

**FIRST PUBLIC INPUT MEETING TO DISCUSS PREPARATION OF THE
MORRIS COUNTY COMPREHENSIVE FARMLAND PRESERVATION
PLAN**

**MORRIS COUNTY AGRICULTURE DEVELOPMENT BOARD
Administration & Records Building, Court Street, 5th Floor,
Morristown, New Jersey
August 9, 2007**

The meeting was called to order by Chairman Roehrich at 6:00 p.m. Members present:

Laura Akin
Aimee Ashley Myers
Greg Keller
Loren Pfeiffer
Jay Thomson
Kenneth Wightman

Also in attendance:

Alex Adams
Kurt Alstede
Mike Daigle, Reporter, Daily Record
Jack DeGrande
Emile DeVito, New Jersey Conservation Foundation
Nancy Haslam
Helen Heinrich, New Jersey Farm Bureau
George Koenig
Bryan Lofberg, State Agriculture Development Committee staff
Kathy Murphy
Peter Nitzsche, Morris County Rutgers Cooperative Extension
David and JoAnn Oakes
Roseanne Oblen
Bob Perkoski
James and Kathryn Porter
Deborah Post
Sue Schmidt, President of Ayers / Knuth Farm Foundation
Jack Schrier, Freeholder Liaison
George Squire
Laura Szwak, New Jersey Conservation Foundation
Ed Wengryn, New Jersey Farm Bureau
Alan Willemsen

Staff in attendance:

Walter P. Krich
Frank Pinto
Katherine Coyle
Kelli O'Connor
Peter Williams

WELCOME AND INTRODUCTIONS

Freeholder Schrier and Chairman Roehrich welcomed all of the attendees and explained the purpose of the public meeting. Chairman Roehrich introduced all of the board members to the attendees.

THE MORRIS COUNTY COMPREHENSIVE FARMLAND PRESERVATION PLAN

Ms. Coyle explained that staff is updating and expanding the County's existing Comprehensive Farmland Preservation Plan to comply with the SADC's new program rules that were adopted on May 24, 2007. Ms. Coyle explained how the plan will be developed and the benefits that the new Comprehensive Plan will have for the County's farmland preservation program.

FARMLAND PRESERVATION IN MORRIS COUNTY – HISTORY

Mr. Pinto presented the number of preserved and pending farms and the total acres of preserved farmland in Morris County. Mr. Pinto explained that the majority of the County's preserved farms are located within the Highlands Preservation Area and explained the implications that the expiration of the Garden State Preservation Trust's (GSPT) pre-Highlands appraisal valuation provision could have for the County's farmland preservation program.

DISCUSSION SESSION - THE FUTURE OF FARMLAND PRESERVATION IN MORRIS COUNTY

1. What is the future of the agriculture industry in Morris County?

Ed Wengryn: Local agriculture is seeing a shift from traditional agriculture's commodity price driven products such as dairy, poultry, field crops, hay, and grain. There has also been a shift from wholesale growing to direct marketing. It is increasingly difficult for farmers to support themselves in an area where land values continue to increase; they need a return on their investment. There has also been a transition from the selling of a product to the experience associated with buying a product. The agritourism and ag-entertainment industries are on the rise. Another growing area across the state is wineries; there are now 21 wineries in New Jersey, an increase from five over the past ten years. The livestock industry is transitioning from dairy to equine. In Morris County, pleasure horse and recreational riding are very profitable industries. The public are increasingly interested in boarding and training horses, and riding lessons. Nursery and greenhouse operations are on the rise. Farmers cannot afford to sit out the winter months and do nothing with their land especially when the value of the land is so high. Greenhouse operations allow for the year round production of goods. The potential exists to

shift food production and to extend the growing season allowing farmers to capitalize on markets they haven't been able to in the past. There has been a growth in new interfaces such as new growing and production techniques. Farms are taking on new appearances and there has been an increase in the amount of "superstructures". A major advantage in Morris County is the proximity to the market place. The County is only one hour from New York City, and there are an increasing number of restaurants and chefs seeking opportunities to work with local produce and direct marketing. There is a nationwide trend to connect people back to food as a part of their local environment by reducing the number of food travel miles. Morris County has great land value and high quality farming land. Progressive agriculture is here and can be here.

Deborah Post: A major issue is that there are no services to support the agricultural industry in Morris County. Farmers must spend valuable time and money to travel to Pennsylvania to obtain these services. Another major issue facing the agricultural industry in Morris County is labor. Changing immigration rules could jeopardize the labor supply and it is impossible to run a farm without labor. Morris County needs ag-labor friendly communities. Farmers should be able to utilize agricultural labor units without having to register their workers.

Sue Schmidt: The Ayers / Knuth Farm Foundation operates the Ayers / Knuth farm in Denville, in a way that preserves historic and agricultural aspects of the area. The farmer there has partnered with local restaurants and chefs that identify their products as coming from the local farm. The County's farmers are supporting such services as food stamps, the Women, Infants, and Children (WIC) program, and food pantries. There will be an increasing need for these services over the coming years and it is important that people in need have access to fresh produce. Also, not all of the County's farms can be like Ayers / Knuth or Fosterfields, i.e. preserving the historic aspects of agriculture.

Helen Heinrich: Morris County has all of the essential basic needs for farming. There are excellent soils and a good water supply. There is a trend towards smaller farms in Morris County and the production of increased value products. The County can expect to see an increased demand for nursery products, greenhouses, fruits, grapes, equine operations, hay and field crops. There is an increasing interest nationwide in alternative fuels which may result in increased value for grains. Local farmers may want to take advantage of this. The future of the agriculture industry in Morris County is dependent on the CADB, the new plan, and the CADB's support for agriculture and willingness to address issues that are becoming increasingly prominent. The County must deal with the fact that most of its farmlands are located in the Highlands and that this area is split further into the preservation and planning area which may allow for completely different activities. The County must ask whether its farmers should be at a disadvantage compared to the rest of the state's farmers. The draft Highlands Regional Master Plan is out now and the farming community has not had the discussions they want with the Highlands Council to address the serious concerns that they have. As this is such an important issue in Morris County with two thirds of the County's farms located in the Highlands Preservation area, the CADB could take the lead on this issue and involve the New Jersey Department of Agriculture (NJDA) who has been left out of the Highlands planning process. Another issue is Right to Farm (RTF) protection. Morris County has a lot of expertise in this area and a high reputation for resolving conflicts. However, four of the five crops that are most prevalent now or that may become increasingly prevalent are the kind that involve a lot of

conflict. The CADB should focus more on municipal agricultural advisory committees and try to bring them together on certain issues for a more united front. The impervious cover issue has serious implications for the future of agriculture, particularly on smaller sized farms. The impervious cover formula that has been established for the Highlands Act regulations seems to be a good way to satisfy natural resource concerns and enable farmers to do what they must to remain profitable. The CADB can play a major role in what the future of agriculture in Morris County will be.

Ken Wightman: Direct marketing, the utilization of ag-entertainment and the state preservation program are responsible for his farm being in existence today.

Kathryn Porter: The CADB should work more closely with municipalities to make them more proactive and help them truly understand what RTF means. It would be very helpful if there was more public relations done about RTF and if presentations were made to municipalities about this subject. Also, there appears to be an increasing amount of interest in how farmers farm, what fertilizers they are using, and how they are protecting the water and the environment. Perhaps more public relations can be done to strengthen the farmland preservation program.

Frank Pinto: The CADB needs more municipal liaisons that regularly attend the monthly meetings.

George Koenig: Historically the farmland preservation program was intended to save the family farm. As of late, proposals are being put through by the state to allow for more relaxed animal density and impervious cover standards. Such proposals may take support away from the program as municipalities come up against massive structures that they did not intend from their support of the preservation program. Relaxed standards will attract more big business enterprises that will build the land out to the maximum extent possible in order to get the maximum economic value out of the land.

2. Why do we need to preserve more farmland?

David Oakes: Municipalities' needs for tax money along with the results of the Highlands Act is putting an increased pressure on towns to not preserve open space so that they can preserve their tax base. If farms are not preserved, they will disappear under financial stresses. There are increasingly frequent stories of banks foreclosing on properties because of the loss of land value due to the Highlands Act. Individuals cannot afford to stay here and try to make their land a productive farm.

Sue Schmidt: The public gets more benefit from farmland preservation than from open space preservation. A major issue with open space is the question of who is going to maintain the land. Under farmland preservation, the public can still enjoy the benefits of preservation while the landowner is maintaining the property.

Howard Squire: Morris County needs more publicity about the necessity of farming. There used to be frequent 4-H fairs that kept the public involved in agriculture, but that aspect is missing now. He is using his farm to educate the public as to what farming was like, what it is like, and

the necessity of it. The increasing population will need an increased food supply. How can we maintain an adequate food supply without farmland? The County has done a good job in preserving land and helping farmers thus far, but it will be an uphill climb from this point.

3. How will farmland be preserved?

Helen Heinrich: There are other ways to preserve farmland in addition to the purchase of easements. Agriculture development methods such as clustering can allow for development on a small piece of a farm while preserving the rest of it with no expense to the public. Municipalities can make this possible and Washington Township is a good example of this strategy. It is also important that the eight year program be improved, perhaps with better incentives. Some landowners might not be ready for permanent preservation. The TDR program is another way of preserving farmland. The County should encourage towns to be receiving areas. Also, a critical way to preserve farmland is to make it possible for farmers to earn a living.

Laura Szwak: The County should look into the possibility of allowing farms that are utilizing different ways of farming to be eligible for the farmland preservation program.

Ed Wengryn: Farmland preservation allows for equity to go back into the agricultural operation and have agriculture reinvest in itself. Farmers can use the proceeds from preservation to reinvest in their land. More land needs to be preserved to bring down the land value enough that will allow people to make different kinds of investments, such as Community Supported Agriculture (CSA) programs. More flexibility exists to attempt a CSA when a farmer can purchase land for its agricultural value only and where there isn't a need to immediately maximize the dollar potential of the land to its absolute highest but to have the ability to do so at a reasonable rate.

Sue Schmidt: We need to be growing farmers. Morris has a County College. There is a need for educated professional farmers. Also, we are not selling farming to young adults. There are children in high school that are not being introduced to farming. We should support farm intern programs and reach out to young people to get them interested in farming as a career.

4. Will the provisions of the Garden State Preservation Trust concerning pre & post Highlands Water Protection & Planning Act valuation be extended?

Ed Wengryn: In putting together the agreement for stop gap funding with the Governor, the Legislature put out assurances that the GSPT's dual appraisal provision will continue as long as money is available and that it will continue when a new long term funding source is created. This provision is always created with the enabling legislation once the bill has been approved.

Greg Keller: The CADB should look into whether it would be possible to use pre-Highlands appraisal valuations for farms being preserved through the County Trust Fund only. The preparation of the new Comprehensive Plan is an opportune time to address this issue while working with the Board of Chosen Freeholders.

Helen Heinrich: If the farmland preservation program no longer allows post-Highlands appraisal valuations to be done, the program will die and so will any hope of a functioning TDR program. For a TDR program to work, the development credits must have value. Looking at the Pinelands TDR program as an example, property values decreased dramatically early on and it took about 18 to 20 years before farmers were interested in selling their credits. Changing the farmland preservation program rules to make landowners in the Pinelands eligible for preservation was key to getting that TDR program to function properly. If there is no ability to pay for land using rates that existed before the enforcement of strict land regulations, individuals will not be interested in preservation.

5. What direction should the County's farmland preservation plan take?

Laura Szwak: Hopefully more of an effort will be made to preserve the remaining prime agricultural soils that have not yet been preserved. The farmland preservation program should invest in agriculturally rich land.

Alex Adams: The CADB should make changes in the way it operates to prevent preserved farmland from becoming estate properties. The CADB should place house size restrictions on preserved farms. Also, the CADB should reproach municipalities that are acting against the best interests of farmers and that take preserved farmland and market it for estate value such as was done in the case of the Schmitz Farm in Chester Township. The CADB should also discourage the division of properties by municipalities prior to preservation that serve interests other than agriculture.

Kathy Murphy: The farmland preservation program should encourage farmers who are actively farming to preserve their land as opposed to individuals interested in preserved farmland for estate purposes. More incentives should be given to get true farmers to sign up for preservation. Ideas include giving bonus points to active farmers while ranking applications, increasing the benefits of the eight year program, and additional money through easement purchase cost share for proof of higher income derived from farming.

Helen Heinrich: The CADB must make the decision now as to whether Morris County will be comprised of museum agriculture or a working landscape. The suggestions at tonight's meeting indicate support of a working landscape.

Emile DeVito: Other parts of New Jersey think that as they run out of prime soils and real farms to preserve, farmland preservation money should be used for the preservation of woodlands. This is not a good idea for Morris County. Woodland management plans are not working and deer and invasive species have wreaked havoc on the area's forests. It would be a disservice to the public to spend public farmland money on conservation easements on woodlands when these management issues have not been worked out yet.

Alex Adams: Woodlands are essential for his agricultural operation. The CADB should not use farmland preservation money to preserve woodlands, however, more of an effort should be made to work in cooperation with other agencies to combine funds and preserve farmland and woodlands together.

Deborah Post: The agricultural community clearly sees the daily abuse that she receives from municipal officials where her farm is located. How can New Jersey expect people to come and farm in this state when so many actions at the local, state and federal level are against the best interests of farmers?

Bob Perkoski: There are no services available for farmers in this area forcing them to travel to Pennsylvania in search of these services. The agricultural community in Morris County is becoming increasingly isolated. All the money that is spent on farmland preservation cannot protect the agricultural industry unless all of these other issues are addressed.

Helen Heinrich: At this point in time, woodland owners only have the option to sell their land outright because they cannot sell easements. The Green Acres Program is only interested in acquiring land. This must change. A method of purchasing easements on woodlands must be developed perhaps using the same restrictions that are used in deeds of easement for the farmland preservation program. Landowners do not always want to open up their property for public use but will sell an easement protecting it. Woodland owners in the Highlands were promised fair compensation for their land but there are no existing mechanisms to accomplish this.

6. What does the County need to do to protect the agriculture industry in Morris County?

Ed Wengryn: If the government and public private partnerships show a commitment to the agricultural industry, the support industries will come back to the area. Municipalities must work harder to encourage these industries.

Alex Adams: If the farmland preservation program changed its rules to allow preserved farm owners to run agricultural service operations on preserved farms, it might be beneficial to the entire farming community. A farmer could provide niche services on their farm that could be used by all farmers.

Laura Akin: The individuals developing the legislation and rules for agriculture are not even considering agricultural services, evidenced by the current proposal put forth by the SADC for permits for nonagricultural activities on preserved farmland. There is an increasing need for agricultural public relations, but fewer people are doing it.

Helen Heinrich: A study done in southern New Jersey indicates that New Jersey Department of Environmental Protection (NJDEP) regulations helped to drive the processing industry outside of the area. Municipal and state regulations make it very expensive for a service provider to operate in New Jersey. It is more economically feasible to them to provide their services in other states than to do it here.

Kurt Alstede: One of the biggest challenges that the CADB faces moving forward is how to adjust to changing times and agriculture in Morris County. He did not expect the current trends when he first started his business 25 years ago. Agricultural operations today are doing more intensive true agriculture than ever before, but periphery activities are critical to supporting and

offsetting the increased expenses associated with maintaining a true farm. It is very expensive to run the production side of an agricultural business. The CADB needs to figure out how to translate the unexpected direction of agriculture into the restrictions in deeds of easement. How can we foresee what consumers will expect and want from agriculture years from now when we couldn't predict today's trends 25 years ago? Farms need an edge to keep customers coming back to local farms and away from box stores. The CADB must continue to keep an open ear and eye to what are acceptable activities on preserved farms.

Laura Akin: Many of the products sold at box stores are produced on farms. If the climate was different, our local farms could be the box stores. Residents like pristine, attractive farms and do not really want to talk about the possibility of allowing heavy production agriculture.

Freeholder Schrier: Those who voted in favor of the referendum for the farmland preservation program were voting for the small, pristine farm appearance. The NJDA should change the farmland preservation program to support both the pristine, small farm and intensive agribusiness. The agricultural industry is changing but the farmland preservation program rules have not changed to keep up with it. The public is not happy when farms transition into intensive agribusiness operations and increase the amount of impervious cover on preserved ground by erecting additional structures. The farmland preservation program should allow for categorization so that all types of agriculture can exist in New Jersey.

Loren Pfeiffer: A landowner interested in preserving their land is often not thinking about the possibility of a future agribusiness operation on their property. Perhaps the categorization of farmland preservation can resolve this issue and protect the agricultural industry from strange rules that may come from the state in the future. The CADB should consider expanding the County's part of the program so that we have more control over what our farms look like in the future.

Aimee Ashley Myers: People do not consider that big business agriculture can still be a family farm. If we do not allow farms to expand and do what they must to keep producing, they will go out of business. We cannot fault farmers for doing business.

Respectfully submitted,



Kelli O'Connor
Program Specialist