cities, inclusion of entire or partial lots and blocks, land ownership, natural and special features, as well as type and distribution of agriculture.

In Hunterdon County, the county’s ADA criteria and map were based on a study of agriculture in the County prepared by the Middlesex-Somerset-Mercer Regional Study Council. Key components of the study were the mapping of productive agricultural operations and the location of prime and statewide important soils. Based upon the study, the CADB adopted criteria for the designation of ADAs and mapped them along physical boundaries or property lines.

In 1988, the basic building block of the County ADA criteria was changed from property lines and physical boundaries to tax blocks, making it easier to evaluate and maintain the database with the computer software available at that time. The 1988 ADA changes also reflected the new construction throughout the County; consequently, the land area in the ADA was reduced. The county ADA criteria have changed little over the years and therefore the boundary has remained relatively unchanged. The county requirements are a minimum contiguous area of at least 250 acres; the predominance of prime or statewide important soils; land use that is reasonably free of non-farm development; and the absence of public sewers. Landowner consent is also required for a parcel to be included within the Hunterdon County ADA. This is a county requirement for all amendments to the ADA as well. The township first has to solicit landowner consent for an ADA amendment and bring that request before the
The Hunterdon County ADA map has recently been amended at the request of several municipalities. This recent interest in ADAs is likely the result of increased public awareness of the farmland preservation. It may also be due to the severe loss of farmland that several municipalities are experiencing as a result of development activity. The CADB has approved most of the ADA requests; the changes are pending certification from the State Agriculture Development Committee. Most of these changes are from municipalities that are experiencing intense development pressure.

Consequently, the contiguity of farmland in these new areas is sometimes less than in other ADAs. In some cases, the CADB has waived certain ADA criteria in these suburbanizing areas because the farmland preservation program is critically important to the farmers, landowners and local officials who want to retain what little farmland remains.

Please see the County ADA map (Map 3) in the Appendix.

Farmland preserved to date by program and municipality
Earlier this year, The Hunterdon County Farmland Preservation program celebrated the preservation of over 20,000 acres of farmland within the County. Hunterdon County is the fastest growing County program in New Jersey mostly due to Municipal PIG programs and expediting of County Easement Purchase applications.

See Table 1 in the appendix for a complete listing of all farms preserved in the County as of August 24, 2007.

County Easement Purchase
The County Easement Purchase Program in Hunterdon County has been offered to landowners for the past 24 years. Also known as the PDR or Traditional program, it was developed in accordance with the enabling legislation - the State Agriculture Retention and Development Act of 1983. The program involves the sale of development rights on a farm in exchange for a permanent restriction on the land that requires it to be available for agriculture in perpetuity. The county minimum eligibility requirements for the PDR program is that the farm is located in an Agricultural Development Area (ADA) and an agricultural district, is a minimum of 40 acres and is predominantly tillable farmland - farms with more than 50% woodlands are ineligible. The CADB reserved the right to review those applications that are less than the 40 acre minimum when they are close to or adjacent to other preserved farms. This county policy has resulted in applications that are for larger tracts of land that are at the greatest risk of development. The policy also tried to assemble large tracts of preserved land by considering all applications that are adjacent to already preserved farms, or those farms that have active applications in the Farmland Preservation Program.

Hunterdon County has been a leader statewide in this program in terms of the number of farms and acreage preserved. PDR applications are reviewed on an annual basis, unless otherwise noted. The PDR program is being phased out with the implementation of the new County PIG program which will begin in 2008. Over 120 farms and 13,000 acres have been preserved in the County through this program. See Table 1 in the Appendix for a list of all farms preserved through the County Easement Purchase Program.
**County Planning Incentive Grants**

The goal of County Planning Incentive Grants (PIGs) is to protect and preserve large pieces of contiguous farmland through the purchase of development easements. This program was introduced in 1999 but was recently revamped with newly amended regulations concerning this program that took effect on July 2, 2007 in an effort to overhaul the process of preserving farms at the county level. The State Agricultural Development Committee (SADC) has updated their rules (N.J.A.C. 2:76-6.3 through 2:76-17A.17) to promote County PIGs to streamline and expand the farmland preservation program throughout the state. This program is operated in a similar way to the Municipal Planning Incentive Grant Program in that it gives the county more flexibility to preserve those farms that meet the specific preservation needs and goals of the county.

In order to qualify for PIGs, an agricultural advisory committee, as which the County Agricultural Development Board (CADB) functions for the county, is necessary. Additionally, the county must maintain a “dedicated source of funding or alternative means for funding farmland preservation.” Both county and municipal applications should correlate with county comprehensive farmland preservation plans. Hunterdon County has developed this Comprehensive Farmland Preservation Plan in order to comply with the newly adopted guidelines and qualify for the County Planning Incentive Grant program.

In addition, a separate application for the County PIG program has been developed and included as part of the appendix of this plan.

**Municipal Planning Incentive Grant (PIG) Program**

The SADC established the Planning Incentive Grant Program to provide grants to eligible municipalities to purchase agricultural easements to protect concentrations of farmland in identified project areas. The local municipality and county cover the remainder of the acquisition costs. The PIG program places an emphasis on planning for farmland preservation. To qualify for a Planning Incentive Grant, municipalities must adopt a farmland preservation plan element in their municipal master plan pursuant to the Municipal Land Use Law, a right to farm ordinance, establish an Agricultural Advisory Committee as well as maintain a dedicated source of funding for farmland preservation. Grant recipients have to delineate project areas and develop a list of target farms. The SADC’s new rules for all farmland preservation programs will mean that some farms on existing municipal target farms lists will no longer be eligible for the state cost share. Currently there are 10 municipalities that are participating in the Municipal Planning Incentive Grant program; Alexandria Township, Delaware Township, East Amwell Township, Franklin Township, Kingwood Township, Raritan Township, Readington Township, Tewksbury Township and West Amwell Township.

See Table 1 in the Appendix for a list of all Municipal PIG farms preserved.

**SADC Direct Easement Purchase**

The State Agriculture Development Committee (SADC) purchases development rights or farmland outright for preservation purposes under its state acquisition program. Under the Direct Easement Purchase program landowners sell the development rights to their land and continue to own and farm the land. This land is permanently deed-restricted for agricultural use. Landowners do not have to be within an ADA if they are making an application directly to the State. In most cases, the State will pay up to 100% of the certified appraised easement value in the direct easement purchase program based on negotiations with the landowner regarding that price. By participating in this program, the landowner still retains ownership of their land, but
agrees to restrict land use to agricultural purposes. The Direct Easement Program does not ordinarily receive monetary contributions from the County. Over 40 farms and 3,400 acres have been preserved in the County through this program. See Table 1 in the Appendix for a list of all farms preserved through the SADC Direct Easement Program.

**SADC Fee Simple**

The SADC also administers fee simple acquisitions through the State Direct Program. A fee simple acquisition involves an entire property being purchased at a price not to exceed the certified market value of the property. In this type of acquisition, the landowner does not retain any rights. The land becomes restricted so that it becomes permanently preserved for agriculture. The property is then resold at auction; the SADC does not retain ownership of the farm. To qualify to participate in this program, the farmland must be within an ADA, eligible for Farmland Assessment and meet SADC minimum standards. Farms are then categorized for prioritization based on farm size and quality score. There have been 11 farms and over 1,500 acres preserved in the County through this program. See Table 1 in the Appendix for a list of all farms preserved through the SADC Fee Simple program.

**Non-Profit Programs**

There are various non profit organizations that are active within the county and take advantage of this opportunity from the SADC. The grants fund up to 50% of the fee simple or development easement purchase on project farms. These grants are obtained through a specific application to the non profit grant program and administered through the SADC. Currently the HCADB is working with various nonprofit programs, such as Hunterdon Land Trust Alliance and the New Jersey Conservation Foundation to develop a system for county involvement and contribution to make up some of the 50% shortfall from State funds. The D & R Greenway as well as the American Land Trust are also non-profit groups that work within the County.

According to the SADC as of March 31, 2008 there have been 2 farms for a total of 78.11 acres preserved with state funding by non-profit agencies. This number is not indicative of the amount of work and preservation that the non-profit groups do within the county as much of their funding comes from private sources as well as through open space and the NJDEP Green Acres program. Non-profit organizations have the ability to gather funding from various non traditional sources in order to work with landowners toward preservation.

**Transfer of Development Rights**

There has not been any Farmland preserved in Hunterdon County through a TDR program to date. Please note the section above regarding the basics of what a TDR program consists of and how it can be used in conjunction with other preservation techniques.

**Other Preservation Methods**

Landowners may benefit financially by donating the development easement on part or their entire farm to the SADC or the County. Landowners that donate their easement may realize significant Federal income tax benefits and a reduction in their estate tax. Such farms are also eligible for State soil and water conservation grants. Five Hunterdon County landowners have donated their development easements for agricultural purposes. Three landowners have donated their easements to the SADC, totaling 245 acres. Two landowners have donated their easements to the County, totaling 209 acres. Donations are processed by either the County or State and take just a few months before they are finalized.
While this program is not for everyone, it can offer an attractive benefit for the right applicant.

**Consistency with the SADC Strategic Targeting project:**
The SADC’s 2003 Strategic Targeting Project was intended to help prioritize farmland preservation investments and secure a “bright future” for the agricultural industry. The primary goals of the SADC’s strategic targeting project are:

- To coordinate farmland preservation/agricultural retention efforts with proactive planning initiatives.
- To update and create maps to target preservation efforts.
- To coordinate with open space, recreation and historic preservation efforts.

In keeping with the project’s goal of focusing on prime and statewide agricultural soils outside of sewer service areas, the Hunterdon County CADB has long emphasized soil quality in its screening of County Easement Purchase Program and now Countywide PIG applications. The county also places a strong emphasize on planning, mapping, and coordination with municipalities and open space agencies. Since 2000, the County has had an adopted Comprehensive Farmland Preservation Plan. It has helped a number of municipalities obtain Planning Incentive Grants. These municipalities have their own agricultural advisory committees which send liaisons to the monthly Hunterdon County CADB staff status meetings and otherwise track the county’s work and relevant agricultural issues while keeping the Board apprised of their efforts. The various agricultural advisory committees provide a body to which municipalities look toward for decisions regarding farmland preservation on a township level. Hunterdon County also has an extensive GIS database which staff used not only to prepare this plan but also rely upon for daily planning tasks and parcel analysis. Finally, as described above, the Farmland Program partners with many nonprofits and state and county open space departments.

**Eight Year Programs:**

*Eight Year and Municipally Approved Eight Year Farmland Preservation Program (MAFPP)*

Eight Year program and the Municipally Approved Eight Year Farmland Preservation Programs, or MAFPP program are programs in which the farmer receives 50% cost sharing for soil and water conservation projects as well as protection against emergency energy and water restrictions and eminent domain. These programs require land to be actively farmed for a period of eight years. The landowner receives no cash compensation for the restrictions but is eligible for state soil and water conservation cost share grants. After the eight year term expires, the landowner may renew the program for another eight years.

Landowners elect to enroll in the MAFPP for a variety of reasons. Some landowners enter the MAFPP because they want to take advantage of the cost-sharing grant program. Others enroll to help a neighboring farm apply to the PDR program. (A farm in the MAFPP within one half mile of a PDR applicant entitles a farmland preservation applicant an additional point in the evaluation of its application.) Many landowners feel the need to enroll as a gesture of support for farmland preservation and to stave off development inquires. Other benefits of the program include protections from eminent domain and exclusive agricultural zoning. This program is ideal for the farm that is too small to qualify for the PDR program. It helps fill in the gaps of an agricultural area and may reduce potential conflicting uses.
There are currently 4 farms enrolled in the 8 year program for a total of over 412 acres.

**Coordination with Open Space Preservation Initiatives**
A comprehensive farmland preservation program also relies on partnerships between governmental and non-profit organizations. The CADB coordinates its preservation efforts with the County Parks System to complement County acquisition programs when joint farmland preservation/parkland projects are proposed. In most other cases, open space initiatives are kept separate due to the public access provision associated with open space as opposed to farmland preservation. Any parkland that may be preserved through the parks department that also involves active agricultural lands are managed solely by the parks department however, most commonly through leasing out the agricultural acreage to local farmers.

Partnerships with other organizations have been coordinated by the CADB that have resulted in the preservation of large and/or significant parcels of farmland that the CADB could not have been able to fund by itself. Each of these projects varies in how the individual properties are restricted, if at all and as such are not included in the overall easement purchase acreage total. Farmland preservation partners include the New Jersey Conservation Foundation, the Hunterdon Land Trust Alliance and the County Parks System, among others. Recently, the CADB has taken a more active role in coordinating with non-profit organizations’ farmland and open space acquisitions. The CADB is most interested in helping promote alternative ways for farmers to preserve their land, other than the traditional easement purchase programs, such as the County and Municipal Planning Incentive Grant Programs.

Please see the Garden State Greenways map below developed by the New Jersey Conservation Foundation.
Farmland Preservation Program Funding Expended by Source
Through various public forums and public opinion surveys, Hunterdon County residents have clearly stated their desire to preserve the County's rural character, its farmland and open space. County residents have overwhelmingly approved farmland preservation bond issues since the first referendum in 1980 and the participation of landowners in the farmland preservation program has increased since its inception in 1985.

As of August, 2007 the County has expended over $20 Million, the State over $119 Million, Municipalities over $19 Million and Non-Profits over $900,000 in Cost-Share contributions since the beginning of the Farmland Preservation program.

See Table 2 in the Appendix for the Cost-Share Breakdown for all Preserved Farms in the County.

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<th>Cost-Share Percentages for Farmland Preservation</th>
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<tr>
<td>STATE</td>
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*Non Profit contributions = <1% of total

Monitoring of Preserved Farmland
Every farm that is permanently preserved through the farmland preservation program must abide by the restrictions set forth in the deed of easement. The easement requires that the property be inspected once a year, during the business week and daylight hours by the easement holder, either the County for those farms preserved through the traditional program or the Municipal PIG program, or by the State for those farms preserved via the SADC Easement Purchase or Fee Simple Program. All preserved landowners are to be given at least 24 hours notice of the inspection. The Hunterdon CADB has made a practice of sending letters to all landowners at the start of the monitoring season and then making appointments as far in advance as possible.

The inspection of a preserved farm usually involves walking the farm, interviewing the landowner, and taking photographs of all buildings, property lines, and suspicious activities. The inspection report is recorded in the CADB’s farmland preservation database and stored as hard
copy in the property’s inspection file. A copy of the report is sent to the landowner for review and verification, the acknowledgment of which is also filed with the hard copy of the inspection report.

If the inspector finds that there have been violations to the Deed of Easement, a letter is drafted to the landowner’s attention, directing him or her to cease the activity. Examples of such infractions have been the use of biosolid (sludge) fertilizer, the expansion or establishment of a non-agricultural use, and the obvious neglect of a farm field (the HCADB requires all fields be mowed once a year for weed control and to keep fields available for agriculture). When the infraction involves soil or water management, the Hunterdon County Soil Conservation District (SCD) may be contacted for assistance.

Monitoring is not intended to be a punitive program. The restrictions of the Deed of Easement are applied reasonably and fairly. For example, if there has been a drought and the farmer explains that is the reason that nothing has grown on a field, there will not be a report of negligence to maintain the fields. In those cases where there has been a real violation of the Deed of Easement, CADB staff and the SCD are committed to working cooperatively with the landowner to remedy the situation. Only in the most extreme cases would such situations be remanded to the courts.

**Violations**

As the easement holder, the County is required by the SADC to monitor its preserved farms on a yearly basis. Until recently, the CADB encountered only few minor easement violations. In most cases the landowner was asked to mow an uncultivated area so the land will continue to be available for agriculture. Recently there have been two instances where more extensive action was required.

A Franklin Township preserved farm was acquired by a family in the early 1990's. The farm had numerous large holes that had resulted from excavated nursery stock. Multiflora rose and other weeds were common in some fields. Reclaiming this land was an onerous task but the CADB worked with the landowner to implement a comprehensive plan to restore the farm to its original condition.

A more recent violation involved a nursery and horticulture operation, also in Franklin Township. The Hunterdon County Soil Conservation District cited the landowner for sedimentation and flooding violations. The violations were not corrected and the District filed charges against the landowner in Superior Court. After inspecting the farm operation, the CADB confirmed that many of the District’s violations were also violations of the CADB’s Deed of Easement. However, since the District and the CADB’s concerns were similar, the CADB decided to withhold action until the outcome of the District’s lawsuit against the landowner. Ultimately, the District’s charges were upheld and the soil and water conservation improvements were completed in Spring, 2000.

**Landowner Responses to Monitoring**

The inspections have proved to be valuable opportunities to receive feedback on the preservation program and the state of the agricultural business from the people who live it every day. Overall, the farmers have reported that they appreciate the one-on-one contact with the CADB, and are happy for the opportunity to express their concerns in a manner that allows them to be heard. A copy of the landowner comments and concerns section of the inspection monitoring reports is now sent to every member of the HCADB and the State Agriculture Development Committee.
Coordination with TDR Programs
The success of the Pinelands TDR program, which has preserved over 20,409 acres in their Agricultural Production Area and over 16,611 acres in their Special Agricultural Production Area, as well as the more recent TDR programs in Chesterfield and Lumberton Townships demonstrate that TDR can be used successfully to preserve farmland, both on a regional and a municipal level.

There are currently no active TDR programs being used for Farmland Preservation within the County.

Hunterdon County should assist interested municipalities in carrying forward a comprehensive Farmland preservation program that includes the use of TDR and other innovative planning techniques in conjunction with Farmland Preservation programs. These tools can potentially provide a landowner another option for the preservation of their farm without the use of public funds from the existing State, County and Municipal Farmland Preservation programs which although hugely successful, have limited funding. The use of TDR and other techniques would greatly expand the potential amount of Farmland acreage that could be preserved within the County.