Comprehensive Farmland Preservation Plan Update 2022

Dated November 1, 2022 Amended October 30, 2023 Borough of Peapack and Gladstone | Somerset County, New Jersey

The original document was adopted by the Borough of Peapack Gladstone Land Use Board at a public hearing held on December 7, 2022.

The amended document was adopted by the Borough of Gladstone Land Use Board at a public hearing held on: TBD





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<u>Comprehensive Farmland</u> <u>Preservation Plan Update</u>

Borough of Peapack and Gladstone Somerset County, New Jersey

Prepared for the Borough of Peapack and Gladstone Land Use Board and Agricultural Advisory Committee BA# 3778.05

The original document was appropriately signed and sealed on November 1, 2022 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners

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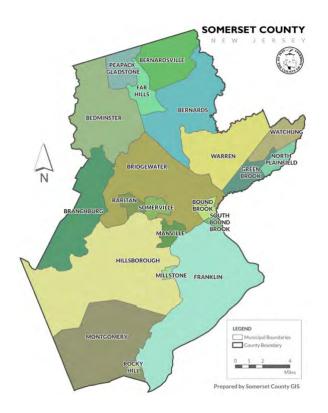
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Executive Summary

The Borough of Peapack Gladstone is located within the New Jersey Highlands at the northernmost boundary between Somerset and Morris Counties. Adjoining municipalities include the Boroughs of Bernardsville, Far Hills and Bedminster in Somerset County and the Townships of Mendham and Chester located in Morris County.

The region has enjoyed a long tradition of farming which has formed the rural character or the County long identified with agriculture.



The Borough of Peapack and Gladstone's 2022 Comprehensive Farmland Preservation Plan Update (2022 FPP) has been prepared in accordance with the guidelines and requirements set forth by the New Jersey State Agricultural Development Committee (SADC). Ultimately, this FPP is an update of the Borough's previous FPP adopted in 2010 (2010 FPP) prepared by the Land Conservancy of New Jersey. This document incorporates much of the same background information contained in the previous plan, provides updated farmland information for the Borough as required, and offers an updated farmland preservation priority list.

The Borough established its Farmland Preservation Program in 1999 and by 2010, 50 acres of farmland had been permanently protected with an additional 297 acres of farmland protected through conservation easements. The Borough has since entered into negotiations with owners of the Smith Property (Block 6, Lot 3) and Tucker Property (Block 8, Lots 2.06 and 2.11) which, if

and when purchased, will add an additional 78.55 acres to the Borough's preserved farmland inventory.

Peapack and Gladstone administers a municipal trust fund (\$0.03/\$100 assessed value) to help fund farmland and open space projects. The Borough's dedicated open space fund, along with this updated *2022 Comprehensive Farmland Preservation Plan*, reinforces the Borough's commitment to continue its farmland preservation program with the goal to preserve 510 acres of farmland.¹

This 2022 FPP represents a continuation of the Borough's long-standing tradition of embracing open space and farmland preservation. The Comprehensive Farmland Preservation Plan is a key component of the Borough's effort to promote its farming industry and preserve the agricultural character of the community. Indeed, the purpose of the 2022 FPP is to provide an up-to-date blueprint to assist the community in identifying and guiding farmland preservation activities into the future.

This document is organized into eight sections that discuss the following topics as required by SADC guidelines:

Section I:	Peapack Gladstone Agricultural Base
Section II:	Peapack Gladstone Agricultural Industry
Section III:	Land Use Planning Context
Section IV:	Peapack Gladstone Farmland Preservation Program
Section V:	Future Farmland Preservation
Section VI:	Agricultural Economic Development
Section VII:	Natural Resource Conservation
Section VIII:	Agricultural Industrial Sustainability, Retention and
	Promotion

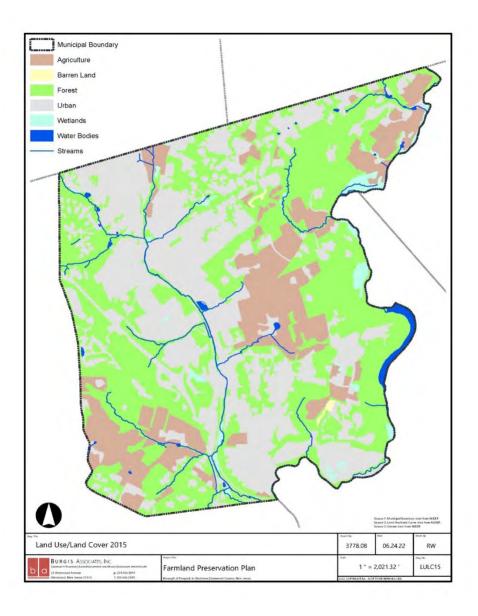
This document is informed by and intended to update the data presented in the 2010 Comprehensive Farmland Preservation Plan, prepared by the Land Conservancy of New Jersey dated November 2010, and Somerset County Farmland Preservation Plan adopted in May, 2022 to reflect current information and trends. It should be noted that much of the Borough's agricultural, geologic and natural conditions remain largely unchanged from the 2010 FPP. The goals and objectives, farmland preservation programs and policies described in the 2010 FPP are hereby reaffirmed and readopted as part of this plan update except as otherwise updated or expanded upon.

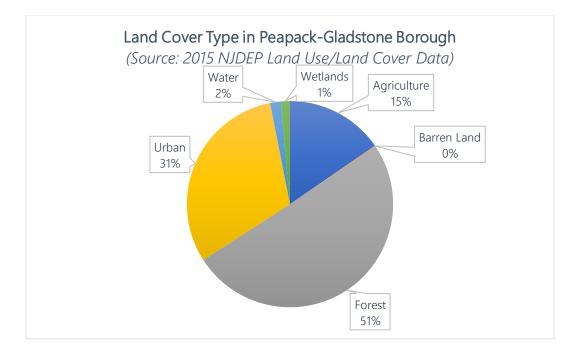
¹ Borough of Peapack and Gladstone Comprehensive Farmland Preservation Plan Update, November 2010, p. E-1.

Section I: Peapack-Gladstone Agricultural Base

The Borough is comprised of 3,710 acres or 5.8 square miles. Based upon 2022 New Jersey Tax assessment records, 1,800 acres of Borough properties or 48.5% of the Borough's land area are categorized as farm or farm property (qualified) which is an increase of 104 acres or 2% since 2010. The NJDEP land use cover map below provides an overview of the distribution of land cover within the Borough.

There are 157 farm assessed parcels in the Borough with an average parcel size of 11.47 acres and median acreage of 5 acres with the largest farm containing 112.5 acres. In comparison, the average farm in Somerset County is 79 acres with a median acreage of 20.

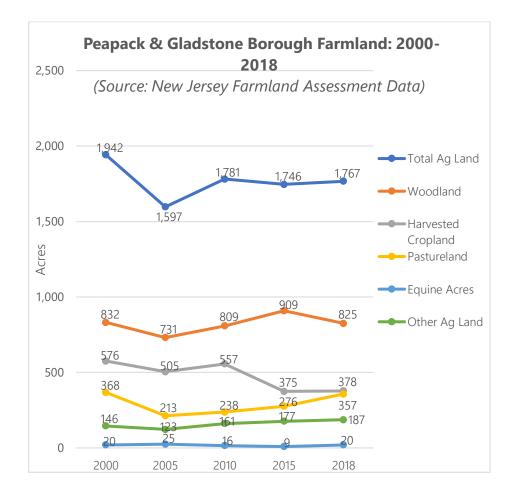




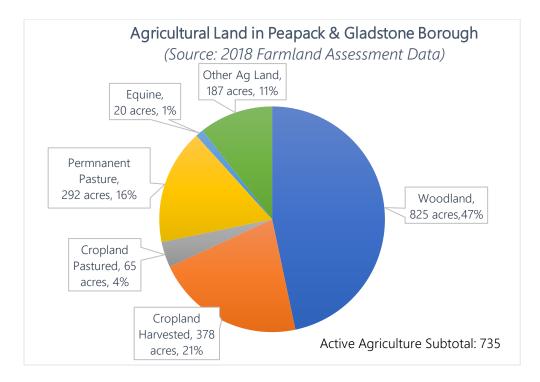
Both the Borough and County experienced a decline in acres devoted to pasture and active cropland between 2000 and 2018. The acreage devoted to active cropland in the Borough decreased by 159 acres or 22% during this time period while the County experienced a decline of 9,041 acres or 28.6 %.

	Cropland H (Acr		-	Pastured res)	Permanent Pasture (Acres)			
Year	Peapack Borough	Somerset County	Peapack Borough	Somerset County	Peapack Borough	Somerset County		
2000	576	21,767	161	3,374	207	6,433		
2005	505	18,737	8	2,031	205	6,316		
2010	557	18,225	28	2,256	210	5,231		
2015	375	16,174	34	1,531	242	5,403		
2018	378 15,367		65	1,576	292	5,590		
	Active Ag Subtotal*							
	Peapack	Somerset						
Year	Borough	County						
2000	944	31,574						
2005	718	27,084						
2010	795	25,712						
2015	651	23,108						
2018	735	22,533						

*Active Agriculture = (Cropland Harvested) + (Cropland Pastured) + (Permanent Pasture); Source: 2018 New Jersey Farmland Assessment Data



Although the Borough experienced an overall decline in total acreage devoted to agriculture since 2000 from 1,942 acres to 1,767 acres in 2018, the total acreage of land that is categorized as farm or farm qualified has actually increased slightly to 1,800 acres as of 2022.



According to the State's 2018 Farmland Assessment data, the Borough's largest category of agriculturally assessed land is woodland which comprises 47% of the total acreage assessed as farmland. Harvested cropland is the next largest category at 21% followed by pastures (both cropland and permanent) at 20%.

Soils are classified by the Natural Resources Conservation Service (NRCS) which identifies soils as prime, of statewide importance or unique based upon their agricultural productivity. Significantly, 754 acres or 20% of the Borough's soils are classified as prime farmland while another 1,610 acres or 31% are deemed soils of statewide importance. Combined, 51% of the soils within the Borough are considered significant to agriculture.

NRCS soil classifications for soils within the Borough as well as a chart illustrating the percentage of agriculturally significant soils is presented below.

Soils of the Borough of Peapack & Gladstone, New Jersey Source: Natural Resources Conservation Service Soil Data Mart Website Soil Category Soil Abbr Name Acres Percent AbrB Abbottstown silt loam, 2 to 6 percent slopes 5.7 0.20% Statewide 6.90% Prime ArnB Arendtsville gravelly loam, 2 to 6 percent slopes 253.2 204.5 5.50% ArnC Arendtsville gravelly loam, 6 to 12 percent slopes Statewide BabB 1.1 0.00% Prime Bartley loam, 3 to 8 percent slopes BabC 215.8 5.80% Statewide Bartley loam, 3 to 15 percent slopes BacC 105.8 2.90% Statewide Bartley gravelly loam, 8 to 15 percent slopes BhnB Birdsboro silt loam, 2 to 6 percent slopes 40.1 1.10% Prime BhnC Birdsboro silt loam, 6 to 12 percent slopes 8.1 0.20% Statewide BoyAt Bowmansville silt loam, 0 to 2 percent slopes, frequently flooded 45.9 1.20% Statewide CakB Califon loam, 3 to 8 percent slopes 4.1 0.10% Prime CanB Califon gravelly loam, 3 to 8 percent slopes 21.1 0.60% Prime CanBb Califon gravelly loam, 0 to 8 percent slopes, very stony 6.6 0.20% 7.80% GkaoB Gladstone gravelly loam, 3 to 8 percent slopes 287.6 Prime GkaoC Gladstone gravelly loam, 8 to 15 percent slopes 290.3 7.90% Statewide 107 2.90% GkaoD Gladstone gravelly loam, 15 to 25 percent slopes HcuAt 427.8 11.60% Hatboro-Codorus complex, 0 to 3 percent slopes, frequently flooded KkoC 5.9 0.20% Klinesville channery loam, 6 to 12 percent slopes Local KkoD Klinesville channery loam, 12 to 18 percent slopes 33.9 0.90% KkoE Klinesville channery loam, 18 to 35 percent slopes 2.6 0.10% MenB Meckesville moderately well drained gravelly loam, 2 to 6 percent slopes 80.6 2.20% Prime MenC Meckesville moderately well drained gravelly loam, 6 to 12 percent slopes 57.7 1.60% Statewide NehC 2.9 Statewide Neshaminy silt loam, 6 to 12 percent slopes 0.10% NehEb 10.4 0.30% Neshaminy silt loam, 18 to 35 percent slopes, very stony Neshaminy-Mount Lucas silt loams, 12 to 18 percent slopes, very stony 5.8 0.20% NemDb NotB 23.5 0.60% Prime Norton loam, 2 to 6 percent slopes PaoC 4.6 0.10% Statewide Parker gravelly sandy loam, 3 to 15 percent slopes PapC Parker very gravelly sandy loam, 3 to 15 percent slopes 142.3 3.90% PapD Parker very gravelly sandy loam, 15 to 25 percent slopes 52.3 1.40% 114.5 3.10% PapFg Parker very gravelly sandy loam, 25 to 45 percent slopes, rocky PauCc Parker-Gladstone complex, 0 to 15 percent slopes, extremely stony 59.8 1.60% PauDb 409.1 11.10% Parker-Gladstone complex, 15 to 25 percent slopes, very stony

78.7

52.4

190.2

166.9

19.4

15.9

21.7

21.2

10.3

8.1

2.8

5.0

50.6

21.4

3,695

2.10%

1.40%

5.10%

4.50%

0.50%

0.40%

0.60%

0.60%

0.30%

0.20%

0.10%

0.10%

1.40%

0.60%

100%

Statewide

Prime

Prime

Prime

Local

Statewide

Statewide

Statewide

Parker-Gladstone complex, 15 to 25 percent slopes, extremely stony

Parker-Rock outcrop complex, 25 to 45 percent slopes

Pattenburg gravelly loam, 6 to 12 percent slopes

Pattenburg gravelly loam, 12 to 18 percent slopes

Penn channery silt loam, 2 to 6 percent slopes

Penn channery silt loam, 6 to 12 percent slopes

Penn-Klinesville channery silt loams, 12 to 18 percent slopes

Reaville deep variant channery silt loam, 0 to 6 percent slopes

Rowland silt loam, 0 to 2 percent slopes, frequently flooded

Raritan silt loam, 0 to 3 percent slopes, rarely flooded

Penn silt loam, 2 to 6 percent slopes

Reaville silt loam, 2 to 6 percent slopes

Quarries

Water

TOTAL

PauDc

PawE

PdtC

PdtD

PenB

PeoB

PeoC

PgmD

RarAr

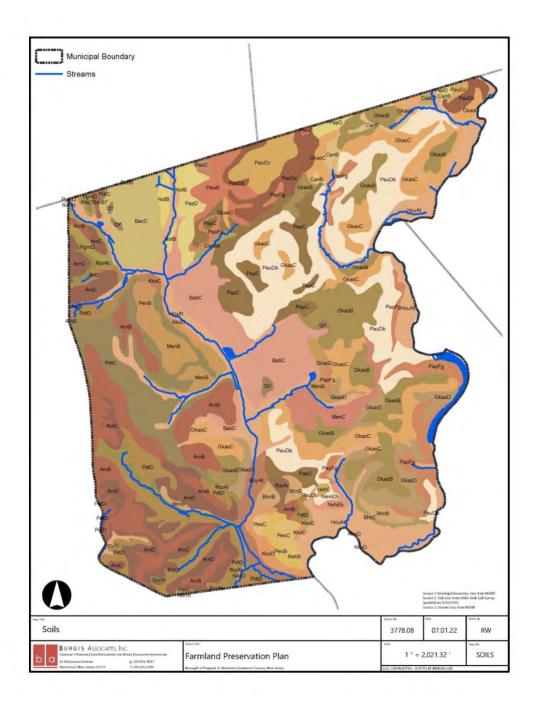
RehB

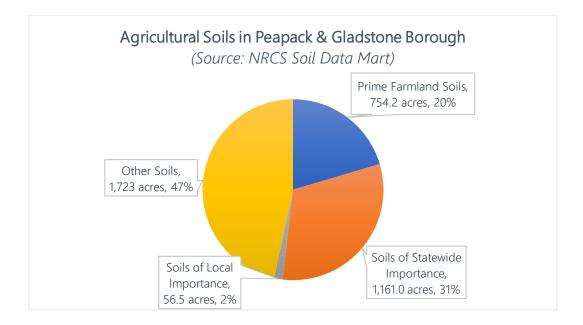
RerB7

RorAt

WATER

QY



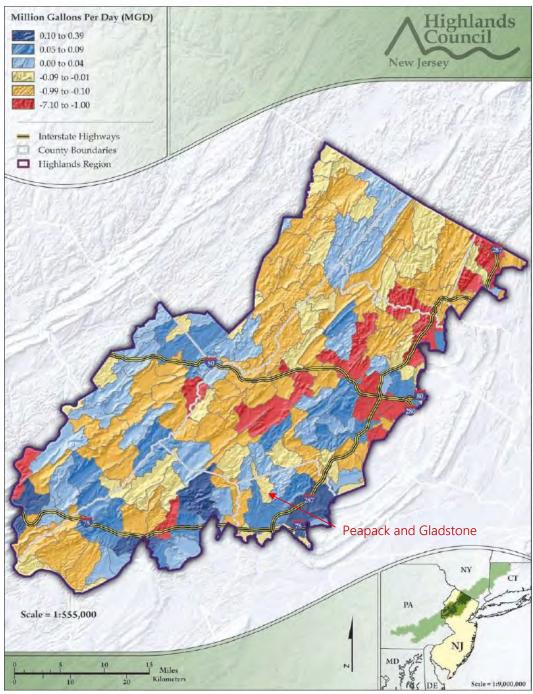


The significant percentage of soils characterized as either prime or of statewide importance coupled with the trend in declining acreage devoted to farming highlights the importance of the farmland preservation program to protecting the rural character that has traditionally characterized the Borough throughout the years.

Water is a critical component to the farming industry which cannot function without this invaluable resource. The Borough is situated within the Highlands Physiographic Province, wherein the conservation and utilization of water resources was the primary purpose of the state's adoption of the Highlands Water Protection and Planning Act in 2004. Designed to protect the drinking water of over 5.4 million people the Act established the New Jersey Highlands Council with responsibility for the planning and regulation of water and other natural resources within its jurisdiction.

The following mapping is derived from the 2008 Highlands Regional Master Plan (Highlands RPM):

FIGURE 3.15: Net Water Availability by HUC14



Source: New Jersey. Highlands Council, Regional Master Plan, July 30, 2008

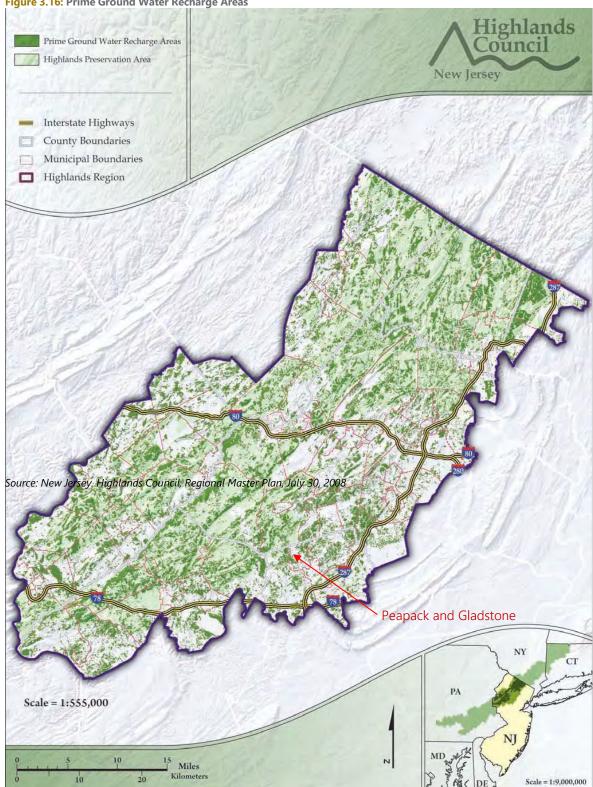
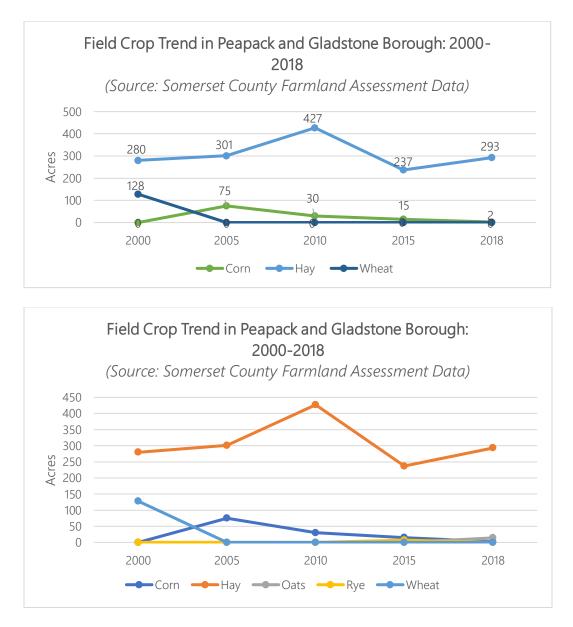


Figure 3.16: Prime Ground Water Recharge Areas

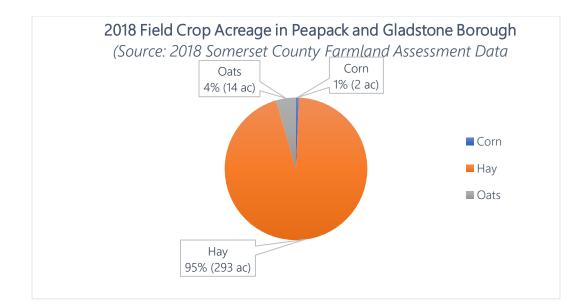
As indicated by the Highlands mapping and 2008 HRPM, high quality water resources, including ground water, for irrigation of land is readily available to the farms located within the Borough. Surface water is available and land within the Borough provides for groundwater recharge. The Borough is also not located within an area designated by the HRPM as having impaired water quality. It should be noted however, that agricultural lands within the Borough are not dependent on irrigation as most land is in cultivation for hay or pasture as indicated by the 2018 New Jersey Farmland Assessment which identified only 8-acres as being irrigated.

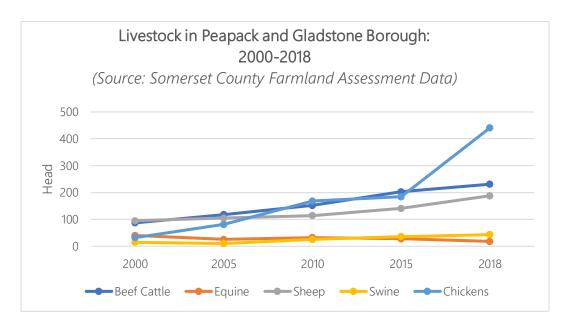
Section II: Peapack-Gladstone Agricultural Industry

SADC planning guidelines require an assessment of the Boroughs agricultural industry. The following charts reflect the Borough's agricultural industry trends and statistics.



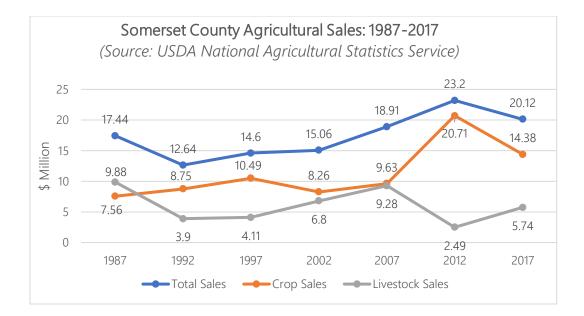
Hay is the primary field crop in the Borough which comprises 293 acres or 95% of crop production followed by oats (4%) and corn (1%). Although hay production declined between 2010 and 2015, hay production has been on the increase while other crop production continued to decline to near nominal levels.



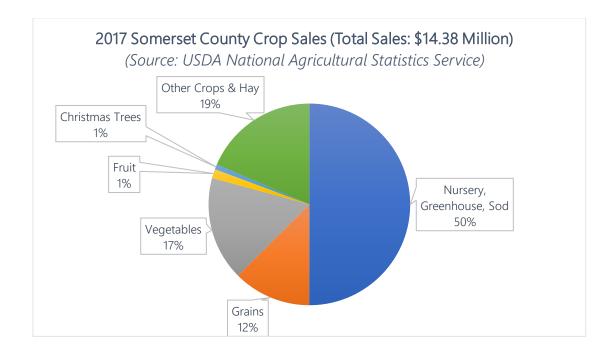


Livestock production in Peapack Gladstone is predominantly chicken which has surged between 2015 and 2018 followed by beef cattle and sheep, all of which have experienced increased numbers. Swine and equine production comprise the remaining portions of livestock production and have remained relatively flat over the past 18-years.

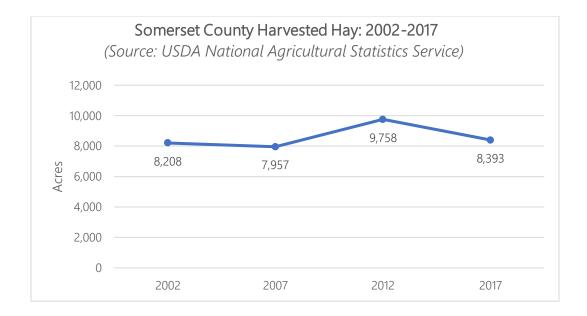
To provide some regional context, agricultural sales and production data for Somerset County is presented in the following charts.



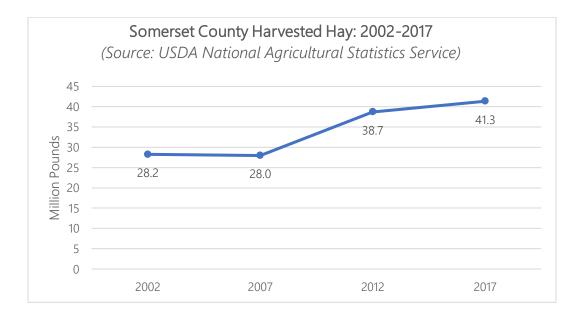
Sales data indicates that agricultural sales for Somerset County have increased over the past 20year period from \$17.44 million dollars in sales peaking to \$23.2 million in 2012. Sales have since declined to \$20.12 million in 2017 representing a 13.3% decrease in sales. Crop sales was the primary farm commodity representing 71.47% of total sales.

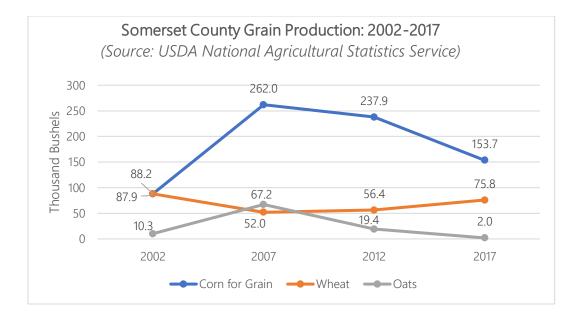


Of the crop sales for the County, nursery, greenhouse and sod represented 50% of total sales followed by other crops and hay at 19% and vegetable sales at 17%.

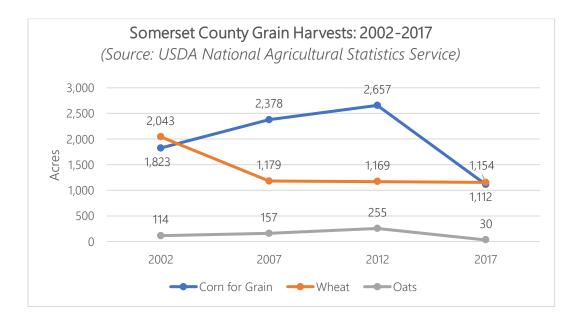


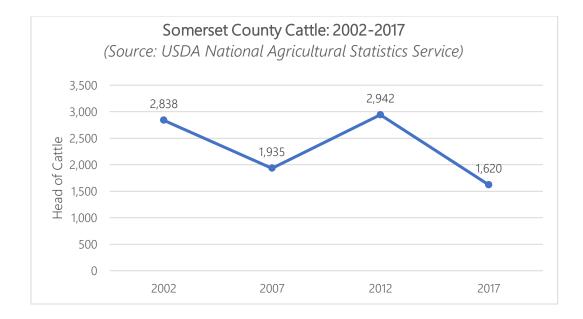
Harvested hay increased in the County between 2002 and 2012 peaking at 9,758 acres in 2012. The amount of acreage dedicated to hay has since declined by nearly 14% by 2017.





Grain production besides hay include corn, wheat and oats with corn for grain the dominant crop which represented 66.4% of County grain production. Although the dominant grain crop summarized in the above table, County corn production declined by 35.4% between 2012 to 2017 along with the production of oats while wheat production increased by 34.4% during the same period.





Somerset County cattle production peaked in 2002 with 2,838 heads of cattle and then declined by 31.8% by 2007 and then peaked in 2012 to 2,942 heads of cattle. This figure has since declined 44.9% by 2017.

Agricultural Support Businesses and Organizations

The farming industry requires support businesses and organizations in order to function and thrive. Farmers rely on a variety of services for necessary agricultural products (machinery, seeds, fertilizers etc.). Because of the agricultural character of the county and region, a good number of businesses exist to support the farming industry. Suppliers and support services that are available to farmers in Somerset County are listed in the New Jersey Green and appended to this document.

Section III: Land Use Planning Context

Community Context

The Borough of Peapack and Gladstone is a serene community located in the northernmost end of Somerset County where Somerset County borders Morris County. The Borough is approximately 5.8 square miles in area and is characterized by rolling hills, farmland, residential development and a village center along its Main Street. In many respects, the Borough is a classic representation of a very traditional rural community which forms a distinct character that is deemed desirable by most community standards.

Neighboring communities include the Township of Chester and Mendham in Morris County to the north and the Township of Bedminster and the Boroughs of Far Hills and Berndardsville in Somerset County to the west, south and east respectively.

The North Branch of the Raritan River forms a natural boundary to the east and southeast. Other water bodies within the Borough include the Peapack Brook and Raritan River. All three water bodies exert their own influences on the landscape and the environment of the community which will be discussed in more detail in subsequent sections.

The Borough has a well-connected transportation network. Major roadways include U.S. Route 206 which traverses the Borough from north to south and County Road 512, also known as Main Street which travels through the center of town. Main Street continues as County Road 671 (Old Chester Road) as it travels to the north and then turns into Pottersville Road as the road turns westward. Mendham Road (County Road 647) connects with Main Street from the north and Holland Avenue provides an east to west connection with U.S. Route 206 and Main Street.

Land use planning for the Borough is informed by a number of State and County Planning documents that are intended to help guide land use decisions within various levels of government. In addition, the Borough has an active planning program itself and has developed policy documents that are intended to guide the Borough's land use decisions encompassing environmental protection, master planning, recreation and open space planning and farmland preservation.

The following describes various planning policies that impact land use development within the Borough.

State Plan Designation

The State Planning Act of 1985 (N.J.S.A. 52:18A-196 et seq.) created the New Jersey State Planning Commission and the Office of State Planning whose purpose was to prepare and adopt a State Plan. The New Jersey State Planning Commission adopted its first statewide plan, "Communities

of Place: The New Jersey State Development and Redevelopment Plan" or "SDRP" on June 12, 1992. The SDRP was subsequently updated and readopted on March 21, 2001.

The State Plan is a policy guide for State, County and Local governments intended to promote development in a coordinated fashion consistent with "smart growth" principles so as to avoid the land use and infrastructure costs associated with "suburban sprawl." Based upon the varied landscape of New Jersey, "Planning Areas" were established based upon certain classifications. The SDRP allocates land within these Planning Areas based upon policy objectives and goals. The primary focus of the SDRP was to promote growth within regional centers.

For purposes of the SDRP, Peapack and Gladstone was placed entirely within the "Environmentally Sensitive Planning Area" referenced as Planning Area 5 (PA 5). A PA 5 designation reflects the environmentally sensitive nature of the land areas within the PA 5 classification and adopts policies intended to discourage growth.

As stated in the Plan, the objectives of the PA 5 Area are to:

Provide for a full range of housing choices primarily in Centers at appropriate densities to accommodate projected growth. Ensure that housing in general – and in particular, affordable, senior citizen, special needs and family housing – is developed with access to a range of commercial, cultural, educational, recreational, health and transportation services and facilities. Focus multi-family and higher-density, single-family housing in Centers. Any housing in the Environs should be planned and located to maintain or enhance the cultural and scenic qualities and with minimum impacts on environmental resources."

A new state plan, the final draft of which is entitled *The State Strategic Plan*, is being considered for adoption by the State Planning Commission. The new plan will not designate planning areas in the same manner as in 2001. Instead, the plan proposes the designation of targeted "investment" areas ranging from growth areas to preservation areas to guide state investments and policy decisions. As of this date the *State Strategic Plan* has not been adopted by the State Planning Commission.

Highlands Regional Master Plan (HRMP)

On June 10, 2004, the Legislature adopted the "Highlands Water Protection and Planning Act." (Highlands Act). The Highlands Act is planning legislation that is intended to establish a comprehensive approach to the protection and preservation of the drinking water and natural resources of the New Jersey "Highlands Region."

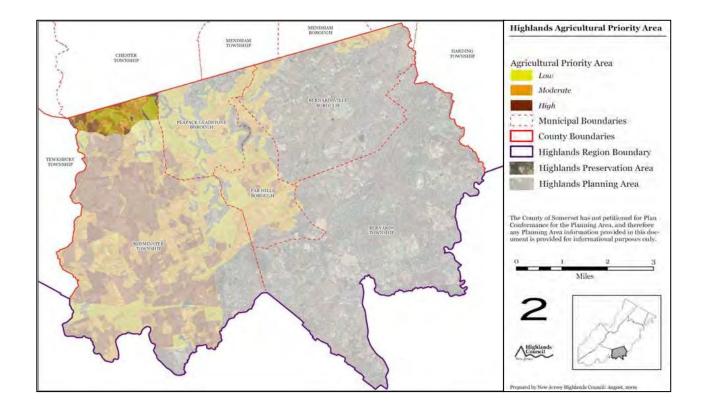
Geographically, the Highlands Region contains approximately 800,000 acres, or about 1,250 square miles extending from Ringwood in the northerly part of the State down to Philipsburg in the southwest and portions in between encompassing municipalities in Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex and Warren Counties. There are ninety (90) municipalities

contained within the boundaries of the Highlands.

The Highlands Act creates planning areas similarly to the SDRP described previously. It establishes a Highlands Council that has the responsibility of creating a regional master plan for the Highlands Region (HRMP) and uses a cross-acceptance procedure that is similar to the State Planning Act. The Highlands Act establishes a "Preservation" Area and "Planning" Area. The primary difference between the two planning areas is that conformance with the HRMP is mandatory for areas contained within the Preservation Area whereas, plan conformance is voluntary within the Planning Area. Generally, land use restrictions are stricter for areas within the Preservation Area.

The Borough is designated entirely within the Planning Area, therefore, mandatory compliance with the HRMP is not required. To date, the Borough has not sought to enter into a formal process of plan conformance with the Highlands Council.

The HRMP delineates Agricultural Resource Areas where there are contiguous and concentrated agricultural areas using Important Farmland soils. It is important to note that all of the Borough falls within the Agriculture Resource Area with the noted exception of a small area in the northeast corner of the Borough. The agricultural lands of the Borough that lie within the Agricultural Resource Area are further identified by the RMP as Agricultural Priority Areas. Agricultural Priority Areas are delineated by the criteria related to the quality of the agricultural resource and its ability to sustain farming act. The accompanying map shows the agricultural priority areas within the Highlands.



Another important policy consideration stemming from the RMP is that the RMP identifies lands with significant natural and ecological resources. The RMP maps and delineates the range and nature of land throughout the Highlands Region and identifies zones and subzones of ecological concerns. The Borough falls mainly into the Protection and Conservation Zone as well as the Conservation-Environmentally Constrained Sub-Zone. These areas have high resource value lands and are critical to maintaining water quality, quantity and sensitive ecological resources.

Somerset County Investment Framework Map

Somerset County has developed a Strategic Investment Framework Plan (SCIFM) that mirrors the yet to be adopted State Strategic Plan. The Somerset County Freeholders adopted the map in April 2014 and it establishes a framework for investment and development by creating four land use investment areas:

- Priority Growth Investment Areas (PGIA) "An area where more significant development and redevelopment is preferred and where public and private investment to support such development and redevelopment will be prioritized.
- "Priority Preservation Investment Areas (PPIA) "An area where land preservation, agricultural development and retention, historic preservation, environmental protection and stewardship is preferred and where investment to support land preservation, agricultural development and retention, historic preservation, environmental protection and stewardship is encouraged."
- Alternate Growth Investment Areas (AGIA) "An area that has existing or planned infrastructure that will lead to development and redevelopment opportunities. State investments related to the efficient development and redevelopment of previously developed sites and optimization of existing settlement patterns should be encouraged but as a lesser priority than PGIAs."
- Limited Growth Investment Areas (LGIA) "An area that does not have existing or planned infrastructure that will lead to a significant degree of additional new development, development and redevelopment opportunities. Large scale investments that may lead to additional development should not be prioritized in these areas."
- The SCIFM designates the sewer service area of the Borough as an AGIA, alternate investment area and the remainder of the Borough

as PPIA, priority for preservation investment. Both investment strategies recognize the Borough's limited ability to develop as a function of the limited capacity of its sewer service area to accommodate growth and the generally rural character of the community that is a primarily best suited to agricultural use or preservation as open space to protect critical natural resources.

Somerset County Farmland Preservation Plan

Somerset County plays an active planning role in the County and recently released its comprehensive farmland preservation plan in March of 2022. The document highlights farm related statistics for the entire County and presents policies, goals and objectives related to farmland preservation that also includes the Borough.

Peapack and Gladstone Master Planning

Master Plan Re-examination Report

The Borough Land Use Board adopted a Master Plan Re-examination Report on January 29, 2015. The document contained thirty (30) specific goals relating to land use policies that are integral to the land use decisions that the Board and Borough must make. Some of the more important and relevant goals are as follows:

- 1. To protect the low-density rural character of the Borough in appropriate areas."
- 2. To preserve the high quality scenic and historic character of the Villages of Peapack and Gladstone."
- 3. To narrowly limit the areas of higher density, residential development (one acre or less) in areas appropriate for such development. To protect the low-density areas from suburban intrusion."
- 4. To discourage infrastructure extension into and through areas intended for large lot development."

All of these master plan goals support a low growth policy that is directly related to the Borough's critical environmental attributes and the desire to maintain the rural and agricultural character of the community. Of particular significance to agriculture is the Borough's reaffirmation of its intention to preserve its agricultural base as a means to discourage suburban sprawl, preserve open space and to maintain the Borough's economic base of which, agriculture is a component of.

Peapack and Gladstone Borough Environmental Resource Inventory

The Borough Environmental Resource Inventory (ERI) was adopted by the Borough Land Use Board on May 1, 2013. The ERI provides significant details concerning the environmental character of the land features associated with the Borough's. The ERI identifies critical areas of environmental concern such as steep slopes, flood plain areas, wetlands, groundwater protection etc. that are important factors guiding the use of land. It is extremely important to be aware of the limitations to land development given the natural character of an area to avert unnecessary destruction to valuable natural resources.

The ERI for the Borough confirms the policy designations that identify the Borough as being environmentally sensitive as was discussed just previously. The policy recommendations of both the State Plan and Highlands Regional Master Plan reflect the environmental mapping and characteristics identified in the ERI.

Peapack and Gladstone Housing Element and Fair Share Plan (HE&FSP)

Consistent with its obligation to provide opportunities for the construction of affordable housing pursuant to the New Jersey Supreme Court's Mount Laurel decisions, the Borough adopted its HE&FSP in 2018 which was subsequently amended and readopted on August 19, 2020. The 2018 HE&FSP as amended satisfies the Borough's constitutional obligation under the Mount Laurel decision for the Third Round and the Borough has secured a judgement of compliance and repose from the Court that provides immunity until July 1, 2025 at which time a Fourth Round plan will need to be prepared. The plan provides for the following affordable housing obligation:

1.	Rehabilitation Obligation:	0
2.	Prior Round Obligation (1987-1999):	82
3.	Gap + Prospective Need Obligation (1999-2025):	120

Peapack and Gladstone Lackawanna Area in Need of Rehabilitation

Under the authority of the Local Redevelopment and Housing Law (LRHL) the Borough conducted an investigation of properties located at 219 Main Street and 9-35 Lackawanna Avenue in 2022 to determine whether the area qualified as an area in need of redevelopment. Ultimately the Borough determined the area qualified as an "area in need of rehabilitation" and consequently, adopted a rehabilitation plan for the area consistent with the statutory requirements of the LRHL. The rehabilitation plan provides for mixed use, commercial and residential development within the framework of a well-designed and walkable downtown concept that includes an affordable housing component. This designation is pending formal NJDCA approval.

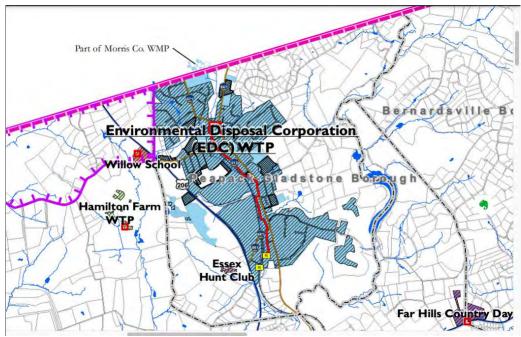
Peapack and Gladstone Open Space and Recreation Plan

The Borough most recently adopted an updated Open Space and Recreation Plan (OSRP) in 2022. The OSRP identifies existing and proposed open space and provides for a coordinated approach to promote connectivity of open space and community access. Furthermore, the OSRP identifies and maps agricultural lands as an integral component of the plan in recognition of the importance of agricultural lands to the landscape of the community.

Sewer Service Area

The sewer service area of Peapack and Gladstone includes properties along the Main Street corridor encompassing mostly the developed portions of the Borough and along the Route 206 corridor further to the west and was constructed in 1967 to address failing septic systems within this more densely developed corridors within the Borough. The system is managed by Environmental Disposal Corporation (EDC) and the effluent is treated at their facility located in Bedminster and then discharged to surface water. The sewer infrastructure includes two pumping stations located in the southern portion of the Borough.

The attached sewer service map below delineates the existing sewer service area for the Borough. Importantly, the sewer service area defines the designated growth area for the Borough. It should be noted that the agricultural areas of the Borough fall outside the sewer service area, the implication being that future growth within the Borough is targeted towards Main Street and the Route 206 corridor.



Source: https://www.co.somerset.nj.us/government/public-works/planning/wastewaterplan/countywide-wmp; Existing Sewer Service Map accessed on September 1, 2022.

Land Use

The Borough of Peapack and Gladstone is primarily a rural residential community characterized by larger single-family lots, open space and farmland with a Main Street corridor where denser residential and commercial development is concentrated. The following offers a breakdown of land uses within the Borough:

Land Use Category	Acreage	Percentage
Vacant	152.6	4.0
Residential (1-4 Family)	1,783.4	47.4
Apartments	6.5	0.2
Commercial	202.7	5.4
Industrial	26.0	0.7
Railroad (Class 1 & II)	32.8	0.9
Public	379.9	10.1
Quasi-Public	21.8	0.6
Agricultural	896.7	23.8
Estimated Street Right-Of-Way	225	6.0
Other-Exempt	31.13	0.8
Total	3,758.5	100

Source: Borough of Peapack and Gladstone Mod IV Data

Lot sizes vary by zone and are described by the following zoning table and the various zones are identified in the corresponding zoning map that follows.

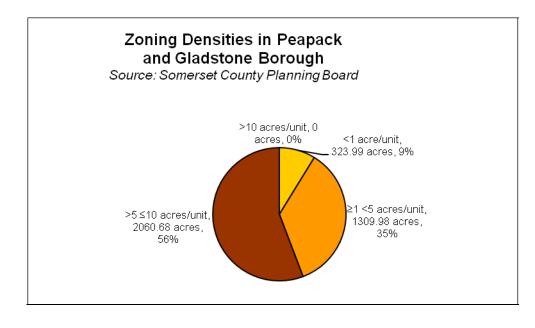
SCHEDULE I BOROUGH OF PEAPACK & GLADSTONE TABLE OF HEIGHT, AREA AND OTHER BULK REQUIREMENTS

	Lot Requi	Principal Building rements Minimum Setbacks				Accessory Buildings Minimum Setbacks		Maximum % Building Coverage		Maximum Height			Minimum Gross Floor Area			
District	Lot Area	Lot Width	Front Yard	Side Y One	ards Both	Rear Yard	Side Yard	Rear Yard	Principal Bldg.	Accessory Bldg(s).	Stories	Feet	Maximum % Lot Coverage	1-Story Bldgs.	Multiple Story Bldgs.	Maximum Floor/Area Ratio
RE	25 ac		See	subsections	23-39.1 a	and 23-39.	10		6%	3%	—	35'	12% ^[4]	—	_	0.06
RR-5	15 ac			See sub	section 23	-39.1			6%	3%	-	35'	12%[4]	—	_	0.06
RR-3	125,000 sf	250'	50'	30'	75'	50'	30'	25'	5%	3%	_	35'	12%[4]	_	_	0.06
RR-2	80,000 sf	200'	50'	30'	60'	50'	30'	25'	5%	2%	—	35'	15% ^[4]	—	_	0.075
RR-1	45,000 sf	125'	50'	25'	50'	50'	25'	25'	7%	2.5%		35'	17.5%[4]	_	_	0.1
R-18	18,000 sf	100'	50'	15'	35'	50	10'	10'	10%	4%	—	35'	27.5% ^[4]	—	_	0.175
R-11	11,000 sf	75'	35'	10'	20'	35'	10'	10'	12%	5%	-	35'	35%[4]	—	_	0.2
VN	11,000 sf	75'	35'	10'	20'	35'	10'	10'	15	5%	—	35'[1]	65%	1,500 sf	1,500 sf	0.185
LI	20 ac	100'	100'	50'	100'	50'	50'	25'	10%	₆ [2]	3[3]	45'	50%[2]	5,000 sf	5,000 sf	0.125[2]
ORL	40 ac	500'	200'	100'	200'	100'	100'	100'	10%	·[2]	3[3]	45'	50%[2]	5,000 sf	5,000 sf	0.125[2]
Residential ^[5] Health Care Facility (Ord. No. 2017-1047)	80 ac	Minimum Setback New Structures 100' From Property Line 50' From ROW Line 200'						%		40'	12%			0.045		

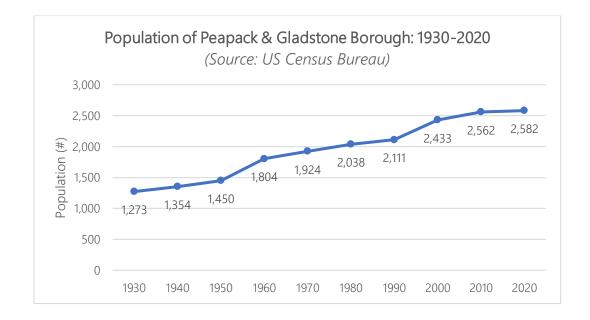
(Ord. No. 751 § 27-1.4; Ord. No. 817 § 1; Ord. No. 879 § 3; Ord. No. 1031-2016; Ord. No. 2017-1047)



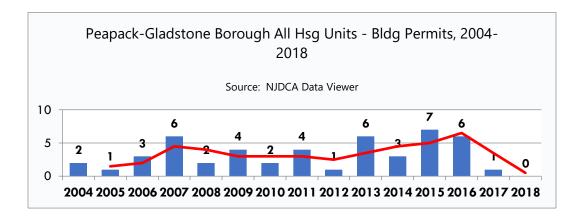
Residential densities range from a high of 3.96 dwelling units to the acre corresponding to the R-11 zone to 0.1 dwelling unit per acre within the RE zone on a maximum lot size not to exceed 25 acres. The larger lot zoning corresponds to parcels that lie outside the sewer service area previously discussed which also encompasses most of the Borough's agricultural lands.



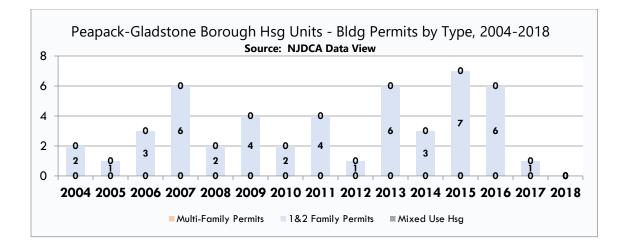
Development pressures have eased over the past decade. The Borough experienced its single largest population growth between 1950 to 1960. Population growth leveled off between 1960 to 1990 followed by a growth spurt between 1990 to 2000. The Borough's population has since stabilized to where the Borough has experienced minimal population growth. As indicated by US Census data, the Borough's population grew by only 20 residents over the past ten years.

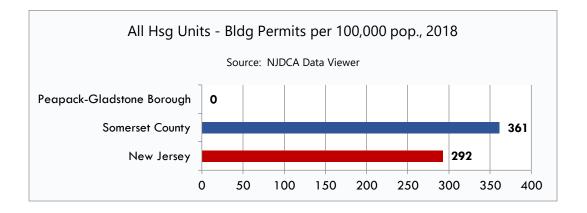


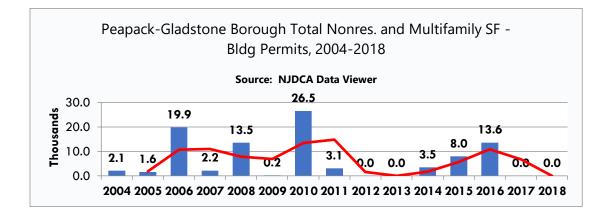
The lack of development is also reflected in building permit data. The New Jersey Department of Community Affairs database indicates that only 30 residential building permits were issued in Peapack and Gladstone over the past 10 years correlating to an average of only 3 units per year in the past decade. This trend is consistent for multifamily and nonresidential development. The charts below are generated by NJDCA which collects permit information and illustrate construction trends which reflect that there has been little to no development in the Borough over the past decade.

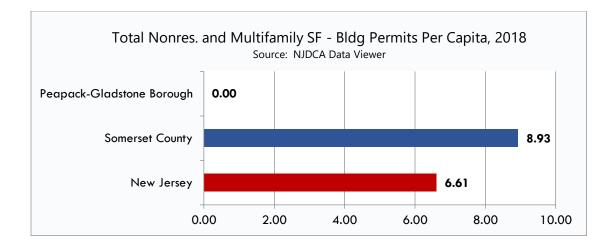


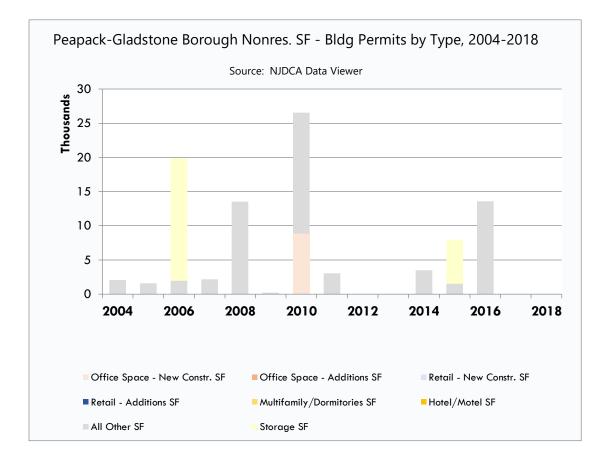
Peapack Gladstone Comprehensive Farmland Preservation Plan Element | 28











It is noted that although development trends indicate slow to almost minimal growth, development resulting from the Borough's adopted HE&FSP is expected to generate additional housing and mixed-use development. However, it is not anticipated that such development will significantly impact the Borough nor are agricultural lands impacted by anticipated housing development as development has been directed to the more densely developed corridors of the Borough within the sewer service area and not within proximity to existing agricultural lands. In

fact, most of the Borough's agricultural land is situated within the RE residential zone which requires the highest minimum lot size of 5-acres within the Borough's zoning ordinance.

There are a number of planning tools available to the Borough to enhance its efforts to preserve farmland. Examples of these include:

- Transfer of Development Rights (TDR)
- Highlands Council TDR Program
- The New Jersey TDR Bank
- Cluster Zoning
- Lot size averaging
- Non-contiguous-cluster zoning

It should be noted that such programs are not mandated but are available to municipalities to utilize if local conditions where a community deems it appropriate.

Each tool is briefly highlighted as follows:

Transfer of Development Rights (TDR).

Transfer of Development Rights or TDR is a planning/land preservation tool authorized by the New Jersey State Transfer of Development Rights Act (N.J.S.A. 40:55D-140) which permits a municipality to assign development credits may be purchased by a developer from property owners impacted within an area that has been downzoned to discourage development, further identified as the "sending zone," to a specified area that has been zoned for higher intensity development or identified as the "receiving zone."

The theory behind TDR is to provide credits that are issued and may be sold by affected property owners as a means of compensation for potential property value loss as a result of reduced development potential through zoning. The municipality may create its own TDR program or participate in a regional TDR sponsored by the Highlands Council or through the State of New Jersey TDR Bank. In either case, there is a specific process that is required through the state statute a municipality must comply with and participation is subject to state approvals.

Cluster Zoning.

Cluster zoning is a zoning technique whereby a developer calculates the permitted density of a parcel given current zoning and then is permitted to reduce the lot size or to "cluster" development in order to preserve land. The non-developed portion of the development that results is then typically deed restricted against further development or donated for open space purposes. Due to changes to the Borough's zoning ordinance and given the stable character of the Borough's land use patterns and general lack of subdivision applications for large scale residential development, the Borough currently has opted not to include cluster provisions in its

zoning ordinance. The use of clustering as an option for development will be reviewed by the Borough during its next master plan review.

Lot Size Averaging.

Lot size averaging permits a developer to reduce lot sizes for development while maintaining the maximum density of a zone which would permit an array of lots while ensuring that the average lot sizes balance out to the zoning minimum requirement. Land can be conserved in this manner and then dedicated or deed restricted for open space purposes.

<u>Non-contiguous Cluster Zoning</u>. Somewhat similar to TDR but without compensation in credits for money, non-contiguous zoning permits the transfer of density from a "sending zone" to a "receiving zone where the total development potential for both zones is calculated and permitted in combination of both zones. The developer is compensated by the increased development potential of the "receiving zone" and the "sending zone" can be preserved.

Section IV: Peapack-Gladstone Farmland Preservation Program

At present the Borough of Peapack and Gladstone has permanently preserved one farm, the Dower Farm, totaling a little under 50 acres. The Borough is enrolled in the SADC Planning Incentive Grant program for farmland preservation and the Agricultural Advisory Committee and Borough Governing Body are committed to farmland protection and continue to support the preservation of agricultural land throughout the Borough.

Somerset County Agricultural Development Areas (ADA)

The Somerset County Agriculture Development Board (CADB) developed the Somerset County Agricultural Development Area (ADA) based upon both statutory and county criteria. The ADA designates land that has the potential for long-term agricultural viability. This agricultural use would be the preferred, but not the exclusive, use.

Statutory Criteria

In order to qualify an area for inclusion within an ADA it must satisfy the following statutory criteria:

- The land must be agriculturally productive or have future production potential. Also, zoning for the land must permit agriculture or permit it as a nonconforming use.
- Suburban and/or commercial development must be reasonably non-existent in the ADA area.
- The land must comprise no greater than 90% of the agricultural land mass of the County.
- Any attributes deemed appropriate by the Board must also be incorporated.

Somerset County initially established their ADA in 1983. As part of the *2008 Comprehensive Farmland Preservation Plan Update*, the Somerset CADB updated their ADA designating land capable of supporting agricultural production.

Utilizing the state's regulatory criteria for designating ADA and existing farmland assessment data, the County designated an ADA on a county-wide basis that does not exceed 90% of the County's agricultural land base. A map of the ADA is included in the *Maps Section* of this Plan.

County Criteria

- Land is currently in agricultural production or has strong potential for agricultural production or is farm assessed through a woodland management plan.
- Agriculture is the preferred, but not necessarily the exclusive use.
- Agriculture is a use permitted by current municipal zoning ordinance or is allowed as a non-conforming use.

Overall, there are 1,800 acres of farm assessed parcels in Peapack and Gladstone, all of which are included within the Somerset County ADA. The *Farmland Map* in this Plan shows the farm assessed lands in the Borough, including all preserved farms. Peapack and Gladstone is located entirely within the Somerset County Upper Raritan ADA.

Farmland Preserved to date by program

In 1983, the New Jersey State Legislature adopted the State Agriculture Retention and Development Act and created the State Agriculture Development Committee (SADC), which provides funding for farmland preservation programs, establishes farmland preservation policy statewide, and oversees program administration. The Somerset County Board of Chosen Freeholders created the Somerset County Agriculture Development Board (CADB) in April 1983.

As of 2022, there were 8,373 acres of permanently preserved acres of farmland in Somerset County, an increase of 1,663 acres or 25% from the County's 2008 agricultural preservation plan which reported 6,710 acres of protected farmland. A total of \$139.7 million dollars has been expended preserving agricultural lands in the County with the County contributing \$33.6 million dollars or 24% of the cost.

Of the permanently preserved farms in Somerset County, only one is located in the Borough of Peapack and Gladstone. The Dower Farm permanently protects close to 50 acres of land in the Borough and was purchased with SADC and County funding at a cost of \$1,960,817.91 which equates to \$39,395.21 per acre.

County Easement Purchase

County Easement Purchases involve the sale of farmland development rights to the county by the landowner. By selling their development rights to the county, the landowner agrees to restrict their land to agricultural use. The landowner still retains ownership of his or her farm and can sell it on the open market at any time, but the land is deed-restricted, in perpetuity, for agricultural use.

To be eligible for the County Easement Purchase program, the land must be in an Agricultural Development Area and be eligible for farmland assessment. A landowner must complete an

application, which is reviewed by the CADB and then approved applications are forwarded to the SADC. In the past, these applications were distributed once a year. With the new County Planning Incentive Grant program there will no longer be an annual application date for the County Easement Purchase program as the program is no longer in use.

Following review of the application and a site visit by the CADB, two independent appraisals must be conducted. Each appraisal should determine the land's fair market value and agricultural value. The difference between these two is the price of the farm's "development rights," also known as the easement value. This is the price that the County offers to the landowner based on the SADC's certified value of the development rights, and if this price is accepted, the County has title work and a survey done for farms receiving final State, County and Municipal approvals, and then schedules a closing. The landowner still retains ownership of his or her farm and can sell it on the open market at any time, but the land is deed-restricted, in perpetuity, for agricultural use.

The SADC will cost share on an easement which has been, or is being acquired, by the County. The SADC will apply its cost share "sliding scale "formula to the certified per acre value, which is presented on page 52 in Section 5 of this report.

At present Peapack and Gladstone has no farms preserved by this method.

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. The State Agriculture Development Committee (SADC) has recently 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. Applications are now accepted year-round and must be submitted annually on or before December 15th. In order to qualify for PIGs, an agricultural advisory committee, for which the County Agriculture Development Board (CADB) functions for the county, is necessary. Additionally, the county must maintain a dedicated source of funding or alternative means or funding farmland preservation. Both county and municipal applications should correlate with county comprehensive farmland preservation plans which are also required to be updated at least every 10-years.

As stated above, the SADC will cost share on an easement which has been, or is being acquired, by the County through the Planning Incentive Grant program. The SADC will apply its cost share "sliding scale "formula to the certified per acre value.

Municipal Planning Incentive Grants

Municipal Planning Incentive Grants (PIGs) are very similar to the County PIGs in their goals, requirements, and implementation. Like the County PIGs, Municipal PIGs require a local financial commitment for preserving farmland. Upon the completion of a municipal Farmland Preservation

Plan and application to the SADC, grants are provided by the SADC in order to purchase development easements. In order to qualify for this program, the town must have an agricultural advisory committee and a source of funding for farmland preservation. Farms to be preserved through a municipal PIG need to be approved by the CADB and Freeholders only if County funding is involved. Somerset County requires matching funding (50:50) between the County and the municipality for the difference between the amount funded by the State and the total easement cost, as part of a municipal PIG.

Farms to be preserved through a municipal PIG must be approved by the CADB, but only in the case where the CADB is contributing funds towards the farm. The CADB has the opportunity to comment on the application, but if the town is purchasing the property through the PIG program without the County's funds there is no requirement for the County's approval. The County will hold the farmland preservation easement if County funding is involved, but the SADC can hold the easement if County funding is not included.

The Borough of Peapack and Gladstone is currently enrolled in the Municipal Planning Incentive Grant program and has been involved since 2002 under the former SADC regulations. The Municipal PIG for the Borough of Peapack and Gladstone divides the Borough into two project areas. The Essex Hunt Club Project Area is located west of U.S. Route 206 and south of Pottersville Road, coinciding with Somerset County's Upper Raritan West Project Area, and a small portion of Somerset County's Upper Raritan East Project Area. The Raritan Valley Project Area stretches from Highland Avenue to Mosle Road, east of Main Street (CR-647) extending to the North Branch of the Raritan River. There are two targeted QFarm parcels in the Essex Hunt Club Project Area and are shown on the *Farmland Preservation Map* in this Plan.

Municipal Farmland Preservation Program

No farms have been preserved directly by the Borough of Peapack and Gladstone.

Farms Preserved Through Conservation Easements

The Nature Conservancy and the Raritan Headwaters Association (RHA), formerly the Upper Raritan Watershed Association, have preserved 300-acres of farmland through conservation easements. These are centered along the Willow Avenue, Branch Road, Holland Road area, and along Fowler Road. These lands are permanently protected for their conservation value and are all currently farmed by their owners.

Acreage	Location	Block/Lot	Current Owner (Prior Owner)	Easement Holder	Project Area
	Fowler				Essex Hunt
37.88	Road	33/13.01	Hamilton Farm Golf Club, LLC.	TNC	Club
	Willow				Raritan
3.00	Avenue	26/19.02	James and Lisa Dellermo (Baker)	RHA	Valley
		26/16,		RHA	
	Willow	16.01,	Richard Hand & Gerrie McManus (Vernon		Raritan
41.39	Avenue	16.05	Assoc.)		Valley
	Fowler			RHA	Essex Hunt
42.83	Road	33/6	Greg and Jenny Morris (Tilney)		Club
			Christopher and Christina Guido (Turnbull)	RHA	Raritan
18.40	Mosle Road	7/10.01			Valley
	Branch		Morangie Farm, LLC: Richard Hand &	RHA	Raritan
13.48	Road	27/2	Gerry McManus (Turnbull)		Valley
	Branch			RHA	Raritan
16.09	Road	27/1	Mr. Putnam L. Crafts, Jr. (Turnbull)		Valley
	Holland		The Essex Hunt Club and Fox Hounds	RHA	Essex Hunt
93.82	Road	33/8			Club
	Fowler			RHA	Essex Hunt
30.36	Road	33/7	Albert and Anya Salama		Club

Nonprofit Grant Program

Grants are provided to nonprofit organizations by the State Agriculture Development Committee. These grants fund up to 50% of the fee simple or development easement values on farms. These grants help to preserve farmland throughout the county and generally the transactions involve properties with both agricultural and environmental significance. These grants are obtained through an application process, in which the land or the development rights to the property are valued by independent appraisers.

Dower Farm is the only farm preserved through this program in the Borough of Peapack and Gladstone. The Land Conservancy of New Jersey worked with the Borough, State, and County to preserve this farm in 2010 and contributed a 50% matching grant provided through the SADC Nonprofit grant program.

Consistency with SADC Strategic Targeting Project

Investments by targeting farms for preservation base on specific criteria, including a focus

on prime and statewide soils in active agricultural production outside sewer service areas.

According to the SADC, the Strategic Targeting Project has three primary goals. These are as follows:

- The coordination of farmland preservation and retention of agricultural practices "with proactive planning initiatives.
- To update and create maps which serve as a tool for more accurate preservation targets.
- To coordinate farmland preservation efforts with open space, recreation, and historic preservation investments.

Through the use of the Strategic Targeting Program, the SADC hopes to more efficiently target and designate farmland for preservation and, by doing so, boost the State's agricultural industry. The Borough of Peapack and Gladstone, through the completion of its *Comprehensive Farmland Preservation Plan*, meets each of the goals as outlined in the Strategic Targeting Project. As a participant in the Municipal Planning Incentive Grant program, the Borough of Peapack and Gladstone's Agricultural Advisory Committee coordinates directly with the Somerset CADB to identify and target farms for preservation, including the establishment of the County Agricultural Development Area, County and Borough Project Areas, and strategic target farm lists.

Term Farmland Preservation Program

The Term Farmland Preservation program is a program in which farmland owners agree to voluntarily restrict nonagricultural development for a period of eight or 16 years in exchange for certain benefits. Landowners enrolled in the program receive no direct compensation for participating but are eligible to apply to the SADC for grants that fund up to 50% of the costs of approved soil and water conservation projects. Additionally, those in the program enjoy greater protection against nuisance complaints, emergency fuel and water rationing, zoning changes and eminent domain actions. In return, the farmer signs an agreement that restricts the land to agricultural use for 8 years. For entrance into these programs and to qualify for benefits, a farm must be located within the county ADA, be eligible for Farmland Assessment, and meet appropriate program criteria. Technical assistance for the soil and water practices comes through the Natural Resource Conservation Service. No farms currently participate in the 8-year program in Peapack and Gladstone.

Soil and water conservation projects include projects designed to control and prevent soil erosion and sediment damages; control pollution on farmland; impound, store and manage water for agricultural purposes; or improve management of land and soils to achieve maximum agricultural productivity. Examples of eligible projects include terrace systems; diversions; stream protection; water impoundment reservoirs; irrigation systems; sediment retention, erosion or water control systems; drainage systems; animal waste control facilities; agri-chemical handling facilities; and land shaping or grading.

Coordination with Open Space Preservation Initiatives

A cooperative project involves a partnership and/or funding from more than one agency. This kind of project leverages farmland preservation dollars and makes use of open space trust funds or grants to non-profit organizations. These "hybrid" projects are an opportunity to use traditional open space funds, where appropriate, to help preserve farm properties, especially where those properties are a mixture of cropland and woodland areas. The use of open space funding is becoming increasingly important to preserving agricultural land. Farmland preservation should be coordinated with open space efforts. Trail easements and adjacency to proposed and existing active recreational facilities are potential areas of concern for farmers. The Borough of Peapack and Gladstone has a municipal Open Space Trust Fund which is used to preserve open space and farmland. The AAC and Open Space Committee are two separate committees but meet on the same evening. Thus, coordination of the farmland and open space preservation is seamless.

The preservation of the Natirar Estate in the Borough of Peapack and Gladstone is an excellent example of a regional project that involved county open space funding, local funding, and state funding to preserve a regionally significant project. Natirar is now a county park, complete with equestrian trails for riding. A portion of the property continues to be maintained as a farm. Ninety acres of the property is co-owned by Somerset County and a private entity to be managed as a public-private partnership as a restaurant, hotel and spa. The restaurant, Ninety Acres, opened this year and features locally grown food.

It is important to note that open space funds in the Borough of Peapack and Gladstone have not been used to take farmland out of production. Land preserved through conservation easements continue to operate as farms and the AAC will work with the Open Space Committee and the local nonprofit organizations to ensure that productive agricultural land remains in production and conflicts between equestrian riders and farmers are minimized. The Borough is a strong supporter of equine trails and regional trails crisscrosses the municipality.

All preserved open space is shown in "green" on the *Farmland Preservation Map* appended to this document. This map identifies all publicly preserved land, conservation easements, trails, farmland easements, the preserved Dower Farm and targeted farms for preservation within the Borough on a single map. This mapping is used in conjunction with the Borough's project mapping to identify land for open space and farmland protection.

Farmland Preservation Program Funding Expended to Date by Source

The Borough of Peapack and Gladstone Open Space, Recreation, Farmland and Historic Preservation Trust Fund ("Trust Fund") was established in 1999 and originally collected two cents (\$0.02) per one hundred dollars (\$100) of assessed property value. In 1999 the limit was set to \$0.02 per \$100 and was raised to \$0.03 per \$100 in 2003. The Fund currently generates approximately \$200,000 per year and has a current balance of \$1,405,560.61. The balance in the Trust Fund is obligated for bond repayment for open space acquisitions projects undertaken by

the Borough. The Borough has utilized their Trust Fund to purchase several projects for natural resource protection and recreation. To date, as part of their farmland program, the Borough has expended a total of about \$10,000 in due diligence costs on the Dower Farm. The final cost for purchasing this farm was provided by the Somerset CADB (\$908,409) and The Land Conservancy of New Jersey through a 50% matching grant (\$908,409) provided by the SADC Non-Profit farmland preservation program.

The table below details the amount generated per year and the percentage change in the Trust Fund over the past ten years.

Tax Year	Trust Fund Rate (\$/\$100)	Amount Generated	Percentage Change
2011	0.030	\$206,107.55	-
2012	0.030	\$205,550.54	-0.27%
2013	0.029	\$203,816.79	-0.84%
2014	0.030	\$206,481.84	1.31%
2015	0.030	\$212,172.39	2.76%
2016	0.030	\$217,771.67	2.64%
2017	0.030	\$219,651.74	0.86%
2018	0.030	\$32,073.27	-85.40%
2019	0.030	\$222,350.59	593.26%
2020	0.029	\$221,344.42	-0.45%
2021	0.030	\$226,981.42	2.55%

The Borough's AAC will notify the Somerset CADB if violations are suspected. The CADB inspections consist of completion of a form during a field visit to the farm. The inspectors take note of the following:

- Change in ownership since the previous inspection;
- Evidence of non-agricultural development (approved or otherwise);
- Use of the premises for agricultural activities;
- Presence of expansion of non-agricultural activity since the previous inspection;
- If the non-agricultural practice has been abandoned;
- Evidence of mining or removing of materials such as sand, gravel, rock, etc.;
- Evidence of dumping;
- Whether or not the farm has an approved conservation plan;
- Any improvements to farm buildings and residences; and,
- Any new agricultural buildings erected.

Coordination with Transfer of Development Rights Programs

Transfer of Development Rights (TDR) may be used in conjunction with the traditional Purchase of Development Rights (PDR) program; these two programs are not mutually exclusive. As

previously discussed, the Borough of Peapack and Gladstone is not currently enrolled in or developing a TDR program.

Section V: Future Farmland Preservation Program

Preservation Goals

As previously described, the agricultural community that defines the Borough of Peapack and Gladstone consists of 1,800 acres of farmland assessed property in the Borough, which is comprised of croplands, woodlands and working farms. As of 2022, the Borough has protected 50 acres of farmland through farmland easements and 297 acres of agricultural land protected through conservation easements. This leaves 1,453 acres of unprotected farm assessed land vulnerable to loss due to potential development.

Based upon the State's Minimum Eligibility Criteria for productive soils and tillable land there are 232 acres of eligible farmland in the Borough that can and should be preserved. Of these, 161 acres are situated in the Raritan Valley and Essex Hunt Club Project Areas. Given, that conditions have not changed significantly from those described in the previous 2010 Comprehensive Farmland Preservation Plan, the Borough has determined that the preservation goals as enumerated in that plan are valid and are hereby reaffirmed whereby the Borough will seek to preserve:

One-year target: 20 acres Five-year target: 80 acres Ten-year target: 160 acres

It is noted that the Borough is presently in negotiations with two farm property owners also known as the Smith tract and Tucker tract, which are close to purchase. Combined, these farm parcels comprise 78 acres of prime farmland. Consequently, when purchased, the Borough will have reached its one-year target already and is within 2-acres of its five-year target.

Public Participation

Transparency and public input are important components of the planning process. The Agricultural Advisory Committee held numerous meetings over the past year to discuss and develop the elements of the draft plan for recommendation to the Borough Land Use Board.

In turn, the Borough Land Use Board advertised and held a public workshop meeting on November 16, 2022 to present and discuss the draft plan with the public. Subsequently, the Board held a formal public hearing on December 7, 2022 and adopted the plan.

Project Area Summaries

The Somerset CADB has identified thirteen distinct project areas within the County's Agricultural Development Area for farmland preservation. The Borough of Peapack and Gladstone falls within two of these project areas – Upper Raritan West and Upper Raritan East.

There are two project areas for the Borough of Peapack and Gladstone. The Essex Hunt Club Project Area is located west of U.S. Route 206 and south of Pottersville Road, coinciding with Somerset County's Upper Raritan West Project Area, and a small portion of Somerset County's Upper Raritan East Project Area. The Raritan Valley Project Area stretches from Highland Avenue to Mosle Road, east of Main Street (CR-647) extending to the North Branch of the Raritan River. There are two targeted QFarm parcels in the Essex Hunt Club Project Area (totaling 57 acres) and five QFarm targeted parcels in the Raritan Valley Project Area (totaling 104 acres). The Project Areas and are shown on the Target Farm Map appended to this report.

The below table summarizes the acreage and parcels within each of the Projects Areas in the Borough of Peapack and Gladstone. The Borough has identified specific farmland parcels for preservation within the two project areas.

Project Areas	Project Area Acreage	Total Farm Assessed Properties	Unpreserved Farmland	Preserved Farmland*	Farms with Final Approval	Other Deed Restricted Farmland
Essex Hunt Club	710	570	331	-	-	205
Raritan Valley	1,222	1,000	834	54	-	92
Total Acreage	1,932	1,570	1,165	54		297

Project Area Inventory

For each project area, an analysis was completed to identify the amount and density of preserved farmland, soils and size of the area. The following data was determined:

- i. The total acreage of targeted farms
- ii. The total acreage of farms with final approval
- iii. The total acreage of preserved farmland
- iv. The total acreage of other deed restricted farmland
- v. The total acreage of farms enrolled in the Term Farmland P program or municipally-approved farmland preservation program
- vi. The total acreage of preserved open space compatible with agriculture

For each of the above categories, the land area within each project area is expressed as a ratio between the total acreage for each category and the total acreage of the project area. Also included is the percentage of each category expressed as a percentage of the total project area. The "other deed restricted farmlands" in the Borough have been protected through conservation easements are identified on the Farmland Map. "Open space compatible with agriculture" was

determined using the NJDEP land use/land cover data for tillable land. The "*Density of the Project Area*" is presented as the sum of the acreages of items (ii) through (vi) (*see above*), as compared to the total acreage of the project area.

ESSEX HUNT CLUB	Acreage	Density Ratio	Percentag e
i. Targeted Farms	57	57 : 710	8%
ii. Farms with Final Approval	-	- : 710	0%
iii. Preserved Farmland	-	- : 710	0%
iv. Other Deed Restricted Farmland	205	205 : 710	29%
v. Farms Enrolled in 8 Year Program	-	- : 710	0%
vi. Preserved Open Space Compatible with Agriculture	-	- : 710	0%
Aggregate Size of Project Area:	710		
Total Project Area Inventory: Items (i) through (vi):	262	262 : 710	37%
(Selected) Density of the Project Area (without targeted farms): Items (ii) through (vi):	205	205 : 710	29%

RARITAN VALLEY	Acreage	Density Ratio	Percentag e
i. Targeted Farms (2012 Applications)	104	104 : 1,222	8.5%
ii. Farms with Final Approval (2011 Applications)	-	- : 1,222	0%
iii. Preserved Farmland	54	54 : 1,222	4.4%
iv. Other Deed Restricted Farmland	92	92 : 1,222	7.5%
v. Farms Enrolled in 8 Year Program	-	- : 1,222	0%
vi. Preserved Open Space Compatible with Agriculture	-	- : 1,222	0%
Aggregate Size of Project Area:	1,222		
Total Project Area Inventory: Items (i) through (vi):	250	250 : 1,222	20%
(Selected) Density of the Project Area (without targeted farms): Items (ii) through (vi):	146	146 : 1,222	12%

ALL PROJECT AREAS SUMMARY	Acreage	Density Ratio	Percentag e
i. Targeted Farms	161	161 : 1,932	8%
ii. Farms with Final Approval	-	- : 1,932	0%
iii. Preserved Farmland	54	54 : 1,932	3%
iv. Other Deed Restricted Farmland	297	297 : 1,932	15%
v. Farms Enrolled in 8 Year Program	-	- : 1,932	0%
vi. Preserved Open Space Compatible with Agriculture	-	- : 1,932	0%
Aggregate Size of Project Area:	1,932		
Total Project Area Inventory: Items (i) through (vi):	512	512 : 1,932	26%
(Selected) Density of the Project Area (without targeted farms): Items (ii) through (vi):	351	351 : 1,932	18%

For all Project Areas, the summary total is as follows:

ALL PROJECT AREAS SUMMARY	Acreage	Density Ratio	Percentage
i. Targeted Farms (2010 Applications)	161	161 <u>:</u> 1,932	8%
ii. Farms with Final Approval (2009 Applications)	-	- <u>:</u> 1,932	0%
iii. Preserved Farmland	54	54 : 1,932	3%
iv. Other Deed Restricted Farmland	297	297 <u>:</u> 1,932	15%
v. Farms Enrolled in 8 Year Program	-	- : 1,932	0%
vi. Preserved Open Space Compatible with Agriculture	-	- <u>:</u> 1,932	0%
Aggregate Size of Project Area:	1,932		
Total Project Area Inventory: Items (i) through (vi):	512	512 : 1,932	26%
(Selected) Density of the Project Area (without targeted farms): Items (ii) through (vi):	351	351 : 1,932	18%

For all lands less than or equal to 10 acres:

- Farmland must meet the SADC's minimum eligibility criteria pursuant to N.J.A.C. 2:76-6.20.
- The land must produce at least \$2,500 worth of agricultural or horticultural products annually; and
- At least 75% or a minimum of 5 acres of the land (whichever is less) must be tillable; and
- At least 75% or a minimum of 5 acres of the land (whichever is less) must be capable of supporting agriculture or horticulture; and
- The land in question must exhibit development potential as defined by the SADC (based upon zoning, ability to be subdivided, less than 80% wetlands, less than 80% slopes of 15% or more); or
- The land must meet the above criteria or be eligible for allocation of development credits pursuant to a Transfer of Development Credits (TDR) program.

For lands greater than 10 acres:

- At least 50% or a minimum of 25 acres of land (whichever is less) must be tillable; and
- At least 50% or a minimum of 25 acres of land (whichever is less) must have soils capable of supporting agriculture or horticulture; and
- The land in question must exhibit development potential as defined by the SADC; or
- The land must meet the above criteria or be eligible for allocation of development credits pursuant to a Transfer of Development Credits (TDR) program.

For a farm application to qualify for SADC cost share, the farm must have at least one parcel listed on the targeted farm list; be comprised of an assemblage of substandard parcels which together meet SADC minimum standards; or have sufficient justification by the Borough Agricultural Advisory Committee (AAC) and the CADB that the parcels were not identified as targeted due to a specific mapping issue or other error.

The Borough may proceed without State funding on projects that do not meet these Minimum Eligibility Standards. In all cases, the Peapack and Gladstone AAC works closely with the Somerset CADB to review and process applications from landowners for farmland preservation. The Peapack and Gladstone AAC follows all County and State procedures to ensure consistency in application review and processing.

Within the identified project areas, the Borough of Peapack and Gladstone has identified candidate farms (or "targeted farms" as referenced in the May 21, 2007 rules) that meet the tillable land and soils minimum eligibility standards. The following queries were made utilizing the ArcGIS 9.2 digital mapping software:

Farmland that meets the SADC Criteria for Agricultural Soils

Soil acreage was determined using the Soil Survey as prepared by the Natural Resource Conservation Service for prime farmland soils, soils of statewide importance and soils of unique importance.

Farm parcels are sorted on size based upon the State Agriculture Development Committee (SADC) Minimum Eligibility Criteria for soils.

Farm Size	Requirement
0-6.667	75% soils capable of supporting agricultural production
6.667-10 acres	5 acres of soils capable of supporting agricultural production
10-50 acres	50% soils capable of supporting agricultural production
50+ acres	25 acres of soil capable of supporting agricultural production

Farmland that meets the SADC Criteria for Tillable Land

Tillable acreage was determined using the N.J. Department of Environmental Protection 2002 Land Use/Land Cover mapping for agricultural lands. The land categories that are defined as the "tillable land" based on the 2015 NJDEP Land Use/Land Cover are as follows:

- Agricultural Wetlands (Modified)
- Confined Feeding Operations

- Cropland and Pastureland
- Former Agricultural Wetland
- Orchards/Vineyards/Nurseries/Horticultural Areas
- Other Agriculture

Farm parcels were sorted on size based upon the State Agriculture Development Committee (SADC) Minimum Eligibility Criteria for tillable land.

Farm Size	<u>Requirements</u>
0-6.667 acres	75% tillable
6.667-10 acres	5 acres tillable
10-50 acres	50% tillable
50+ acres	25 tillable acres

Farmland that meets SADC Criteria for both Tillable Land and Soils

Utilizing the tillable acreage determined from the N.J. Department of Environmental Protection 2002 Land Use/Land Cover mapping for agricultural lands and soil acreage determined using the Soil Survey as prepared by the Natural Resource Conservation Service for prime farmland soils, soils of statewide importance and soils of unique importance, farm parcels were sorted on size based upon the State Agriculture Development Committee (SADC) Minimum Eligibility Criteria for tillable land and soils.

The Project Area Summaries and Minimum Eligibility Criteria analysis for each project area are presented in the tables below and GIS Maps (included within the *Maps Section* of this Plan). As stated earlier, for each category, the land area within each project area is expressed as a ratio between the total acreage for each category and the total acreage of the project area. Also included is the percentage of each category expressed as a percentage of the total project area.

ESSEX HUNT CLUB	Acreage	Density Ratio	Percentage
Aggregate Size of Project Area:	710		
Soil Acreage using data from NRCS Soil Survey			
i. Total Acreage of Prime Farmland Soils	213	213 : 710	30%
ii. Total Acreage of Farmland Soils of Statewide Importance	280	280 : 710	40%
iii. Total Acreage of Unique Farmland Soils	-	- : 710	0%
Qfarm Parcel Analysis for Soils and Tillable Land			
i. Qfarm Parcels meeting SADC Criteria for Agricultural Soils	284	284 : 710	40%
ii. QFarm Parcels meeting SADC Criteria for Tillable Land	67	67 : 710	9%
iii. QFarm Parcels meeting SADC Criteria for Soils and Tillable Land	57	57 : 710	8%

RARITAN VALLEY	Acreage	Density Ratio	Percentage
Aggregate Size of Project Area:	1,222		
Soil Acreage using data from NRCS Soil Survey i. Total Acreage of Prime Farmland Soils	229	229 : 1,222	19%
ii. Total Acreage of Farmland Soils of Statewide Importance iii. Total Acreage of Unique Farmland Soils	302 -	302 : 1,222 - : 1,222	25% 0%
Qfarm Parcel Analysis for Soils and Tillable Land i. Qfarm Parcels meeting SADC Criteria for Agricultural Soils ii. QFarm Parcels meeting SADC Criteria for Tillable Land iii. QFarm Parcels meeting SADC Criteria for Soils and Tillable Land	369 231 104	369 : 1,222 231 : 1,222 104 : 1,222	30% 19% 8.5%

For all project areas, the summary total is as follows:

ALL PROJECT AREAS SUMMARY	Acreage	Density Ratio*	Percentage
Aggregate Size of Project Area:	1,932		
Soil Acreage using data from NRCS Soil Survey			
i. Total Acreage of Prime Farmland Soils	442	442 : 1,932	23%
ii. Total Acreage of Farmland Soils of Statewide Importance	583	583 : 1,932	30%
iii. Total Acreage of Unique Farmland Soils	-	- : 1,932	0%
Qfarm Parcel Analysis for Soils and Tillable Land			
i. Qfarm Parcels meeting SADC Criteria for Agricultural Soils	653	653 : 1,932	34%
ii. QFarm Parcels meeting SADC Criteria for Tillable Land	298	298 : 1,932	15%
iii. QFarm Parcels meeting SADC Criteria for Soils and Tillable Land	161	161 : 1,932	8%

There are a total of **161 acres** of farm assessed land (QFarm Parcels) that meets both the Minimum Eligibility Criteria for soils and tillable land within the two project areas for Peapack and Gladstone. Including land outside of the project areas, there are **232 acres** of farm assessed land that meet minimum eligibility criteria.

There are **1,800 acres** of total assessed farmland in the Borough of Peapack and Gladstone, of which **232 acres** meet both the soils and tillable land Minimum Eligibility Criteria for farmland preservation. According to the 2017 New Jersey Farmland Assessment, there are **735 acres** of active agricultural land in the Borough, which accounts for 44% of the total assessed farmland. Of the assessed farmland in the Borough, 14% of the existing farmland meets both the soils and tillable land Minimum Eligibility Criteria as defined by the SADC. Of the active agricultural land, **31%** meets both state criteria. Included within the *Appendix* is mapping with the complete list of potentially eligible parcels including a listing of targeted farms.

In addition to the State's new Minimum Eligibility Criteria, the SADC has also identified an "Eligible Farm" standard as defined in section 17.2 of the newly adopted rules. In this case, grant funding will be based upon an individual farm having a rank score that is "equal to or greater than 70%"

of the county's average quality score of all farms granted preliminary approval by the SADC through the county easement purchase program and/or the county planning incentive grant program within the previous three fiscal years." The SADC has released this rank score for Fiscal Year 2024 for Somerset County. The minimum score for an Eligible Farm is 43. This new designation only applies to the County Planning Incentive Grant Program.

The Borough acknowledges that Sites 1 and 2 identified on the Borough's Target List Map and further identified as Block 1, Lot 39 and Block 1.01, Lot 32 by Borough Tax Assessment records, do not necessarily meet SADC ranking requirements for participation in the State farmland preservation program. The Borough, non the less, will seek to preserve these parcels with other funding sources to supplement its open space/farmland preservation program.

County and Municipal Ranking Criteria

The Somerset CADB utilizes the state ranking criteria as the basis for calculating the rank of each farm. All farms that apply for preservation must attend a "pre-proposal" meeting with the CADB to review their application. Somerset CADB has always had certain standards that are used when evaluating an application. One such standard is that a parcel must be at least 25 acres in size. The CADB has always used this size and will continue to do so. If an applicant farm is contiguous to an already preserved farm parcel, it is looked upon more favorably. This qualification may impact the potentially eligible farms in the Borough as several are under the minimum acreage of 25 acres. In these instances, the Borough will work with the County and other partners to determine how to preserve and protect these lands.

Another criteria that the CADB will look at under the "Other" section, would be farms of local importance or unique value/characteristic. Many farms do have a historical or local importance for the municipality, or may be a unique agricultural operation. In the event that a unique farm does not meet SADC criteria, the CADB will work with them to request a waiver (if the operation is agriculturally productive) from the SADC and gain support from the municipality.

The CADB will use the SADC provided ranking sheet and ranking policies when evaluating an individual application. The CADB staff will first review the application, create a fact sheet and complete the ranking sheets for the farm. A PIG Subcommittee meeting will then be called where this subcommittee of the CADB will review the information and provide a recommendation to the full CADB. From that point forward, the CADB will work with the applicant, SADC and municipality (where applicable) to close the application in a timely fashion. The application's viability will depend on the number and quality of other applications, and where the County stands in terms of funding (base grant versus competitive grant). The County will require that the minimum standards and eligibility score are met, but in an instance where many applications rank well and funding is limited, the highest ranked application will move forward (this ranking may also include proximity to preserved land, price negotiations, land donations, etc.). The CADB will try to move as many viable applications as possible through the County PIG. In an instance where the farm

does not receive a high enough ranking in comparison to other applications or funding is limited, the CADB will recommend that the application go through an SADC, municipal or non-profit program. The CADB has always looked for ways to preserve a farm if the first method through the County does not work, and will continue to do so.

Approval of Housing Opportunities

Agricultural labor housing: Agricultural labor housing is not currently protected under the Right to Farm Act in the State of New Jersey. However, the State Agriculture Development Committee understands the need for this type of housing and does have a policy that a landowner must refer to in order to construct labor housing. These applications are reviewed by the State Agriculture Development Committee and the County Agriculture Development Board. The Borough works with the farmland owner to ensure that every preserved farm is preserved with a housing opportunity onsite. In Peapack and Gladstone, most of the farms are smaller and labor housing is not a significant issue for local farmers.

House replacement: The policy of the State Agriculture Development Committee on house replacement is that requests for replacement of a residence on permanently preserved land must be reviewed and approved on an individual basis by the CADB and the SADC, in order to minimize the impact on the agricultural operation. This is supported by the AAC and CADB.

Residual dwelling site opportunity allocation: Residual Dwelling Site Opportunities (RDSOs) are lingering potential housing prospects located within a deed-restricted farm. By designating an area as an RDSO, the landowner is implying that the land will be used for a residential unit or other structure as referred to in N.J.A.C. 2:76-6.17. The maximum RDSO density is one residence per 100 acres including existing residences. The purpose of the building in question must be for "single-family residential housing and its appurtenant uses." (*SADC Appraiser Handbook 2007*)¹ To qualify as an RDSO, the SADC requires that the use of the residential unit be for agricultural purposes and "at least one person residing in the residential unit shall be regularly engaged in common farm site practices." This is supported by the AAC and CADB.

Division of the Premises

The goal of the State Agriculture Development Committee, and supported by the CADB and Peapack and Gladstone AAC, is to preserve large tracts of farmland. Therefore, a division of the premises is not an encouraged practice, however when division occurs it must be for agricultural purposes and must result in agriculturally viable land parcels. A landowner wishing to divide permanently preserved farmland must submit a written request. The application must be approved, in writing, by both the State Agriculture Development Committee and the CADB.

Approval of Exception

Exceptions are defined by the SADC as "acres within a farm being preserved" which are "not subject to the terms of the deed of easement." There are two types of exceptions that can occur;

severable and non-severable.

Severable: A severable exception is defined by the SADC as an "area which is part of an existing Block and Lot owned by the applicant which will be excluded from the restrictions of the Deed of Easement and may be sold as a separate lot in the future." *(SADC Appraiser Handbook 2007)* A severable exception is made "if a landowner wants to be able to sell the excepted area separate from the deed-restricted farm."

Non-severable: Non-severable exceptions are defined by the SADC as "area which is part of an existing Block and Lot owned by the application that will not be subject to the restrictions of the Deed of Easement but cannot be sold separately from the remaining premises." (SADC Appraiser Handbook 2007) Unlike a severable exception, a non- severable exception is "always attached to the protected farm."

Exceptions made to farmland have the potential to impact the value of the property. When an appraisal occurs, both severable and non-severable exceptions are considered in the determination of the restricted/ after value of the property. The CADB and AAC follow the exception policies as identified by the SADC.

Funding Plan

Installment Purchases and Donation/Bargain Sales

The Borough of Peapack and Gladstone is supportive of donation/bargain sales and installment purchases. Both of these tools serve to leverage limited funding resources and are described below:

Donation and Bargain Sale: This mechanism for preserving a farm involves a donation by the landowner. If the landowner donates a portion of the value of the development rights

when an easement is sold, this is called a bargain sale. A bargain sale can result in substantial tax savings for the landowner and can stretch all farmland preservation funds. The landowner donation is a reduction in the amount of gain that is subject to the capital gains tax, and the landowner can take a tax deduction for the amount donated against his or her federal and state income taxes.

Installment Purchase: Through an installment purchase agreement, development rights may be acquired by the Somerset CADB through a payment plan that provides payments to the landowner over time. Receiving the income from the sale in installments may provide the landowner with financial management and/or tax advantages.

Overview of Somerset County Trust Fund and Municipal PIG requirements

The Somerset County Open Space Recreation Farmland Preservation Trust Fund generates

approximately \$18.3 million annually. The Borough of Peapack and Gladstone works with Somerset County according to its current cost-share requirements for preserving farms. The County's policy is that Somerset CADB will fund one-half of the difference between the amount the SADC funded and the total cost for preserving a farm, based upon the Certified Market Value, through the municipal Planning Incentive Grant program. The remainder is funded by the municipality.

Overview of SADC "sliding scale"

As part of the municipal PIG program, the SADC will cost share on an easement which has been, or is being acquired, by a municipality. The SADC will not authorize a grant for greater than 80% of the SADC's certified fair market value of the development easement. If the landowner's asking price is greater than the certified fair market value, the SADC's cost share grant shall be based upon the SADC's certified fair market value. The landowner can ask for a higher price but the transaction cannot be for an amount higher than the higher of two independent appraisals for the SADC to participate. If the landowner accepts less than the certified value, the SADC will apply its cost share "sliding scale "formula to the discounted per acre value and share in a portion of the discount. The SADC percent cost share is based upon the following sliding scale:

Landowner's Asking Price	Percent Committee Cost Share
From \$0.00 to \$1,000	= 80% above \$0.00
From > \$1,000 to \$3,000	= \$800 + 70% above \$1,000
From > \$3,000 to \$5,000	= \$2,200 + 60% above \$3,000
From > \$5,000 to \$9,000	= \$3,400 + 50% above \$5,000
From > \$9,000 to \$50,000	= 60%
From > \$50,000 to \$75,000	= \$30,000 + 55% above \$50,000
From > \$75,000 to \$85,000	= \$43,750 + 50% above \$75,000
From > \$85,000 to \$95,000	= \$48,750 + 40% above \$85,000
From > \$95,000 to \$105,000	= \$52,750 + 30% above \$95,000
From > \$105,000 to \$115,000	= \$55,750 + 20% above \$105,000
From > \$115,000	= \$57,750 + 10% above \$115,000

The state usually pays about 60% under most program options including the county and municipal PIG programs, based on the estimated average easement prices per acre in the region.

Description of Municipal Funding Sources

The Borough of Peapack and Gladstone Open Space, Recreation, Farmland and Historic Preservation Trust Fund ("Trust Fund") was established in 1999. The Borough Council establishes the rate annually, following a public hearing. In 1999 the limit was set to \$0.02 per \$100 and was raised to \$0.03 per \$100 in 2003. The Fund currently generates \$200,000 per year and has a current balance of \$1,405,560.61.

The balance in the Trust Fund is obligated for bond repayment for open space acquisitions projects undertaken by the Borough. To date, as part of their farmland program, the Borough has

expended a total of approximately \$10,000 in due diligence costs on the Dower Farm project. The balance has been spent on open space preservation. The Borough does not have a set allocation between open space, historic, and farmland preservation.

The Borough has floated two bonds to purchase open space land. The Trust Fund is used to pay down these bonds as indicated in the following table:

Date	Interest Paid by Open Space Trust	Principal Paid with Grants	Balance
1/18/2008	\$ 1,236.25	\$ 300,000.00	\$2,695,781.00
12/5/2008	\$ 93,004.44		\$2,695,781.00
ŀ	lousehold Internati	onal - Block 19,	Lot 11
Ord. No.	Date Issued	Amount	Interest Rate
763	9/14/1999	\$500,00.00	1%
Date Due	Interest	Principal	Loan Balance
			\$500,000.00
10/9/2001	\$ 5,000.00	\$10,545.80	\$489,454.20
4/9/2002	\$ 4,894.54	\$10,651.26	\$478,802.94
10/9/2002	\$ 4,788.03	\$10,757.77	\$468,045.17
4/9/2003	\$ 4,680.45	\$10,865.35	\$457,179.82
10/9/2003	\$ 4,571.80	\$10,974.00	\$446,205.82
4/9/2004	\$ 4,462.06	\$11,083.74	\$435,122.08
10/9/2004	\$ 4,351.22	\$11,194.58	\$423,927.50
4/9/2005	\$ 4,239.28	\$11,306.52	\$412,620.98
10/9/2005	\$ 4,126.21	\$11,419.59	\$401,201.39
4/9/2006	\$ 4,012.01	\$11,533.78	\$389,667.61
10/9/2006	\$ 3,896.68	\$11,649.12	\$378,018.49
4/9/2007	\$ 3,780.19	\$11,765.61	\$366,252.88
10/9/2007	\$ 3,662.53	\$11,883.27	\$354,369.61
4/9/2008	\$ 3,543.70	\$12,002.10	\$342,367.51
10/9/2008 4/9/2009	\$ 3,423.68 \$ 3,302.45	\$12,122.12 \$12,243.34	\$330,245.39 \$318,002.05

Cost Projections and Funding Plan Associated with Preservation Goals

The Borough of Peapack and Gladstone Open Space, Recreation, Farmland and Historic Preservation Trust Fund ("Trust Fund") generates \$200,000 annually. Based upon the recent preservation of the Dower Farm the estimated per acre value of a farmland easement in the Borough is \$35,000. The Borough of Peapack and Gladstone currently has nearly \$3 million in Ioan and bond payments due for several past open space acquisitions. The Borough determines on an annual basis whether to pay this debt service out of the Open Space Trust Fund or the

Borough's general fund. Currently, the debt is reduced from both the Open Space Trust Fund and the Borough's general funds.

The following assumptions were made regarding the Peapack and Gladstone's Open Space Trust Fund, the rate of increases in land prices and the cost-share between the municipality, Somerset County, and the State of New Jersey. These are described below:

- 1. Assume annual allocation for the Borough's Trust Fund is \$200,000
- 2. Assume there is a 5% funding growth for the Borough's Trust Fund
- 3. Assume municipal funding is reduced by 3% for administrative costs (for due diligence)
- 4. Assume 50% of the Trust Fund is encumbered for prior acquisitions
- 5. Assume the average price per acre is \$35,000
- 6. Assume a 7% increase in land costs (average per acre cost)
- 7. Assume the Borough is purchasing land in partnership with the county and state (no direct purchase by the Borough)
- 8. Assume the municipal cost share is on average 15%, but for this analysis a variety of percent costs shares are used
- 9. Assume the Borough only spends what comes in annually in the Trust Fund, that is they are not accruing a balance that is carried over annually
- 10. Assume the Borough spends their annual allocation each year
- 11. Assume the existing balance in their Trust Fund is used to pay down the current bond

Based upon the above assumptions, the following analysis was completed to calculate the funding available to Peapack and Gladstone for farmland preservation:

Year	Annual Funding Available	Funding Available Less Administrative Costs	Funding Available Less Debt Service	Average Cost per Acre
1	\$247,958.73	\$240,519.97	\$ 120,259.98	\$35,000.00
2	\$260,356.67	\$252,545.97	\$ 126,272.98	\$37,450.00
3	\$273,374.50	\$265,173.26	\$ 132,586.63	\$40,071.50
4	\$287,043.22	\$278,431.93	\$ 139,215.96	\$42,876.51
5	\$301,395.39	\$292,353.52	\$ 146,176.76	\$45,877.86
6	\$316,465.16	\$306,971.20	\$ 153,485.60	\$49,089.31
7	\$332,288.41	\$322,319.76	\$ 161,159.88	\$52,525.56
8	\$348,902.83	\$338,435.75	\$ 169,217.87	\$56,202.35
9	\$366,347.98	\$355,357.54	\$ 177,678.77	\$60,136.52
10	\$ 384,665.37	\$373,125.41	\$ 186,562.71	\$64,346.07

Using the above funding formula, and the average cost per acre in Peapack and Gladstone, an analysis was completed to calculate the amount of land that could be purchased in Peapack and Gladstone. The analysis was run at 5% intervals. At a 20% municipal cost share with the county and state, the Borough could preserve 17 acres in the first year, 83 acres within five years, and 158 acres after ten years.

Year	15% Borough Cost Share (acres preserved)	20% Borough Cost Share (acres preserved)	25% Borough Cost Share (acres preserved)	30% Borough Cost Share (acres preserved)	35% Borough Cost Share (acres preserved)	40% Borough Cost Share (acres preserved)	45% Borough Cost Share (acres preserved)
1	23	17	14	11	10	9	8
2	22	17	13	11	10	8	7
3	22	17	13	11	9	8	7
4	22	16	13	11	9	8	7
5	21	16	13	11	9	8	7
6	21	16	13	10	9	8	7
7	20	15	12	10	9	8	7
8	20	15	12	10	9	8	7
9	20	15	12	10	8	7	7
10	19	14	12	10	8	7	6
	211	158	126	105	90	79	70

Cost Projections Associated with Preservation Goals

An estimate was also completed to determine the cost share funding from the County and State. Based upon the average easement values and the SADC sliding scale, it is assumed that the Borough's cost share will be between 15% and 20%. Using this as a basis, and assuming the available funding from the Borough is limited as determined above, the following analysis was completed:

Year	Acres Preserved at 15% Borough Cost Share	15% Borough Cost Share	15% County Cost Share	70% State Cost Share	Total Project Cost
1	23	\$ 120,259.98	\$ 120,259.98	\$ 561,213.26	\$ 801,733.23
2	22	\$ 126,272.98	\$ 126,272.98	\$ 589,273.92	\$ 841,819.89
3	22	\$ 132,586.63	\$ 132,586.63	\$ 618,737.62	\$ 883,910.88
4	22	\$ 139,215.96	\$ 139,215.96	\$ 649,674.50	\$ 928,106.43
5	21	\$ 146,176.76	\$ 146,176.76	\$ 682,158.22	\$ 974,511.75
6	21	\$ 153,485.60	\$ 153,485.60	\$ 716,266.13	\$ 1,023,237.34

7	20	\$ 161,159.88	\$ 161,159.88	\$ 752,079.44	\$ 1,074,399.20
	Acres Preserved at 15% Borough Cost	15% Borough Cost Share	15% County Cost Share	70% State Cost Share	Total Project Cost
Year	Share	COSt Share	COSt Share	Share	COSC
8	20	\$ 169,217.87	\$ 169,217.87	\$ 789,683.41	\$ 1,128,119.16
9	20	\$ 177,678.77	\$ 177,678.77	\$ 829,167.58	\$ 1,184,525.12
10	19	\$ 186,562.71	\$ 186,562.71	\$ 870,625.96	\$ 1,243,751.38
	211	\$1,512,617.16	\$1,512,617.16	\$ 7,058,880.06	\$10,084,114.37

Year	Acres Preserved at 20% Borough Cost Share	20% Borough Cost Share	20% County Cost Share	60% State Cost Share	Total Project Cost
1	17	\$ 120,259.98	\$ 120,259.98	\$ 360,779.95	\$ 601,299.92
2	17	\$ 126,272.98	\$ 126,272.98	\$ 378,818.95	\$ 631,364.92
3	17	\$ 132,586.63	\$ 132,586.63	\$ 397,759.90	\$ 662,933.16
4	16	\$ 139,215.96	\$ 139,215.96	\$ 417,647.89	\$ 696,079.82
5	16	\$ 146,176.76	\$ 146,176.76	\$ 438,530.29	\$ 730,883.81
6	16	\$ 153,485.60	\$ 153,485.60	\$ 460,456.80	\$ 767,428.00
7	15	\$ 161,159.88	\$ 161,159.88	\$ 483,479.64	\$ 805,799.40
8	15	\$ 169,217.87	\$ 169,217.87	\$ 507,653.62	\$ 846,089.37
9	15	\$ 177,678.77	\$ 177,678.77	\$ 533,036.30	\$ 888,393.84
10	14	\$ 186,562.71	\$ 186,562.71	\$ 559,688.12	\$ 932,813.53
	158	\$1,512,617.16	\$1,512,617.16	\$4,537,851.47	\$7,563,085.78

In summary, the total estimated project costs and partnership costs (Borough, County and State) to achieve the 1-, 5-, and 10-year goals for the Borough of Peapack and Gladstone farmland preservation program are as follows at 15% and 20% of municipal funding:

Acres Preserved at 15% Borough Cost Share	15% Borough Cost Share	15% County Cost Share	70% State Cost Share	Total Project Cost
23	120,260	120,260	561,213	801,733
110	664,512	664,512	3,101,058	4,430,082
211	1,512,617	1,512,617	7,058,880	10,084,114

Acres Preserved at 20% Borough Cost Share	20% Borough Cost Share	20% County Cost Share	60% State Cost Share	Total Project Cost
17	120,260	120,260	360,780	601,300
83	664,512	664,512	1,993,537	3,322,562
158	1,512,617	1,512,617	4,537,851	7,563,086

Farmland Preservation Program Administrative Resources

Staff resources

The Borough of Peapack and Gladstone has an Agricultural Advisory Committee that meets monthly as needed. Cort Corbin is the chairman for this Committee. Working closely with the New Jersey Conservation Foundation (NJCF), the Borough's Open Space Advisor, the AAC and Borough Clerk/Administrator (Nancy Bretzger) track all farmland preservation projects for the Borough, including their applications and status.

Legal support

Legal support for Peapack and Gladstone's farmland preservation program is provided by the municipal attorney, John Bruder, Esq.

Database Development and Geographic Information System Resources

The New Jersey Conservation Society, as Open Space Advisor for the Borough, and the Borough's planning consulting firm, Burgis Associates, provide Geographic Information System mapping services for the Peapack and Gladstone.

Factors Limiting Farmland Preservation Implementation

Pressures from Development

Development pressure and high land acquisition costs pose threats to the agricultural economy and integrity of Borough of Peapack and Gladstone. The Borough is a very desirable community located in the rolling hills of Somerset County, Peapack and Gladstone and is easily accessible to major transportation corridors. This accessibility is enticing for those interested in living in a bucolic farming community within commuting distance from New York City. Competition for the available land base is strong in the Borough of Peapack and Gladstone and farmers are faced with peaking land values that may pressure them to sell or subdivide their land to help support their agricultural operations. The farmland preservation program is the crucial link in ensuring the permanence and success of farming in Borough of Peapack and Gladstone.

Funding

The Borough of Peapack and Gladstone strongly supports the municipal PIG program and would like to see it grow. Its own municipal funding it obligated by past bond issues for open space. Land values are increasing in the Borough, and due to its location and country-side setting, easement values are significantly higher than those in other parts of the Somerset County. Funding from the state is therefore, critical to the integrity of the municipal PIG program.

Section VI: Agricultural Economic Development

Preserving farmland and providing a positive climate for the business of farming has been a focus of municipal planning and development in Peapack and Gladstone. The members of the Borough Council, Planning Board, Agricultural Advisory Committee (AAC), and Environmental Commission support the long-term use of agricultural land in the Borough. They recognize the need to provide an atmosphere in which agriculture can continue to be a viable industry, one that balances the needs for development, open space and quality of life.

The AAC is directly and administratively involved with the preservation and enhancement of farming in the Borough. This involvement is focused not solely on acquisition, but also on assisting with Right to Farm disputes, working with all residents to ensure farm friendly atmospheres, and coordinating with state, county and local government agencies, and numerous organizations, to maximize the agricultural potential of the Borough. This includes an awareness of the need to support agriculture from an economic development perspective. This chapter considers what can be done going forward to strengthen the business of agriculture in the Borough.

It is important to note that overall market values are not compiled on the municipal level. Thus, much of the economic development analysis to follow is based on data reported only every five years at the County level as part of the National Census of Agriculture. For purposes of this plan update, the report for the 2017 Census of Agriculture, which became available in 2019, was referenced.

The 2022 Somerset County Comprehensive Farmland Preservation Plan is a tremendous resource and highlights the economic development strategies offered by the NJ Department of Agriculture. The Borough has used and will continue to seek the support services provided by the State and County and will look to each for guidance on ways to retain and promote agricultural production.

Consistency with N.J. Department of Agriculture Economic Development Strategies

The primary agricultural activities in the Borough center around field crop production, nursery sales, and livestock. The Somerset County 2022 Farmland Preservation Plan highlights the development strategies offered by the NJ Department of Agriculture.

At the state level, New Jersey offers the Borough of Peapack and Gladstone farmers a number of support services and programs ranging from technical advice to farm loans. One of these is the New Jersey Department of Agriculture (NJDA) *Smart Growth Toolkit*, which provides information to support municipal governments, businesses, non-profit groups, and local citizens in their efforts to achieve the goals and objectives outlined in the NJDA *Agricultural Smart Growth Plan for New Jersey, 2006*. The *Tool Kit* embraces the five components that have been identified by the NJDA as critical for the future of farming: Farmland Preservation, Innovative Conservation Planning, Economic Development, Agriculture Industry Sustainability, and Natural Resource Conservation. (*Agricultural Smart Growth Tool Kit*)

As part of this emphasis on the business of agriculture, the NJDA has issued its 2008 Economic Development Strategies, which identify and propose methods to expand and enhance various subsets of the agriculture industry in New Jersey, including produce, horticulture, dairy, livestock and poultry, field crops, organic, equine, wine, and agritourism. The NJDA observes that "local access to large affluent markets has long been an advantage for the marketing of (those) products. While our markets are still there, competition for those markets has become tougher. New Jersey's (produce) industry must continually work to rediscover its competitive advantages, improving access to nearby markets and strengthening consumer loyalty." (2008 Economic Development Strategies)

Peapack and Gladstone is one of the premier farming communities in Somerset County.

Local farmers continue to look for ways to reinvent themselves and their products, and to explore new markets and new methods for promoting their businesses. According to the Somerset County 2022 Farmland Preservation Plan:

Agricultural sales were at a high point in 2012; 2017 saw a 13 percent decline in sales and livestock counts and crops harvested are down in almost every category when compared to 1997. In fact, the net profits of county farms have moved from positive in the late 1990s to negative in 2017.

To adapt, many farmers have moved into areas of the agriculture industry more suited to serving suburban lifestyles. Direct marketing has surged both in the county and nationwide. Agritourism is appearing, with activities that attract local and tourist visitors to spend additional money on farms. Horticulture sales continue to see strong growth, representing more than half of crop sales.

It is important that the Borough's focus remains on ways to help farmers increase profitability, to coordinate with federal, state and county agencies, and other organizations both in the public and private sector, to find solutions. These include workshops, newsletters and other opportunities for farmers to continue to educate themselves about:

- Better ways to manage their farm as a business;
- Trends in agriculture;
- Ways to diversify, add value and maximize profitability;
- Technical advice and assistance with choosing and marketing their products; and
- Advances in technology that may help them farm more efficiently and productively.

Using recommendations outlined in the 2008 Economic Development Strategies report, the Borough of Peapack and Gladstone can investigate ways to expand and/or diversify into more profitable sectors and continue to direct programs to ensure sustainable agriculture practices and profitability. The following is a brief discussion of each of the sectors of the County's agriculture industry as they relate to the 2008 Economics Development Strategies report. For each of the

sectors, the 2008 report encourages farmers to continually seek new local, state, and interstate markets to strengthen market share. The Borough of Peapack and Gladstone is committed to promoting a sustainable, economic basis for farming. In order to achieve this goal, the Borough will continue to support and work with the Somerset CADB in their efforts to direct agricultural programs, and opportunities to ensure farmers operations are profitable.

Produce

Major efforts by the NJDA are directed at increasing the demand for New Jersey grown produce through branding, agritourism, farm direct sales programs, and farm markets. The NJDA 2008 *Economic Development Strategies* include all of these activities. (2008 Economic Development Strategies) NJDA is committed to promoting agritourism through the New Jersey Office of Travel and Tourism, the Jersey Fresh website, the distribution of printed materials, and other forms of advertisement. Farms with appropriate activities, as well as roadside stands and pick-your-own farms, benefit from this promotion.

NJDA's Jersey Fresh and Jersey Grown labels program is undergoing strengthening throughout the state. The Department is continuing to promote and grow the Jersey Fresh Hospitality Industry Program. The program works closely with the industry to market Jersey Fresh produce to the hotel, restaurant, educational, and institutional food service industries. In addition, the NJDA will continue to strengthen the appeal of the Jersey Fresh brand to supermarket chains and all other retailers, increase the use of the Jersey Fresh brand name and discourage the use of the "Locally Grown" product claim. The Department will also continue to promote New Jersey grown organic products as distinct from, and of higher value than, competing products by establishing the Jersey Organic brand. (2008 Economic Development Strategies)

According to the 2017 USDA Census of Agriculture, vegetable and fruit crops are a leading agricultural commodity in New Jersey, representing 28% of all farms in New Jersey. However, produce farming (fruit, berries, and vegetables) is a very minor industry in Peapack and Gladstone representing only 5% of the total acreage farmed. Farmers who focus on other primary crops may wish to consider growing produce to provide supplemental income and visibility by offering products for sale at roadside stands. The NJDA *Jersey Fresh* website does not list any community market, roadside markets and pick-your-owns in the Borough of Peapack and Gladstone. *(Jersey Fresh)*.

Strategies:

 Investigate the feasibility of more farmers diversifying into vegetable and/or fruit production. However, diversifying requires upfront expenses; these include farmstands, greenhouses or other additional infrastructures, implementation of irrigation or drip tape systems, expenses for fertilizers and pest control, possible marketing expenses, and for fruit trees, the ability to carry the expense of maintaining the crop over several years until the trees are ready to bear. In addition, if irrigation is required, this type of water use can conflict with the water demands of others in the community.

- Seek to introduce new outlets such as community events through websites and press releases; coordinate between state, county and regional/association websites and literature to promote local agricultural businesses and products;
- Ensure residents are aware of the farming community, its products and benefits, through publicity and product offerings on a regular basis. Forums can include farmers markets, street fairs, festivals and other public events, with the goal of having urban consumers to depend on and value local farm products and, thus, support its farmers and farming initiatives;
- Explore expansion/diversification into value-added produce products, in concert with the NJDA and Rutgers and provide information to farmers through workshops and direct communications;
- Encourage farmers to explore diversifying into produce crops that serve the diverse needs of growing ethnic populations;
- Communicate to farmers the availability of state promotional campaigns and free signage;
- Investigate availability of free deer fencing programs, as well as other measures for deterrence of wildlife, and promote to County farmers; and,
- Encourage more participation in the *Jersey Fresh Hospitality Program* from local restaurants, specialty and grocery markets, and institutional food services such as schools, help farmers connect with these outlets.

Nursery, Greenhouses, Floriculture, and Sod

This is the highest-ranking category of agricultural commodities in Somerset County in 2015, bringing in \$7.2 million, representing 50% of total crop sales and 36% of total agricultural sales. In 2017 the Borough of Peapack and Gladstone had 74 acres devoted to this type of agriculture Strategies:

- Explore the feasibility of more farmers diversifying a portion of their output into this sector, including ways to deal with the challenges of irrigation needs/expenses, increased labor demands and short-term lease issues versus the start-up costs to change over;
- Support efforts by NJDA to ensure plant health and disease-free material;
- Increase consumer awareness of the Jersey Grown brand
- Seek contracts with large box store operations such as Home Depot and Lowes; and,
- Promote "drive up" operations where consumers can buy directly from the nursery or greenhouse.

Dairy

In 2002, dairy ranked as the second highest sales producing sector in Somerset County, at \$1.3 million. Just five farms in Somerset County were listed as dairy producers on the *2002 Census of Agriculture*, down from nine in 1997 and significantly down from the 1970s when dairy was the dominant form of agriculture, accounting for some 40% of the County's then 371 farms. As described in the 2022 Somerset County Farmland Preservation Plan, by 2017, there are only two dairy farms left. This downward trend is consistent with national trends which has experienced a significant decline in consumer demand. It is noted that there are no dairy farms in Peapack Gladstone.

Strategies:

- Promote Jersey Fresh dairy products locally and statewide;
- Explore various additional products and markets for dairy, including local restaurants and grocery markets;
- Work to ensure the health of the dairy industry, and the quality of raw and processed milk;
- Work to bring more livestock veterinarians back to the area; and
- Aggressively market value-added dairy products.

Field and Forage Crops

In 2015, 14,055 acres were devoted to field and forage crops in Somerset County which represented a significant drop from 1997 where 24,451 acres were farmed.

During the same time period, the Borough of Peapack and Gladstone experienced a reduction in total acres of field crops from 513 acres to 259 acres.

Strategies:

- Educate farmers about any improved management practices and ways to improve yield per acre;
- Alert farmers to any available workshops on pasture and cropland management;
- Encourage diversification to row crops that meet newly emerging markets or markets with increasing demand or lend themselves to value-added marketing opportunities;
- Engage the Somerset County Business Partnership in a campaign to promote the County as a site for construction of biofuels processing plant(s) by connecting with the multi-agency working group that is carrying forward the NJDA initiative to create a biofuels plant. The NJDA sees biofuels – ethanol, biodiesel and biogas – as an excellent opportunity for farmers in New Jersey to develop new markets for their agricultural products, byproducts and waste-stream items;
- Publicize to farmers the availability of state-sponsored grain marketing sessions, when scheduled; and
- Inform producers about the role of crop insurance in mitigating marketing risk.

Livestock and Poultry

Operations include beef cattle, sheep, hogs, goats, and poultry. Livestock historically has been a strong agricultural sector in Somerset County but has exhibited decline over the years. In 2017, total livestock totaled \$5.74 million versus \$9.88 million in 1997, and, represented 28.5% of total agricultural sales for the County. This figure represents a 42% decline in sales from the previous census in 2012. In 2017, the Borough experienced a significant increases in beef cattle, sheep chicken and swine production while equine activity declined.

Strategies:

- Ensure animal health, including investigating incentives for bringing large animal veterinarians back to the area;
- Explore various additional products and markets, and increased outlets for meat sales at community markets and special events;
- Seek more opportunities for production contracts with poultry and livestock processors;
- Investigate outlets for dairy products for goats, and educate farmers about the benefits of diversifying into this sector, especially considering the development of value-added dairy products for goats; and,
- Assist farmers with farming techniques, regulatory requirements and the latest research for livestock and poultry,

including continued and additional cooperation with the Rutgers Cooperative Extension (RCE), New Jersey Department of Agriculture (NJDA), and Natural Resources Conservation Service (NRCS).

Organic Farming

With a base of affluent consumers in the region and increased consumer awareness regarding food production, organic products and the markets that support them should continue to gain a stronghold and become more "mainstream" as people demand high quality readily accessible and affordable organic products. Certification of organic farms is regulated by the U.S. Department of Agriculture via the Organic Food Production Act of 1990, but can be somewhat costly and time consuming as compared to non-organic farming. This may dissuade some farmers otherwise amenable to this type of farming. "Natural" farming is a type of farming that seeks to emulate organic farming, but is not overseen by laws or regulations, as is organic farming. Natural farming is somewhat less costly and time consuming than "organic," and therefore may be a viable option for some farmers, and their potential customers.

Farmers may be encouraged to expand or diversify into this sector and may look to:

- Improve marketing of organic and natural produce;
- Explore various additional markets, including local restaurants and grocery markets and cooperative farm stands at local events;
- Promote agritourism for organic and natural farms stands;
- Promote the Jersey Organic Brand when established by the NJDA;
- Educate growers about organic and natural regulatory and certification requirements and about the availability of federal funds to help offset certification costs; and,
- Explore ways to support organic food growing and processing, such as assisting growers, with the help of the NJDA and the Rutgers Extension, to identify products that can benefit as organic (high value/high demand products).

Agritourism

This sector can benefit agriculture both from an individual farmer's perspective and from the perspective of increased visibility for, and understanding and appreciation of, farming by local residents and visitors. Agritourism can be an important contributor toward the long-term sustainability of the agricultural industry. According to the 2008 Economic Development Strategies, "... agri-tourism offers an important opportunity to generate additional farm income and keep farms economically viable. Agri-tourism presents opportunities for New Jersey growers seeking to add value to their crops and/or capture more of the market price of their products by directly accessing consumers. Many residents consider agriculture a novelty and something to be explored and enjoyed.

They desire to share the agricultural experience while increasing farm income at the same time." Agritourism can draw its clientele not only from the county and region, but also from New York and Pennsylvania.

Agritourism in Somerset County is evidenced in its community markets, roadside markets and pick your owns listed on the NJDA *Jersey Fresh* website and in the Christmas tree farms listed on *Things to Do* in Somerset County, New Jersey/Agricultural Activities. *(Jersey Fresh)* The *Jersey Equine* website lists events on its equine calendar, plus several farms offer riding and/or lessons, in addition to boarding and breeding. The U.S. Equestrian Team Foundation (USET) in Peapack and Gladstone hosts lessons, classes and special events throughout the year, bringing visibility to the County and its equine sector.

A few farms in Somerset County offer other on-site activities, such as hayrides, corn mazes and farm tours. Other opportunities for on-site agritourism include hunting and fishing, hiking and festivals.

The Opportunity for Agritourism Development in New Jersey, a report prepared for the NJDA by two independent consultants and personnel from the Food Policy Institute at Rutgers, defines agritourism as "the business of establishing farms as travel destinations for educational and recreational purposes." The reports states that "agritourism represents an opportunity [for the farmer] to generate supplemental income during periods when land and equipment may be underutilized or idle and afford the opportunity for feedback from consumers regarding preferences for various farm products and services." In addition, it "can create positive interactions between non-farmers and farmers," helping to "reduce right to farm conflicts and garnering support for farm retention policies"; it "contributes to and enhances the quality of life in communities" and provides consumers with "direct access to fresh, locally-produced farm products". The New Jersey State Board of Agriculture formally recognized agritourism development as a strategy for "bolstering the viability of New Jersey agriculture" and in 2005, New Jersey's Secretary of Agriculture, Charles Kuperus, convened the New Jersey Agritourism Industry Advisory Council.

Among the series of recommendations included in the Council's report are:

- Marketing and Promotion centralized promotion system, agritourism marketing website, better inclusion and integration of agritourism on the N.J. Division of Travel and Tourism marketing materials; stronger links between farmers and WIC, Senior and school lunch nutritional programs; and assisting counties with funding for agritourism promotion.
- Liability Protection and Insurance develop a New Jersey Agritourism Limited Liability act modeled after laws in Virginia and North Carolina, and explore ways to reduce cost of liability insurance;
- Establish a state level Agritourism Industry Development

program with a capacity to support regional agritourism initiatives and assist operators with marketing and promotion;

- Regulatory Guidance for Operators include proactive communication about relevant regulations, and education about requirements and protections under the Right to Farm Act; address impediments to signage;
- Municipal Outreach educate municipalities about building agricultural retention elements and regulations supportive of agritourism into their master plans and ordinances; Training and Information Workshops for Farmers – include hospitality training, marketing strategies and other, issue specific workshops such as liability, grant, traffic, signage; offer a forum for farmers getting into agritourism to interact with those who already are involved;
- Role of CADB examine preservation policies to identify and address any restraints to agritourism development; provide outreach to operators and municipal officials; develop model long-term leases for farmers renting preserved farmland; host open houses and tours at agritourism operations such as those offered by the Somerset CADB and County Board of Agriculture;
- Resources "how-to" website; innovation fund providing grants or low interest loans; technical assistance for farmers in identifying and obtaining grant funding; and
- School Tours identify and compile farm-related curriculum for different grade levels (as an example of what can be done, see www.farminstitute.org/. (*The Farm Institute on Martha's Vineyard's website*); provide opportunities for farmers to participate in school programs; and develop "fast facts" to educate farm visitors. The study concludes that farmers have, over the years, adopted a range of agritourism activities; that agritourism is financially beneficial to both the farmer and the economy; and, farmers need specific assistance and resources in order to be successful at integrating agritourism activities

Local strategies may include:

- Implementing a permanent signage program to alert and direct tourists and local residents to agritourism destinations may help increase business and income for those farming establishments; and,
- Working with schools and farmers to develop and promote an expanded curriculum of opportunities for school tours to farms

and for farmer visits to schools, maintaining a list of available farmers, and acting as a clearinghouse or coordinating link between schools and farmers.

Special Events for Preserved Farms

Expanding opportunities in agrotourism, in February of 2023, Governor Murphy signed into law S757 which authorizes preserved commercial farms to hold special occasion events. The bill authorizes a preserved commercial farm that produces agricultural or horticultural products, with an annual income worth more than \$10,000, to hold up to a maximum of 26 special occasion events per calendar year with 6 events permitting an attendance of 250 or more attendees per event. The intent of this legislation is to permit farmers opportunities to supplement their farming income by hosting special events such as weddings, special tours, and holiday events.

General Economic Development Strategies

"Many different agencies, councils, and organizations, working through a variety of programs, have the common goal of assisting New Jersey's agricultural community," according to the 2008 *Economic Development Strategies.* "Strengthened communication and coordination between agencies and programs can result in multiple benefits for the agricultural community. In 2008 the Department will continue working on broad strategies and reaching out to better coordinate efforts with other agencies...to ensure the economic viability of the state's agricultural industry."

Ways to communicate to farmers include press releases to local papers and handouts developed for distribution at venues where farmers congregate, such as public meetings, farm organization meetings, fairs, workshops.

Some of the general strategies that can be helpful to farmers include:

- New Market Opportunities Organizations at the local and County level, can supplement the state's efforts, by providing other vehicles for communicating the availability of this list to the farmers;
- Labor Issues and Worker Training Through press releases and/or handouts at venues where farmers congregate, the RCE can promote the availability of programs such as the Agricultural Leadership Development Program and the availability of training, agricultural and business development resources on the NJDA website;
- Farmland Assessment and Crop Insurance and Technical Assistance Publicizing these programs also will help improve farmers' financial health; and,
- Processed Foods Connecting growers with processors who are seeking local sources of food and agricultural products, as

well as on publicizing state outreach programs that educate farmers about government grants and services.

Agricultural Industry Retention, Expansion and Recruitment Strategies

Institutional Farmer Support

Farmers at all levels can benefit from support, from the experienced farmer who owns a multigenerational farm and is concerned about farm succession, to a tenant farmer who seeks ways to maximize his profitability, to a young would-be farmer looking for guidance on how to break into agribusiness. There are a variety of resources at the state level, published on the State Agriculture Development Committee (SADC) website. One such program, *Farm Link*, serves as a resource and referral center for new farmers, farmers seeking access to land and farming opportunities, landowners seeking farmers, and farmers working on estate and farm transfer plans.

Farm succession is also a concern. The County 2017 Census of Agriculture reported the average age of farmers in Somerset County as 60.2, an increase in the average age of 57.8 reported in the State 2007 Census of Agriculture. When farmers express an interest in entering the farmland preservation program, the CADB advises them to consult with their financial and tax advisors about estate planning to be sure they understand the implications and find the best solutions for their particular situations. In addition, the SADC's Farm Link website offers Estate Planning Tools. The Farm Link website has a page devoted to Web resources for new farmers, a critical component in the ongoing success of farming in the county as well as the state. There are also resources that provide helpful information and guidelines for established farmers and landowners interested in creating tenure agreements. (SADC, Farm Link, Resources for Resources for Estate, Farm Succession, and Farm Transition Planning)

The NJDA website offers a variety of technical and financial resources for agritourism assistance including First Pioneer Farm Credit, deer fencing, and farmers' market assistance. (NJDA Technical and Financial Services)

In addition, the NJDA's Strategic Plan through June 2006 lists among its objectives to increase the profitability of New Jersey's agricultural industry through new market opportunities and to create additional income for farmers, specifically by:

 Providing information to a minimum of 100 agricultural and horticultural producers on a variety of available grant opportunities through news releases, the NJDA website and one-on-one contacts. Assist and encourage produce participation by answering questions and in drafting grant applications; and Assisting a handful of producers with application submissions for Value-Added producer grants through USDA Rural Development or with in-depth evaluation for developing and producing value-added specialty products.

Another opportunity is the New Jersey Agricultural Leadership Development Program (NJALDP) sponsored by the New Jersey Agricultural Society, "a two-year professional development opportunity, which is designed specifically for individuals in farming and agribusiness. Through a series of seminars and interactive workshops, NJALDP participants explore various agricultural topics, debate key issues, sharpen communications skills, particularly public speaking, and establish and cultivate an extensive agricultural network throughout the State." (*NJALDP*)

Marketing / Advertising / Public Relation Support

Marketing and advertising are critical to profitability. According to the 1999 Survey of Somerset County Farmland Owners, some Somerset County farm operations market their crops to regional wholesale outlets (grain elevators, such as Perdue in south Jersey and Penfield in New York State and the Livestock Cooperative Auction in Hackettstown, which deals in crops and eggs, as well as livestock). Many more market directly to consumers from farm stands, or through participation in community markets.

Advertising. According to survey results and direct conversations with farmers, few farmers take the route of individually advertising their product in print, although many of those involved in onsite direct marketing do maintain websites. This is an area where the County and the state can help by communicating to farmers the availability of various free promotional channels such as the Jersey Fresh, Jersey Bred, Jersey Grown and Jersey Equine websites, Visit NJ Farms website, the Skylands website and Things to Do in Somerset County/Agricultural Activities and by cross referencing those sites to make sure they are up to date and inclusive. (Visit NJ Farms website)(Skylands website)

Direct Marketing. For those direct marketers who want to consider paid advertising and garner media coverage, Web resources can help with the planning.

Visibility at community events. Events such as street fairs, craft fairs, equine events and, of course, the 4-H Fair are also valuable and valid marketing tools. A cooperative "farm stand" can be set up at various community events. For farmers who do produce their own brochures or flyers, these events could be a valuable distribution point for disseminating this information.

Signage. The 2001 ARDMP stated "Increasing the visibility of tourism opportunities in Somerset County is one of the Somerset County Master Plan's primary economic goals....The county plan for tourism must include farm businesses along with other kinds.... There is a critical need for this in Somerset County since the visibility of agriculture is apparently so low." Signage promotes visibility as well, and for farmers who qualify for the *Jersey* series of marketing programs, signage is free. Jersey Fresh point-of-sale signs and other materials, both free and fee-based, can be ordered from the NJDA's Marketing and Development Web pages. (NJDA Marketing and Development)

Farm stands are often seasonal businesses that need to capture potential sales at harvest time. signs that give directions to the farm stand and let customers know what's available are vitally important. The Borough of Peapack and Gladstone can review their ordinances to ensure they make allowances for farm signage. Having farm friendly ordinances in place can make it easier for farmers to promote their products and can minimize right-to- farm complaints in cases where farmers run up against opposition to their signage, whether from neighboring residents or municipal officials. Farm signage can also benefit the municipality by drawing more visitors, and thus more dollars, to the area, benefitting other business in the community as well.

Community Farmers Markets

- Explore with local farmers the feasibility of starting new markets. The New Jersey Council of Farmers and Communities, a non-profit organization serving as a liaison between New Jersey Farm families and 35 market members, probably can help with logistics of startups, ongoing management. *(NJ Council of Farmers and Communities)*
- Explore organizing a pool of farmers who would be interested in cooperative stands at local events.

Community Supported Agriculture

Economic support of the Somerset County, as well as Peapack and Gladstone, agricultural communities also comes from local grass roots groups. This support is embodied in Community Supported Agriculture (CSA) which consists of:

- A community of individuals who pledge support to a farm operation so that the farmland becomes the community's farm. In such an arrangement, the growers and consumers provide mutual support, and share the risks and benefits of agriculture.
- Members or "share-holders" of the farm pledge in advance to cover the anticipated costs of the farm operation and farmer's salary.
- Members receive shares in the farm's products throughout the growing season.
- Members also receive the satisfaction gained from reconnecting to the land and participating directly in food production.
- Members also share in the risks of farming, including poor harvests due to unfavorable weather or pests.

• Generally, growers receive better prices for their crops, gain some financial security, and are relieved of much of the burden of marketing.

Additional advantages of CSA include time efficiency, labor and transportation costs of selling at community markets, or the time and labor of running a farm stand. A CSA farmer can control scheduling of pick-ups to utilize existing farm personnel in labor downtimes (e.g. , family members, one day a week, etc.). There is one reported CSA farmer in the Borough of Peapack and Gladstone.

New Jersey Agricultural Experiment Station (NJAES) and Rutgers Cooperative Research and Extension

According to the NJAES website *Jersey Fresh* Information Exchange, Rutgers Cooperative Extension launched an innovative produce distribution and merchandising pilot project in 2004 to help New Jersey farmers get their products into new retail locations, such as white-table restaurants and grocery chains. Less than a month after a kickoff meeting that brought New Jersey growers face-to-face with noted New Jersey chefs, national chain grocers and multi-state distributors, these new relationships had already turned into critically needed new sales.

In addition, the NJAES website offers a wealth of information relating to animal agriculture, farm management and safety, pest management, plant agriculture and other elements of interest to those involved in commercial agriculture. (*Jersey Fresh Information Exchange*)

Rutgers School of Environmental and Biological Sciences

Peapack and Gladstone can touch base periodically with Rutgers regarding any opportunities for farm research, and test/experimental projects that might be appropriate for local farms. The RCE can keep farmers abreast, through the *Green and Growing* newsletter and the RCE website, of any upcoming special workshops or information or appropriate continuing education curriculum.

Businesses

Input Suppliers and Services

Local farmers obtain farm supplies from a number of sources in and near the County, such as Belle Mead Farmers Coop; Neshanic Home & Garden; Somerset Grain, Feed & Supply, Bernardsville; and the Raritan Agway. Additional Agways are nearby in Clinton, Flemington, and Washington. Feed and hay supplies for livestock and equine often come from the farm itself or from other farms in the County. In its 2006 Directory of Facilities, the NJDA *New Jersey Equine* Advisory Board offers three listings in Somerset County for saddle shops and feed supply: The Horse and Rider Shop, Peapack and Gladstone; Coach Stop Saddlery, Ltd., Bedminster; and Raritan Agway. In addition, four Somerset County operations are listed on the *Jersey Grown* website as certified suppliers of nursery product.

For new machinery, local farmers generally look out of county, to Tractor Supply in Washington, to New Holland dealers in Lawrenceville or Washington, or to a dealer over the state border in Elizabethtown, Pennsylvania, who will deliver and pick up. In-county, the Storr Tractor Company is located in Somerville, and nearby, in Middlesex County, Binder Machinery is located in South Plainfield. Several farmers noted that they have bought "remotely," ordering equipment and parts either over the phone or by Internet, getting delivery by UPS or FedEx for equipment repairs, about half of the farmers often choose to "do it themselves" although that becomes increasingly more difficult as the new equipment becomes more sophisticated. A few offer repair services to other farmers, and D&R Equipment in Ringoes, Hunterdon County, does repairs and sells used machinery, short line machinery, mowers, balers, sheep wranglers, etc. A farmer in Jugtown (Hunterdon County) also does repairs and will come to the farm or have the farmer drop off the equipment.

When it comes to needing the services of a veterinarian, both livestock and equine operations find that large-animal veterinarians are few and far between. Local farmers mentioned one in Hopewell (Mercer), one in Belle Mead (Somerset), several in Warren County, and a major equine hospital in Ringoes. (*Mark W. Kirby and Peter Staats*) The Equine Board's 2006 Directory of Facilities lists many equine practitioners in Somerset County, although several appear to be associated with companies such as Ethicon and Johnson & Johnson, and probably service their private farms.

Product Distributors and Processors

Hay and other forage crops are often sold locally, to other farms, equine operations, landscapers and nurseries as baled straw, or used for the farmer's own livestock and other uses. Some grain crops also are sold locally to small farmers with a few animals. In addition, there are three incounty feed outlets that process their own feed -- one does just feed; two are combination feed mill and garden center; all are located in Peapack and Gladstone. *(Mark W. Kirby)*²⁷ Generally, however, grains are sold to large grain brokers, such as the one in Yardville, also out of county. Other outlets include the Perdue grain elevators in Bordentown and Bridgeton or Penfield in New York State. Another potential outlet is an ethanol plant in Pennsylvania, which can process up to 30 million bushels of corn and needs to draw from beyond its own area. Construction of biofuels facilities in New Jersey is a state initiative, and an opportunity for the Somerset County Business Partnership to promote the County as a site for such a facility.

For livestock sales, there are two options in the state: the popular Livestock Cooperative Auction in Hackettstown, or a more distant opportunity at Cowtown, in Swedesboro. At the Hackettstown auction, farmers sell one on one to other farmers or in lots to wholesalers.

Those wishing to directly market their meat products must use a federally licensed processor. The nearest facility is in Green Village, Morris County. *(Peter Staats)*

Anticipated Agricultural Trends

Market Location

Certainly, from a market location perspective the Borough of Peapack and Gladstone is in a strong position. In the 1990s Somerset County was one of the fastest growing counties in the state and the second most affluent county in the United States. According to U.S. 2020 Census Date, Somerset County continues to remain an affluent county with a median income of \$116,510.00.

Somerset County is also strategically located in central New Jersey within a metropolitan area that includes New York and Philadelphia, and other affluent New Jersey counties which provides a strong market for agricultural products.

Product Demand

According to the Somerset County 2020 Farmland Preservation Plan, agricultural sales in Somerset County peaked in 2012 but then experienced a 13% decline in sales and livestock counts and crops harvested are down in most categories. (Somerset County 2020 Farmland Preservation Plan) In fact, net profits have dropped into the negative in 2017. As stated in the Somerset County Plan:

> To adapt, many farmers have moved into areas of the agriculture industry more suited to serving suburban lifestyles. Direct marketing has surged both in the county and nationwide. Agritourism is appearing, with activities that attract local and tourist visitors to spend additional money on farms. Horticulture sales continue to see strong growth, representing more than half of crop sales

Agricultural Support Needs

As part of the 2001 Agriculture Retention and Development Master Plan several conclusions were drawn as to how the local municipality can support agriculture. These include:

- A positive municipal regulatory environment.
- Supporting agricultural economic development activities.
- The effective use of municipal marketing and advertising can raise farm sales and productivity while also increasing the visibility of local farms.
- Municipal support for irrigation and greenhouse additions as ways to intensify farm production. Financial and regulatory support will be necessary to bring about suggested changes.
- Connection needs to be made between state value-added agricultural programs and local farm operations.

Educate other business leaders about the extent and character of agriculture in the County, and the potential business activities that might be created or attracted to serve these farm operations.

Agricultural Facilities and Infrastructure

The infrastructure farmers most need is on the regulatory and technical assistance side. Increase of municipal support through flexible land use regulations and ordinances that take into consideration the special needs of the agricultural operations are also helpful. In addition, help with financial and planning matters through workshops and other educational and counseling services provided by the state.

Additional support could come from a concerted effort to promote agritourism through signage, publications, website and media promotion.

Flexible Land Use Regulations

The Borough can work with other local municipalities toward understanding the importance of agriculture to the economy and the importance of an agriculture-friendly environment in support of the agricultural sector of the community. Right to Farm Ordinances, accommodations for agricultural vehicle movement, the building of an awareness of, and provisions supportive of agriculture, into municipal master plans and zoning ordinances, are the kind of support agriculture needs in order to be an economically viable sector.

Other areas where municipal sensitivity to the land use needs of agriculture can be helpful include consideration of the following issues when creating municipal ordinances and regulations:

- Setting specific buffer standards for non-farm development adjacent to working farms that help to limit trespassing and littering and also protect the residential landowner from dust and spray materials spread during farming activities, thus minimizing potential Right to Farm conflicts;
- Code or ordinance provisions requiring developers to notify purchasers of the proximate existence of active agriculture;
- Exemptions for certain farm structures from building height restrictions;
- Allowing additional principal dwelling units on farms in order to meet the needs of farmers for additional housing for their children or for farm managers;
- Exemptions from setback requirements when farmers seek to expand an existing nonconforming structure;
- Flexible fencing ordinances that make allowances for types of fencing on farms that might not be desirable in residential zones, in consideration of the farmers needs to prevent wildlife damage; and
- Construction fee reduction for agricultural buildings.

Agriculture Representation in Economic Development Organizations

The following Somerset County organizations support the agricultural community in the Borough of Peapack and Gladstone:

- Somerset County Business Partnership A main focus is the biotechnology initiative towards making the County a center for this business sector. The Tourism and Cultural Arts Chamber promotes the County as a destination featuring community events or points of interest. The Economic and Community Development Policy Chamber leads efforts to ensure that smart growth programs/initiatives create economic vitality for Somerset County businesses and communities.
- Somerset County Agriculture Development Board lead organization in farmland preservation and sustainability and Right to Farm mediation.
- Somerset County Board of Agriculture composed of volunteers who are individuals, or representatives of corporations and associations, willing to promote sustainable agriculture in Somerset County.
- Rutgers Cooperative Extension Service.
- Somerset-Union Soil Conservation District.
- Municipal Agriculture Advisory Committees.

Agricultural Support Implementation

Some suggestions for future agricultural support have been discussed through this chapter and document, including workshops and other educational opportunities at the state, county and local level that may require funding through the many grant opportunities available from state and federal programs. In addition, support for farmland preservation comes from the local and county open space trust funds, SADC monies through programs such as Planning Incentive Grants, and federal soil and water conservation grants from programs such as the Farm and Ranch Lands Protection Program.

Listed below are County organizations that support, or potentially can offer support, to the business of agriculture. This is as outlined in the 2007 Citizens' Guide to Somerset County Services, accessible from the County website⁻

Planning Division and CADB

- Develop direct marketing strategies for agritourism and agricultural products grown in Somerset County
- Participate in new County Agricultural Planning Incentive Grant Program

• Hold a workshop for local farmers, municipalities and nongovernment organizations to explain the Farmland Preservation Plan and the new County Planning Incentive Grant Program.

Rutgers Cooperative Extension

• Continue to support the agricultural community with technical assistance and educational programs.

Soil-Conservation District

• Accomplishments for 2006 included assisting 165 agricultural operators, assisting with conservation farm plans encompassing 1600 acres, and saving 6724 tons of agricultural soil. In 2007, the SCD offered a similar level of support.

Somerset County Vocational and Technical Schools

• Completed an upgrade to their high-school horticultural facilities in 2006 and planned to introduce an upgraded Horticultural curriculum in 2007 that will provide apprenticeships with local businesses.

Somerset County Business Partnership (SCBP)

- Completing a market demand, facility plan, and funding availability analysis in anticipation of locating a Life Sciences Business Development Center in Somerset County. Such a center could provide additional outlets and contracts for agricultural products, such as growing experimental crops, crops for chemical extraction, and raising of livestock according to specifications provided by the facilities that choose to locate in the County;
- Conducting a forum on the future impacts of industry trends and the likely effect these trends will have on business, work, and society relative to the pharmaceutical, biotechnology, and nanotechnology industries; consideration should be given to including agricultural trends as part of this forum; and
- Revamping the Economic and Community Development section of the Somerset County Business Partnership's website consistent with agriculture business attraction efforts. Consideration also could be given to creating an agricultural presence on this same website. A first step might be to reach out to leaders in the agricultural community, to build an agricultural presence among the SCBP membership.

Cultural & Heritage Commission

• In 2006, the Commission initiated and widely promoted a

successful new annual collaborative county-wide tourism event: Weekend Journey through the Past, involving 23 historic sites/heritage organizations and attracting hundreds of people from ten New Jersey counties and a total of six states. A goal is to further develop and expand this event. Already the southern tour includes a visit to The Farm Museum in Skillman. Inclusion of other agricultural destinations should be investigated. (Weekend Journey through the Past)

Future of Agriculture

The future of agriculture in the Borough of Peapack and Gladstone and Somerset County is being shaped by market forces and social trends that are occurring throughout New Jersey. These trends have already begun to redefine the traditional agricultural industry in Somerset County, and will continue to change the agricultural landscape in the near future. Among the most substantial trends shaping Somerset County agriculture is the increase in the prices of essential agricultural inputs such as farm labor, property taxes, and fuel energy. Minimum wage increases, as well as rising land, gas, and transportation prices, have combined to make farming in Somerset County expensive with the average total production cost per farm at \$69,905.00. (US 2017 Agricultural Census). The recent increases and high cost of energy prices also contribute to higher cost per acre expenses.

For the Borough of Peapack and Gladstone the most critical trends facing local farms is the cost of land, the Borough is home to some of the most highly valued land in the County and local land prices make it prohibitively expensive for young farmers to purchase land in the Borough for farming.

The impacts from rising input prices and higher local land prices will be multifaceted. Full-time farmers, whose primary incomes are from their agricultural operations, may find it increasingly difficult to continue operating due to growing residential and business development throughout the County. Farms will continue to shrink in size, and farmers will rent, instead of own, increasing proportions of the ground that they work. Farmers will also show a growing proclivity for high market value products that do not require large acreages of land, such as nursery crops.

Another challenging trend facing local farmers is accommodating growing amounts of nonagricultural land uses. Somerset County remains very attractive to home buyers, and residential and commercial areas continue expanding into previously agricultural and natural areas. Many County farmers have already capitalized on the influx of new residents by establishing farm stands and similar agritourism attractions on their farms. Farmers have also begun to provide agricultural services that more effectively cater to nearby residents, such as horse boarding and training (prominent in the Borough of Peapack and Gladstone). These practices are expected to occupy increasing shares of future agricultural sales in Somerset County, and the Borough.

Section VII: Natural Resource Conservation

Preservation of farmland is the cornerstone of the New Jersey Department of Agriculture (NJDA)'s Agricultural Smart Growth Plan, and the state and County's Farmland Preservation Program. However, there is more to farmland preservation than the retirement of development rights or the outright purchase of farms. One of the cornerstones of a successful, long term Farmland Preservation Program is the conservation of natural resources on farms, without which the long-term sustainability and viability of New Jersey's preserved farmland would be in doubt. The Borough of Peapack and Gladstone recognizes the conservation of these natural resources as a long term goal, and a necessary part of farmland preservation.

Natural Resource Protection Coordination

There are numerous entities, both public and private, which administer, fund, and provide technical guidance for Peapack and Gladstone farmers relative to natural resource conservation. These entities are in place to assist farmers with natural resource conservation issues, and are assets for farmers to assist in the management of the land and water upon which their farms depend.

Natural Resource Conservation Service

An important partner in support of natural resource conservation for the agricultural community is the United States Department of Agriculture (USDA), Natural Resources Conservation Service (NRCS). The NRCS "provides assistance to private landowners (including farmers) in the conservation and management of their soil, water, and other natural resources. Local, state and federal agencies and policymakers also rely on (its) expertise." The NRCS provides technical assistance suited to the natural resource issues that are specific to a farmer's needs, with ample opportunity for cost shares and financial incentives for such conservation programs as the Wildlife Habitat Incentive Program (WHIP) and Environmental Quality Incentive Program (EQIP).

The local NRCS office serving Somerset County (also Hunterdon and Union) is located at 687 Pittstown Road, Suite 2 in Franklin Township (mailing address of Frenchtown). Peapack and Gladstone farmers may utilize this local NRCS office for technical assistance management plans. Each state has its own Guide, which lists and discusses conservation practices particular to a state. These conservation practices improve water and soil quality, improve plant condition, and in some instances can improve air quality. Conservation practices discussed in the Guide that are pertinent for, and used in, Somerset County include:

- Riparian buffers, including necessary buffer widths and appropriate plant species;
- No till and minimum till practices;
- Prescribed grazing and pasture rotation;
- Soil erosion control via vegetation stabilization of farm field storm water gullies;
- Nutrient management, including manure and fertilizers; and,
- Animal waste control, including heavy use area concrete protection pads, which keep animal waste off the ground, and use of 3-sided animal waste storage facilities, both of which minimize manure contact with soils, groundwater and surface water.

Somerset County Soil Conservation District

An additional partner in the conservation of agricultural resources is the New Jersey Department of Agriculture, Division of Agricultural and Natural Resources. Among its responsibilities, the Division implements natural resource conservation programs, administered by the State Soil Conservation Committee (SSCC). These programs "provide engineering services and regulatory guidance to soil conservation districts, homeowners, engineers, planners and virtually all development activities. The Division provides technical standards applicable to construction and mining sites regulated by the Soil Erosion and Sediment Control Act program ..." (NJDA Agricultural and Natural Resources)⁵

The SSCC coordinates and supports the work of the state's 15 local soil conservation districts (SCD), one of which is the Somerset County SCD. The Somerset County SCD is charged with reviewing and approving natural resource conservation and assistance program grants, implementing agricultural conservation planning assistance, agricultural conservation cost-sharing program grants, application of organic materials on agricultural land, agricultural water supply and management, soil erosion and sediment control, storm water discharge authorization, and soil surveys. *(NJDA Agricultural and Natural Resources)*

The Somerset County SCD office is located in the 4-H Center at 308 Milltown Road in Bridgewater. Somerset County farmers, including Peapack and Gladstone's, may approach this local SCD office (as well as the local NRCS office) with a Request for Assistance (RFA), to apply for funds from natural resource conservation grant programs such as WHIP and EQIP. If approved, the RFA is forwarded to the local NRCS office in Franklin Township for processing. The administration of the RFA includes preparation of a Conservation Plan and grant program contract, as previously described. The Somerset County SCD is involved in review of Conservation Plans and grant program contracts, and must give final approval to both. The phone number for the Somerset County SCD office is (908) 526-2701, and the District Manager is Matthew D'Alessandro. He can also be reached at soilconservation@county.somerset.nj.us, and can be contacted by Peapack and Gladstone farmers for assistance.

• Regarding open space programs, at times towns will purchase open space tracts, but not actively manage or maintain the

property (at least temporarily), allowing it to lay fallow and proceed through stages of vegetation succession. This oftentimes provides habitat for nuisance wildlife such as deer, which then cause crop damage to adjacent farms. Damage to nursery, produce, and corn crops are a major problem for Somerset County farmers;

- Often times the general public does not see farmers in Somerset County as business people, and do not give farmers the necessary deference a business person in the community might otherwise garner. This often times leads to conflict between the agriculture community and the general public; and,
- The SCD does public outreach via pamphlets, an exhibit at the yearly 4-H Fair, and through the Rutgers Cooperative Extension (RCE) of Somerset County "Green and Growing" newsletter.

The SSCC, NRCS, Somerset County SCD, and RCE of Somerset County, are part of the New Jersey Conservation Partnership. This partnership of agencies strives to further soil and natural resource conservation efforts. *(NJDA Agricultural and Natural Resources)*

River Friendly Certification Program – North Jersey RC&D

The River Friendly Farm Certification Program was developed to address water quality concerns within the Raritan River Basin. Many of the streams within the watershed have been assessed as impaired for phosphorus, which can be attributed to poor management within agricultural areas. The River Friendly Farm Certification Program promotes agricultural best management practices through recognition of those farms that, through good management, help to protect water resources within the watershed. Conservation planning assistance is offered to those farms that do not meet the certifying criteria, but would like to install or adapt the necessary components to become certified as River- Friendly. (*www.northjerseyrcd.org*). Becoming a River Friendly Farm provides public recognition for implementing and maintaining best management stewardship practices and:

- Creates an avenue for increased marketing strategies (River Friendly Farm label)
- Improves water quality in streams while maintaining productive farmland
- Promotes more efficient use of fertilizers and pesticides
- Provides a healthier soil structure

Borough farmers and farmland owners take advantage of the various programs, as needed. The programs do meet the local conservation needs. The Borough AAC does support the North Jersey RC&D River Friendly Certification Program and will provide information, upon request, to local farmers.

Rutgers Cooperative Extension of Somerset County

The Rutgers Cooperative Extension (RCE) of Somerset County provides both field and technical research, which is focused on best management practices for farmers, to ensure the long term viability of both the agricultural economy and the natural resources upon which it is based. Peapack and Gladstone farmers should call upon the expertise of the RCE of Somerset County when necessary.

Relative to natural resource conservation, the RCE of Somerset County addresses "agricultural, environmental, and ecological concerns, and promoting the use of science- based knowledge and management techniques, agriculture and resource management agents and specialists provide professional expertise and training through a wide array of programming and outreach." *(New Jersey Agricultural Experiment Station)*⁸ Furthermore the RCE of Somerset County has the following objectives:

- To provide educational tools necessary for proper resource management decisions;
- To improve the knowledge and appreciation of agriculture and environmental resources;
- To strengthen the relationships between agricultural and residential communities; and,
- To encourage the proper use and development of management strategies.

The RCE of Somerset County office is located in the 4-H Center at 310 Milltown Road in Bridgewater. However, extension agents are regional in location.

New Jersey Department of Environmental Protection

The New Jersey Department of Environmental Protection (NJDEP)'s Division of Parks and Forestry oversees the "Private Lands Management Program." The aim of this program is to foster wise stewardship and management of the state's 270,000 acres of private woodlands currently under Farmland Assessment. (*Private Lands Management Program*). Many properties in Somerset County, including Peapack and Gladstone, that are farmland assessed include extensive woodland tracts. Such tracts were added as "farm products" in the 1970's. These woodland tracts, which must be utilized by the farmer as a sustainable "product", require Woodland Management Plans (WMPs) to receive reduced local property taxes accorded properties in the farmland tax assessment program.

The NJDEP's Division of Parks and Forestry, Bureau of Forest Management (BFM) reviews applications for WMPs, which are prepared for farmers by private consultants. Once a WMP is in place, a "Woodland Data Form" must be submitted yearly to certify that the WMP is being complied with. However, the NJDEP, BFM, also inspects each site once every three years to verify compliance with WMP conditions. Since reduced local property taxes are often critical in keeping active agricultural lands economically viable, the NJDEP, BFM is an important partner for Somerset County and Peapack and Gladstone's farmland preservation efforts.

Non-appurtenant woodlands are woodland acreage on a farm over and above total farmed acreage (tilled and pasture). So, for example, if 50 acres of a farm are tilled or pastured, and there are 125 acres of woodlands on the farm, 75 acres of woodlands would be non- appurtenant (125 woodland acres minus 50 farmed acres). In 2017, there were 627 acres of non-appurtenant (or unattached) woodland acres in farmland assessment, up from 2010 when there were 504 acres and almost double the acres reported in 1990 (335 acres). (*NJDA Farmland Assessment*)

Appurtenant woodlands are woodland acreage on a farm, less than or equal to, farmed acreage. So, in the preceding example, 50 of the 125 woodland acres would be appurtenant. Appurtenant (or attached) woodland acreage has steadily declined in Peapack and Gladstone since 1990, when there were 352 acres. By 2017, this had decreased to 198 acres in farmland assessment. *(Somerset County 2018 Summary)*

USDA, Forest Service's Forest Stewardship Program

The United States Forest Service sponsors the Forest Stewardship Program. This program supports landowners whose property has a woodland management plan that recognizes and manages the wetlands, wildlife, aesthetics, soil and water, in addition to the woodlands on the property. This program, when fully funded, offers landowners cost-share initiatives to allow the landowners to fully follow the guidelines in their woodland management plan. In New Jersey, the state farmland tax program and the U.S. Forest Service program have merged to allow one planning document for the landowner where the stewardship plan meets the state tax code and eliminates conflicts between the two. Increasing enrollment of landowners in this merged state-federal program will ensure increased protection of the natural resources for an extended period. The minimum is a ten-year management plan. This does not ensure preservation of the land in perpetuity, but it does allow recognition of the importance of the land value and stewardship of the property for a longer period of time. *(Forest Stewardship Program)*

In the Borough of Peapack and Gladstone, there are no properties enrolled in the Forest Stewardship program.

Private non-profit groups and local community support

Agriculture needs not only the broad support of state, county and local governments to help preserve agriculture resources, but also the help of private non-profit groups and local citizens. Indeed, without their support, government programs and support for agriculture would fall short of what is needed to protect the natural resource base of the agricultural landscape. These individuals spend countless hours providing and sharing their expertise, as well as raising and contributing money. They are an invaluable asset to the Somerset County (including Peapack and Gladstone) agricultural community and landscape, for natural resource conservation and stewardship.

Somerset County has the support of a variety of organizations, including the Somerset County Board of Agriculture, New Jersey Farm Bureau, 4-H (including the annual 4-H Fair), and Future Farmers of America.

Local and regional non-profit organizations also contribute to the permanent protection of farmland. These groups include The Land Conservancy of New Jersey, The Nature Conservancy, New Jersey Audubon Society, and New Jersey Conservation Foundation.

Resource Protection Programs and Funding

NJDA Soil and Water Conservation Grants

The New Jersey Department of Agriculture, State Agriculture Development Committee (SADC) has in the past provided soil and water conservation grants to farms that are permanently preserved, or are enrolled in the eight-year preservation program, with priority for preserved farms. Funds periodically become available either through appropriations, or from previously committed projects which are not completed. If a farmer is seeking cost-share in either the permanent easement or eight-year programs for installation of conservation practices, they should apply and be put on a waiting list. Then, if funds become available, there is a better chance of receiving such funds.

The purpose of the grants and program is to protect Somerset County agricultural lands from soil erosion. These grants fund soil and water conservation projects approved by the Somerset County Soil Conservation District (District), with the program administered by both the district and the local NRCS office in Franklin Township. Once the District deems the conservation project necessary and feasible, applications are forwarded to the N.J. State Soil Conservation Committee,

which recommends projects to the SADC for funding approvals. *(Soil and Water Conservation Grants)*⁻ Traditionally 50% of the costs of approved soil and water conservation projects are paid with grant funds, but up to 75% has also been approved in the past.

The types of soil and water conservation projects funded by SADC include soil erosion and sediment control systems (terrace systems), control of farmland pollution (stream protection; sediment retention, erosion or water control systems; animal waste control facilities; and agrichemical handling facilities), the impoundment, storage and management of water for agricultural purposes (diversions; water impoundment reservoirs; irrigation systems; and, drainage systems), and management of land to achieve maximum agricultural productivity (land shaping or grading). *(Soil and Water Conservation Grants)*

Federal Conservation Programs

2002 and 2008 Farm Bills

The Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) was landmark legislation, with much of its focus on conservation funding and environmental issues. Conservation provisions were designed to assist farmers in being good stewards of the land through grants and technical assistance. Voluntary programs relevant to New Jersey, and Somerset County, included the Conservation Reserve Enhancement Program (CREP), Conservation Innovation Grant Program (CIG), Environmental Quality Incentives Program (EQIP), Farm and Ranch Land Protection Program (FRPP), Grassland Reserve Program (GRP), Wetlands Reserve Program (WRP), and Wildlife Habitat Incentives Program (WHIP). (Conservation Programs)¹⁶ These programs are continued under the May 2008 Farm Bill (Conservation, Food and Energy Act of 2008). However, statutory language changes mean new program rules need to be written by the U.S. Department of Agriculture. These rule changes may impact how New Jersey implements some its programs. Once the new rules are approved for use, and prior to any 2009 funding decisions, all applicants will have ample opportunity to review the rule changes and contract terms, and will be required to comply with all applicable rules and requirements in place at the time of contract obligation. (NRCS, Farm Bill). As in the past, the programs will be administered by the local NRCS office in Franklin Township, and the Somerset County Soil Conservation District, as discussed in this section.

The Mid-Atlantic region, of which New Jersey is part, is generally underserved by federal farm programs. The Northeast/Mid-Atlantic region receives on average less than two cents in commodity payments for every dollar in farm sales, in stark contrast to over fifteen cents in some Midwest and Western states. With smaller than average farms, lower profit margins, varied crops, and development pressure, New Jersey has unique farm and food policy needs, which do not

match other, larger agricultural states who receive the bulk of commodity payments. The 2008 Farm Bill creates the new "Average Crop Revenue Election" program. This is a revenue guarantee program based on "five-year state average yield and the two-year national average price". The program is established levels. *(Farm Bureau Update newsletter)*. Such a revenue support system may well have a positive effect for Somerset County Farmers since it would help specialty crops and niche markets receive their fair share of payment support.

Some of the most significant gains in the 2008 Farm Bill were made in the area of conservation practices. Authorized funding increased by over \$4 billion, which should translate into increased stewardship practices, and a healthier environment via cleaner water, reduced erosion and enhanced wildlife habitat. However, many of the programs require annual appropriations from Congress, which often can mean a shortfall in full implementation of these critical conservation programs. The numerous agriculture advocacy groups should lobby Congress for full funding on a yearly basis. Some highlights of the 2008 Farm Bill include:

- Improvement of the Farm and Ranch Lands Protection Program (FRPP) to allow for greater flexibility at the local level. Nationally, authorized funding rises from \$97 million to \$200 million a year by 2012.
- Expansion of the Environmental Quality Incentives Program (EQIP) to allow for innovative approaches that generate public benefits such as water and soil quality improvements, renewable energy production, and wildlife and open space protection. Nationally, authorized funding rises from \$1.2 billion to \$1.75 billion in 2012.
- Establishment of a conservation loan guarantee program to help producers secure low interest loans in order to implement often-costly conservation and environmental practices.
- Creation of a cooperative conservation initiative as a way for producers and community groups to work together on common natural resource concerns.
- Greater flexibility with third party technical assistance providers to identify and implement the most effective conservation practices appropriate for the land.
- Continuation of the Wetlands Reserve Program (WRP) and the Grassland Reserve Program (GRP) to protect water resources and expand wildlife habitat. *(American Farmland Trust website)*

The following is a synopsis of the natural resource conservation programs to be funded by the 2008 Farm Bill. They will be implemented by NRCS and the Somerset County SCD, and also to a minor degree the Farm Service Agency, which is also part of USDA. These programs are the backbone of natural resource conservation efforts in Somerset County and its municipalities,

including Peapack and Gladstone.

Conservation Reserve Enhancement Program (CREP) and Conservation Reserve Program (CRP)

Through CREP and CRP, agricultural producers voluntarily retire land to protect environmentally sensitive areas, decrease soil erosion, provide and restore wildlife habitat, and protect ground and surface water. (*NRCS Conservation Programs*).

Conservation Innovation Grant program (CIG)

The aim of the CIG program is to stimulate the development and adoption of conservation approaches and technologies which are innovative, in conjunction with agricultural production. Funds are awarded as competitive 50-50 match grants to non-governmental organizations, tribes, or individuals. *(NRCS Conservation Programs)*.

Environmental Quality Incentive Program (EQIP)

EQIP is a conservation program in which farmers receive financial and technical assistance with structural and management conservation practices that address soil, water, and grazing land concerns. *(NRCS Conservation Programs)*.

EQIP is a voluntary program that assists producers in promoting conservation efforts. Working through the NRCS, funding is targeted towards investing in solutions that conserve natural resources for the future while also improving agricultural operations.

EQIP provides agricultural producers with financial resources and specialized help to plan and implement improvements and conservation measurements that benefit the environment. (https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/)

Agricultural Conservation Easement Program (ACEP)

The ACEP replaced the Federal Farm and Ranchland Preservation Program (FRPP) and provides financial and technical assistance to help conserve agricultural lands and wetlands. (https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/easements/acep/)

Grassland Reserve Program (GRP)

The Grassland Reserve Program (GRP) was a voluntary conservation program that emphasized support for working grazing operations, enhancement of plan and animal biodiversity, and protection of grassland under threat of conversion to other uses. The 2014 Farm Bill repealed the GRP but did not rescind existing contracts entered into prior to its adoption.

Wetlands Reserve Enhancement Partnership (WREP)

The 2014 Farm Bill replaced the Wetlands Reserve Program with the Wetlands Reserve Enhancement Partnership (WREP) under the ACEP. This is a voluntary program through the NRCS which enters into agreements with eligible partners to leverage resources to carry out high priority wetlands protection, restoration and enhancement beyond NRCS requirements. (https://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/easements/acep/)

Wildlife Habitat Incentive Program (WHIP)

The Wildlife Habitat Incentive Program (WHIP) provides technical and financial assistance for creating, enhancing, and maintaining wildlife habitat. This program is available through the State Technical Committee for WHIP in New Jersey who awards project contracts for designated wildlife habitat categories. (https://www.nj.gov/dep/fgw/artwhip07.htm)

NJDEP Landowner Incentive Program

New Jersey's Landowner Incentive Program provides technical and financial assistance to private landowners interested in conserving threatened and endangered plant and animal species on their property. Potential projects include vernal pool restoration, prescribed burns, and stream fencing. The State is particularly focused on grassland within regional priority areas and lands adjacent to Wildlife Management Areas and other permanently protected areas.

Water Resource Protection

The protection of the water resource is critical to agriculture and farmland preservation. Without a consistent, plentiful, adequate and clean water source, agriculture cannot exist. In addition, farms are critical as open space areas to provide aquifer water recharge. To a certain extent, some aspects of ensuring clean and plentiful water can be controlled at the individual farm level. These include:

- Minimizing the use of synthetic chemicals such as fertilizers, herbicides, pesticides, and fungicides so as to lessen impacts to groundwater;
- Providing riparian buffers along watercourses, so as to protect streams from the abovementioned synthetic chemicals, and from soil erosion;
- When possible, practicing organic farming methods;

- Practicing appropriate timing of chemical application, so as to minimize its use; and,
- Practicing water conservation techniques, such as drip irrigation and water re-use for certain types of farming where feasible, such as smaller scale vegetable and fruit operations.

Competing demands for water will likely increase, as well as conflicts between agricultural and non- agricultural users. The necessity of groundwater to water certain crops, and the difficulty in sometimes obtaining local and state approval to withdraw the necessary groundwater is often cited as a problem. Though farmers must use water wisely and conserve wherever possible, as an important and vital part of the Borough's economic vitality and social fabric, they must also be allocated sufficient amounts of water to operate their farming business.

The major (water) aquifer in Somerset County is known as the Brunswick Shale. It has a limited capacity for water storage and is usually filled during periods of normal precipitation. The limited ability of this aquifer to accept and transmit water is exhibited in the extreme differences between minimum and maximum flow in streams overlying the shale. In areas underlain by highly fractured shale containing mineral voids, the groundwater storage capacity is moderately high. Large diameter industrial wells in the Brunswick Formation of the Raritan Valley typically yield over 200 gallons per minute and can exceed 500 gallons per minute.

Groundwater recharge is derived primarily from the local region. It comes either from precipitation falling on intake or outcrop areas, vertical leakage from nearby runoff, or from infiltration from adjacent water bodies. Variables such as depth to water table, runoff, vegetation, soil type, soil thickness, temperature, and topography can affect the amount of water available and able to enter the aquifer. Most of the natural infiltration occurs between late fall and early spring, when the ground is not frozen and vegetation is in early growth or dormant. It is possible for the prolonged withdrawal of water to exceed the recharge potential in an aquifer, resulting in diminution of available water which can be economically pumped. Natural groundwater quality is considered to be generally good. However, this quality can be affected by infiltration from surface sources, particularly in populated and industrialized areas. Contamination can come from such diverse sources as malfunctioning or improperly designed septic systems; infiltration of agricultural fertilizers such as nitrates, and pesticides; salt run-off from winter road de-icing; gas and oil products from leaking underground storage tanks; leachate from landfills; and, industrial discharges.

An adequate water supply is important to successful agriculture operations in Peapack Gladstone. Droughts in recent years have highlighted the precarious nature of the agriculture (and general) water supply, and the need for water conservation systems and regimens. The State Agriculture Development Committee, through its Agricultural Smart Growth Plan, encourages farmers to " ... work to accelerate the use of efficient water conservation technologies, such as drip irrigation. Identify and promote new and efficient methods to conduct water distribution on farms, utilizing farm ponds and water reuse options."

Waste Management Planning

Management of livestock waste could have serious implications for the quality of ground and surface waters. Unchecked, or poorly managed, these wastes can cause serious water quality problems by the introduction of unwanted microorganisms into natural systems. Poor management of animal waste can also cause disease among farm animals. Proper animal waste management is not only required, but is also a sign of good environmental stewardship, as is recycling of farm by-products whenever possible. Concentrated Animal Feeding Operations (CAFO) and Animal Feeding Operations (AFO) have the potential to cause water pollution through the collection of large amounts of animal waste in relatively small areas. Mismanagement of the animal waste has the potential to cause soil and groundwater contamination via introduction of the bacteria, fecal coliform, a known contaminant from animal farming operations. As such, proper management is essential.

The NJDEP has outlined a statewide strategy to manage and regulate these operations. The strategy calls for NJDEP to administer CAFO permits, and NJDA to administer the appropriate measures for AFOs and self-certification plans. These measures require development and implementation of comprehensive waste management plans, utilizing "animal waste standards", proposed by NJDA. The strategy emphasizes the use of cost-effective voluntary measures, limiting the need for permits. Self-certified waste management plans will be coordinated through the RCE of Somerset County, unless otherwise specified in the aforementioned "animal waste standards".

To protect the quality of surface and groundwater in and around animal farming operations, the NJDEP has adopted a general permit for managing and regulating CAFOs. The permit is administered through the NJPDES regulations at N.J.A.C. 7:14A-2.13, under authority of the Water Pollution Control Act. The permits require CAFOs to comply with the federal effluent limitation guidelines that prohibit discharge to state waters. The New Jersey Department of Agriculture, State Soil Conservation Committee, Natural Resources Conservation Service and New Jersey Soil Conservation Districts have partnered with NJDEP to implement the general permit as part of a statewide strategy to control pollution from CAFOs.

Recycling

Recycling is an important part of natural resource conservation for the agriculture industry. Recycling saves natural resources, and also saves farmers money through creative reuse, such as using leaves and grass clippings to mulch and fertilize farm fields and saving on solid waste disposal costs. Recycling reduces the amount of refuse finding its way to limited landfill space. The nursery and greenhouse industry in the County also offers recycling opportunities for such things as nursery film and potting and pesticide containers. Somerset County has a tire recycling program for all county residents, including farmers. Additionally, local breweries are starting to team up with cattle/dairy farmers to sell spent grain as feed.

Energy Conservation Planning

Setting energy efficiency goals makes sense for all economic sectors, including agriculture, and can be part of a basic business plan. Issue to address include energy usage, methods to reduce energy consumption and other energy-related strategies. There are also a number of promising alternatives ranging from solar to wind turbines, that provide farmers a balance of economic and environmental benefits. Identifying which technologies make the most sense for Borough farmers, educating farmers, and encouraging their application are important implementation action steps. Creating a stable and predictable regulatory environment, both at the state and local level, is also critical.

Renewable Energy Grant Programs

The NJDA provides the following information on renewable energy grant programs, which can help encourage the use of these energy sources:

- New Jersey's Clean Energy Program: Administered by the New Jersey Board of Public Utilities, this program provides financial incentives to install clean energy systems, including fuel cells, solar energy, small wind and sustainable biomass equipment. Financial incentives are in the form of rebates, grants and loans.
- Renewable Energy Systems and Energy Efficiency Improvements Program: This program helps increase American energy independence by increasing the private sector supply of renewable energy and decreasing the demand for energy through energy efficiency improvements. Over time, these investments can also help lower the cost of energy costs for small businesses and agricultural producers. Agricultural producers with at least 50% gross income from agricultural operations and small businesses in eligible rural area are eligible for a variety of grant funding (unrestricted and restricted funds and reporting). Funds may be used for projects such as biomass, geothermal, hydropower and wind renewable energy system. (https://www.rd.usda.gov/programs-services/rural-energyamerica-program-renewable- energy-systems-energy-efficiency)
- Biomass Research and Development Initiative Grants: The United States Departments of Agriculture and Energy support development of biomass energy. Grants are available for research, development and demonstrations on bio-based products, bio-energy, bio-fuels,

bio-power and additional related processes. In the recent past, grants have focused on development and demonstration projects that lead to greater commercialization. Additional information is available at the following website: (Agriculture and Green Energy) http://www.state.nj.us/agriculture/news/hottopics/topics060222.html.)

The Borough looks to the County and state to take the lead in these initiatives. The Borough can help by publicizing and referring programs. The AAC will host seminars and encourage local farmers to attend these educational opportunities.

Section VIII: Agricultural Industrial Sustainability, Retention and Promotion

The term "sustainable agriculture" can mean something different to every farmer in the agriculture community. The issue was first referenced in the 1990 Farm Bill, which defined it in terms of an integrated system of plant and animal practices having site-specific applications. Practices such as Integrated Pest Management (IPM), Rotational Grazing, Soil Conservation, Cover Crops, Planting Riparian Buffers, Management of Agriculture Impervious Cover, and Crop/Landscape Diversity are some methods to help farmers protect the quality of the environment and conserve the resources that sustain agriculture. A nationwide "*Sustainable Agriculture and Education Report*" points outs that "sustainable agriculture" is more than a set of prescribed practices, since a "key goal is to understand agriculture from an ecological perspective in terms of nutrient and energy dynamics and interaction of plants, animals, insects and other organisms in agri- ecosystems, and then balance it with profit, community and consumer needs". (*SARE 2003*)

Sustainable agriculture is also grounded in the premise of creating an environment that is supportive of agriculture as an industry by blending innovative marketing strategies such as farmers markets, buy local programs and community supported agriculture, with good comprehensive planning, economic development and natural conservation practices. Strategies at the local level including agriculture-friendly zoning, clustering, lot averaging and Transfer of Development Rights.

Existing Agricultural Industry Support

SADC Farmland Preservation Program

Important to Peapack and Gladstone farmers is the State Agriculture Development Committee (SADC). The SADC is the lead program in administering the state's Farmland Preservation Program. The SADC:

- Provides cost share funding for the purchase of development easements;
- Directly purchases farms and development easements from landowners;
- Administers grants to landowners in the Farmland Preservation Program to fund up to 50 % of soil and water conservation projects;
- Administers the Right to Farm Program
- Administers the Transfer of Development Rights Bank; and,
- Operates the Farm Link Program, which helps connect farm owners with potential tenant farmers.

SADC Direct Easement Purchase Program

The SADC Direct Easement Purchase is a program that allows a landowner to apply directly to the

SADC for the sale of development rights. In most cases, the State will pay up to 100% of the certified appraised easement value in the direct easement purchase program. 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 receive monetary contributions from the County or the municipality but, in some situations, can include local cost share.

In Peapack and Gladstone, the state has not preserved any farms.

SADC Fee Simple

A fee simple acquisition involves an entire property being purchased directly by the state. The SADC pays the survey and title costs, the landowner is exempt from paying rollback taxes for farmland assessment and the transaction can be completed in a matter of months. The SADC negotiates a purchase price subject to recommendations of two independent appraisers and review by a state review appraiser. The land becomes restricted so that it becomes permanently preserved for agriculture. In this type of acquisition, the landowner does not retain any rights. The property is then resold at auction; the SADC does not retain ownership. To qualify to participate in this program, the farmland must be within an ADA and be eligible for Farmland Assessment.

Right to Farm

To ensure farmers have the ability to continue accepted agricultural operations, the Right to Farm Act was enacted by the State Legislature in 1983, and amended in 1998. The Act provides "protection of commercial farm operations from nuisance action, where recognized methods and techniques of agricultural production are applied, while, at the same time, acknowledging the need to provide a proper balance among the varied and conflicting interests of all lawful activities in New Jersey." (*Right to Farm Program*). Another critical piece of legislation to support agriculture was the 1983 Agriculture Retention and Development Act. This Act created the State Agriculture Development Committee (SADC), and eighteen County Agriculture Development Boards (CADB's). Both the SADC and CADB implement the Right to Farm Act on the State and local levels. (*New Jersey's Great Northwest Skylands*).

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The SADC works to maximize protections for commercial farmers under the Right to Farm Act by

developing Agricultural Management Practices (AMPs), tracking Right to Farm cases, offering a conflict resolution process, and reviewing rules proposed by other state agencies for the impact they may have on agriculture. In order to qualify for Right to Farm protection a farm must meet the definition of a "commercial farm" in the Right to Farm Act; be operated in conformance with federal and state law; comply with AMPs recommended by the SADC, or site specific AMPs developed by the Somerset County Agriculture Development Board (CADB) at the request of a commercial farmer; must not be a direct threat to public health and safety; and, must be located in an area where agriculture was a permitted use under municipal zoning ordinances as of December 31, 1997, or thereafter; or, must have been an operating farm as of December 31, 1997. The Somerset CADB has developed a "Policy for Development and Recommendation of Site-Specific Agricultural Management Practices" that closely mirrors guidelines of the SADC.

Farmland Assessment

The Farmland Assessment program is a tax incentive which reduces property taxes on active commercial farmed land, thereby assisting farmers with a critical financial aspect in helping to keep land in farms. This tax incentive is made possible by the Farmland Assessment Act of 1964, N.J.S.A. 54:4-23.1 et seq.

Basic eligibility requirements include:

- The applicant must own the land;
- The property owner must apply annually for Farmland Assessment
- Land must be devoted to agricultural and/or horticultural uses for at least two years prior to the tax year;
- Land must consist of at least five contiguous farmed and/or woodland management plan acres. Land under or adjoining a farmhouse is not counted towards the minimum five acres;
- Gross sales of products from the land must average at least \$1,000.00 per year for the first five acres, plus an average of \$5.00 per acre for each acre over five. In the case of woodland or wetland, the income requirement is \$.50 per acre for any acreage over five. Dependent on the agricultural or horticultural products being produced, the farmer can also offer clear evidence of anticipated yearly gross sales, payments, or fees within a reasonable period
- The property owner must represent that the land will continue in agricultural or horticultural use to the end of the tax year.

The program is intended to decrease real estate taxes to help farmers maintain the financial viability of their farm in the midst of escalating real estate values.

Additional Strategies to Sustain, Retain, and Promote Agriculture

Regulatory Flexibility and Permit Streamlining

Municipalities play a key role in the preservation of farming as an industry. Without strong and active support from municipal governments, farming can be too costly and burdensome to be profitable or worthwhile. In towns with a sizable acreage of assessed farmland, zoning powers can be utilized to require buffers between agriculture and other uses to minimize conflict.

For example, the Borough has adopted a Right to Farm Ordinance the purpose of which:

... is to encourage the continuation and expansion of commercial and home agricultural pursuits by continuing a positive agricultural business climate and protecting farmers against unjustified private nuisance suits, where recognized methods and techniques of agricultural production are applied and are consistent with relevant Federal and State law and nonthreatening to the public health and safety; at the same time, this chapter acknowledges the need to provide a proper balance among the varied and sometimes conflicting interests of all lawful activities in the State of New Jersey. The purpose of this chapter is not to have this chapter in part or in whole supersede any other ordinance of the Borough of Peapack and Gladstone. The retention of agricultural activities is desirable to all citizens of Somerset County because it insures numerous social, environmental and economic benefits including the preservation of open space, atmospheric habitat; the preservation of land as a nonreplenishable resource and as a source for agricultural products for this and future generations; and the protection and maintenance of the aesthetic beauty of the countryside and rural character of the community which includes farm, architecture, and scenic variety.

The viability of farming in New Jersey is impacted by many issues, including government regulation, development pressures and the economics of the marketplace. While land preservation is vital for maintaining a sufficient land base suitable for farming, sustaining the Borough's agricultural base requires support on many fronts, one of which is flexibility in government regulation.

The 2006 Agricultural Smart Growth Plan for New Jersey identified the following as important relative to regulatory flexibility and priority:

• Positive and supportive public policy: This includes legal protection (Right to Farm), priority in decisions on taxation (farmland assessment), regulation exemptions, and financial incentives (Planning Incentive Grants). These need to be strengthened and modified if and when, necessary;

- Exemptions: State, county and municipal regulations must be responsive to the needs of farmers. Minor changes to, or exemptions from, certain local and state regulations, rules, and ordinances help to buffer agricultural operations from burdensome costs, thereby creating a farmer-friendly environment. Pertinent examples are the strong Right to Farm Ordinances in seven of the twenty-one municipalities within the county. At a state level, the Department of Environmental Protection's "Freshwater Wetlands Protection Act Rules" (N.J.A.C. 7:7A-et. seq.), and the "Flood Hazard Area Control Act Rules" (N.J.A.C. 7:13), grant exemptions, permits-by-rule, or general permits for agricultural activities. The Somerset County agriculture community must work to ensure that exemptions are adequate and reasonable;
- Flexibility: State agencies such as the Department of Environmental Protection, Department of Transportation, Department of Community Affairs, Department of Labor, and New Jersey Commerce Commission, should consider the NJDA 2006 Agricultural Smart Growth Plan for New Jersey when making important decisions regarding existing and proposed infrastructure, developing and amending regulations and programs, and protecting environmental and historic resources. These agencies should coordinate with NJDA to ensure that regulations and programs are attuned to the needs of Somerset County farmers;
- Agriculture-Friendly Zoning: This refers to a comprehensive land use practice that coordinates zoning and land use policy in a proactive way. The desired result is that it encourages agribusiness while at the same time reducing the incidence of farmer-homeowner nuisance issues.

Agricultural Vehicle Movement

In recent years, as many portions of the rural landscape have become developed with residential subdivisions and shopping malls, the lifestyles of farmers and suburban residents may clash. Farmers need to move heavy, slow moving agricultural equipment over local, county and sometimes state roads to access unconnected fields, barns, etc. Residents need to commute to workplaces, or drive to area destinations for shopping, town sports and social activities, at a pace much faster than the slow-moving agricultural equipment. These different paces can, and do, cause conflict between farmers and suburban dwellers. They can also create unsafe road conditions as residents and farmers "compete" for road space.

Since many farm vehicles travel over local roads, the Borough should continue to support local agricultural business' right to do so.

Signage alerting fast moving cars as to the possible movement and road crossing of slow-moving farm vehicles is an additional, effective tool to protect farmer (and automobile passenger) safety. Signage also informs the public at large that agriculture is an important, equal and permanent fixture of borough life. Local officials should consult with farmers as to what adequate signage is and where it should be posted.

Agricultural Labor and Training

An adequate labor supply is integral to farming. Measured in farmed acreage, the Borough has a relatively small industry for produce products compared with field crops such as corn, soybeans, and hay, and nursery products. Harvesting of the latter farm products is more mechanized, and/or not as labor intensive as produce or equine.

Using Somerset County as an example, produce (fruits, berries and vegetables) occupy approximately 98% less land than field crops and nursery products. As of 2012, 410 acres were devoted to fruit, berries and vegetables, while 16,504 acres were devoted to field crops and nursery products. Since the overall portion of agriculture in Somerset County devoted to labor intensive farming is small farm labor housing, a large issue in counties with high farm labor populations, is for the most part, not a pressing concern in Peapack Gladstone.

To sustain a modern, diverse and stable food and agricultural industry, education and progressive, ongoing training for farmers will promote a more efficient and productive business environment. This includes programs covering "farmer risk management education, labor education including worker safety, agricultural leadership training, secondary school and college agricultural education."

One educational link for Somerset County agricultural landowners and operators is to collaborate with the Rutgers Cooperative Extension (RCE) of Somerset County (associated with Cook College, Rutgers University). There is not a minimum or maximum size farm to which the RCE will lend assistance, so long as it is farmland assessed.

During the growing season, RCE of Somerset County coordinates with other RCE offices in northwest New Jersey to conduct on-site farm meetings regarding a range of agricultural issues including vegetable growing, safe operation of farm equipment, and programs to certify and recertify farmers for pesticide application licenses.

The RCE of Somerset County performs applied research on area farms to further knowledge on a wide range of issues pertaining to agricultural plants and animals. Results of any research are used to advise local farmers on an as needed basis.

Through its Division of Agriculture and Natural Resources' Natural Resource Conservation Program, the New Jersey Department of Agriculture offers technical, financial and regulatory assistance, and provides educational outreach to landowners throughout the state. The Department also offers, in conjunction with the U.S. Department of Agriculture, farm risk management and crop insurance education programs to assist farmers in understanding what assistance is available to reduce agricultural risks.

Agriculture labor education and training funding may be available through the New Jersey

Department of Labor and Workforce Development programs. These programs can help to assist in upgrading the skills and productivity of the agricultural workforce. Some of the programs which may be applicable include Customized Training Initiative, Basic Skills Program, and Occupational Safety and Health Training Program.

Management of Nuisance and Crop Damaging Wildlife

Management of nuisance and crop damaging wildlife is critical to the short and long-term sustainability of Borough's agriculture industry. Crop damage from wildlife leads to economic loss for the farmer and/or landowner and is a serious problem with huge crop loss in certain instances. Most damage is caused by a multitude of insects as well as deer, turkey, Canada Geese and other wildlife. It is imperative to not only control and manage damage to crops, but also to do so in a manner which causes the least amount of collateral natural resource damage (i.e. limit pesticide use to the greatest extent possible, using natural pest control).

Deer exclusion fencing may be effective for protecting produce since produce is grown on relatively small plots of land. However, it is not cost effective to erect deer fencing on very large tracts of land where, for example, corn may be grown. One-way farmers may control damage from deer is through hunting of crop damaging animals. This hunting is allowed on private lands through depredation permits, issued by the New Jersey Department of Environmental Protection's (NJDEP) Fish and Wildlife Program.

The New Jersey Department of Agriculture's Division of Plant Industry works to safeguard New Jersey's plant resources from injurious insect and disease pests. The Division implements several programs for detection, inspection, eradication and control of insect pests, which helps to ensure that the public can enjoy high quality, pest-free agricultural products. Protection of forest resources is important to farmers who harvest wood as part of woodland management plans on their farmland assessed properties.

Other Agricultural Support Programs

The federal government is a key partner in supporting Somerset County agriculture. There are several federal programs that support, or could support, the agricultural industry in Somerset County. As such a discussion of each is warranted and follows below.

• USDA Rural Development Program - Known as the Rural Development Program, the United States Department of Agriculture (USDA) has an extensive array of loans and grants to assist residents in rural areas of the Country to support essential public facilities and services such as water and sewer systems, housing, health clinics, emergency service facilities, and electric and telephone service. Through the program the USDA offers technical assistance and information to agricultural cooperatives as well as to communities

for empowerment programs. With a multi-billion-dollar portfolio of loans, loan guarantees, and grants the USDA is an effective partner to assist the agricultural community.

- Income Averaging for Farmers The U.S. Taxpayer Relief Act of 1997, administered by the U.S. Department of Treasury's Internal Revenue Service is meant to smooth out economic disparities that farmers experience from year to year due to the cyclical nature of agriculture. Known as Farm Income Averaging, qualified farmers can average all or part of their current year farm income over the previous three years. Substantial tax dollars can be saved by income averaging.
- USDA Farm Service Agriculture Program Farming is a business which can be cyclical and unpredictable, with factors such as weather and market conditions affecting crops and profitability, both out of the farmer's control. As such, farmers often need assistance to make ends meet, to stay profitable, and to stay in business. Many times federal government loan programs are available, and farmers can take advantage of these loans as a tool in running their farm business.

The United States Department of Agriculture (USDA), Farm Service Agency (FSA) makes

"... guaranteed farm ownership and operating loans to (beginning farmers), family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender", often due to financial setbacks from natural disasters, or whose resources are too limited to maintain profitable farming operations. FSA loans can be used for most agriculture necessities such as purchasing land, livestock, equipment, feed, seed, supplies, and also for construction of buildings, or to make farm improvements.

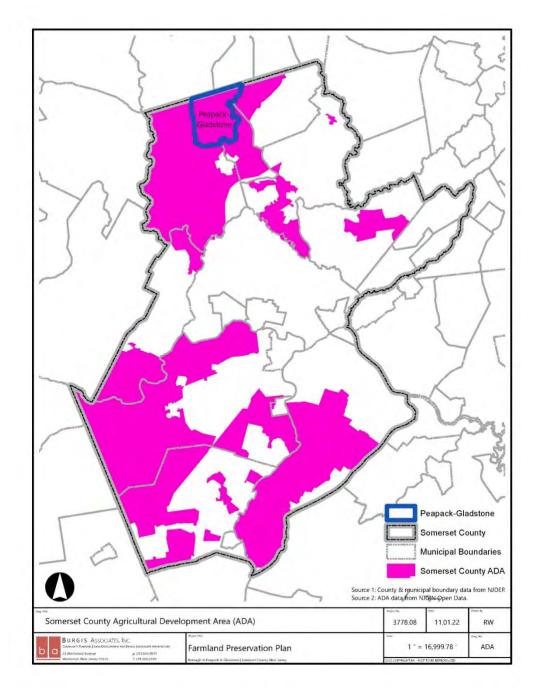
The FSA also makes "Direct" farm loans. These loans include supervision and credit counseling for farmers so they have a better chance for success. Under this program, farm ownership, operating, emergency and youth loans are the main types of loans available, but there are also minority applicant and beginning farmer loans.

Appendix

Maps



MAP 1 – FARMLAND PRESERVATION PLAN



MAP 2 - SOMERSET COUNTY ADA AREAS

Supportive Services

The following represents a listing of online framing resources available to assist the farming community:

The New Jersey Department of Agriculture State Agriculture Development Committee (SADC):

• <u>New Jersey Farmland Preservation Program | New and Beginning Farmers</u> (nj.gov)

Farmlink: This is a new, interactive mapping website to search for farm listings, and connect with other farmers and landowners provided free of charge by the State of New Jersey

• <u>Www.njlandlink.org</u>

United States Department of Agriculture Farm Service Agency:

• <u>New Jersey State Office (usda.gov)</u>

Rutgers Agricultural Experiment Station:

- <u>Cooperative Extension (Rutgers NJAES)</u>
- County <u>RCE of Somerset County (rutgers.edu)</u> (Rutgers Cooperative Extension of Somerset County)

Somerset County Agricultural Development (SCADB) Farmland Preservation Program:

• <u>SCADB Farmland Preservation Program | Somerset County</u>