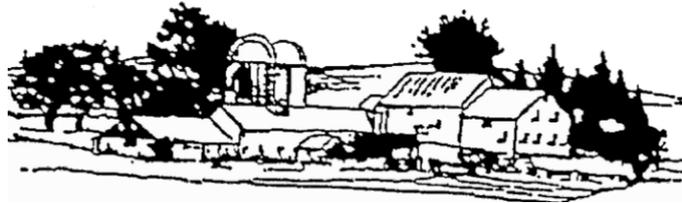


The Colts Neck

Farmland Preservation Bulletin

Winter/Spring – 2011



Published by the Colts Neck Farmland Preservation And Open Space Committee

Richard Malinowski – Chairperson – 732-834-0088
Edward Eastman – Township Committee Liaison – 732- 462-7170
John Jacoby –Bulletin Editor & Municipal Representative to the Monmouth County Agriculture Development Board – 732-462-6567
Patrick Gilmore – 732-817-0363
Brian Grant – 732-526-7203
Thomas Morin – 732-946- 2625
Virginia Mumford – 732- 409-0216
Tom Orgo – 732-772-1772
Patricia Polgar – 732-946-4875
Richard Rehm – 732-946-2644
Ellen Terry – Secretary – 609-223-2569

FORWARD:

The Farmland Preservation and Open Space Committee of Colts Neck Township issues a Semi-Annual Bulletin to improve communications between Colts Neck Landowners and the Committee. In the interest of efficiency, the Bulletin will be kept brief but will cover topics that the Committee believes will be of interest and useful to Colts Neck Landowners. In addition to keeping Landowners apprised of Local, County and State actions, issues and options related to the Farmland Preservation Program, the Bulletin will cover Farm Bureau Applications and other information on Agriculture Programs and farmland use in general. Questions should be referred to the above committee members.

WHAT'S HAPPENING AROUND TOWN.....?

Preserved Farms Update – A recent Application has been submitted by the owner of a 16.12 acre farm located on Phalanx Road near two previously preserved farms ---- the 106.4 acre McCrane farm and the 85.8 acre Blackburn farm.

Minimum Qualifying Farm Income – Mr. Orgo met with Senator Beck regarding the new

Farmland Assessment statute. Senator Beck confirmed that the minimum qualifying income for farmland assessment will rise to \$1,000.00.

State Animal Waste Management Plan – A Reminder - While this issue was discussed in the previous issue of this bulletin, it bears repeating as a reminder to those in Colts Neck who have not yet complied.

Bill Sciarappa of Rutgers has asked Mr. Thomas Orgo to give broad distribution of notice of the plan, because Colts Neck is in a water supply watershed. The previous law mandated that all animal buildings be located at least 100 feet from the property line, but neglected to provide specifically for storage of animal waste on the property. This new law mandates that animal waste be kept at least 100 feet from the property line, and be contained. **Anyone owning more than one horse is required to have, and file, a Waste Management Plan with the State. The deadline for filing was September 10, 2010**, and there has been wide-spread non-compliance with the requirement. Mr. Orgo has urged that the application for filing a plan be made easily available to Colts Neck horse owners. The Committee decided that Tom should contact Beth Kara and request that the applications be made available in the Township Office. Beth has arranged for the Colts Neck Planning Department to be the contact point for this issue. Should it be necessary to obtain clarification on any aspect of these rules, one may contact the Cooperative Extension of Monmouth County, Rutgers New Jersey Agricultural Experiment Station, 4000 Kozloski Road, P.O. Box 5033, Freehold, New Jersey 07728-5033, Phone – 732-431-7261. If necessary, they can put you in touch with Dr. William Sciarappa.

Monmouth County Accomplishments

Monmouth County Green Table Seminar – Why Horse Racing is Critical to Monmouth County

The Monmouth County Green Table Seminar on the value of the Equine Industry to Monmouth County and New Jersey was conducted on Tuesday, March 1, 2011 at the Monmouth County Library, 125 Symmes Drive, Manalapan, NJ. Dr. Karyn Malinowski, Rutgers Equine Science Center spoke on the economics of racing and the potential ramifications of changes in the racing industry on the local agricultural economy. Mr. Dennis Drazin, Chairman of the New Jersey Racing Commission spoke on the latest proposals and legislation to keep racing strong in New Jersey.

Dr. Malinowski's remarks were based on 2007 Study conducted by the Rutgers Equine Science Center entitled "The New Jersey Equine Industry 2007 – Economic Impact". Acknowledging the complexity of the industry and the need for an updated assessment of its value, the Rutgers Equine Science Center led an effort beginning in July 2006 to analyze the economic impact of the horse industry in New Jersey. The Center partnered with several government agencies, industry groups, and private individuals to accomplish this task – the result of which is the "New Jersey Equine Industry – 2007".

In addition to the impressive numbers, the impact on the quality of life in New Jersey is, undoubtedly, the most important contribution the horse industry makes. Horses are in every county in New Jersey and, by all accounts, are one of the top attractions for residents from the cities and suburbs when they tour the state. Clearly, New Jersey is horse country and these study results show why this is true. Key points of Dr. Malinowski's presentation included the following:

A - Economic Impact of the Equine Industry on New Jersey:

- Total economic impact of \$1.1 billion annually
 - \$278.2 million annually for racing-related operations, not including racetracks
 - \$262.4 million annually for non-racing operations
 - \$117.8 million annually for equine owners without operations
 - \$647 million annually for the three preceding categories combined
 - \$502.3 million annually for New Jersey racetracks

B – Employment

- Nearly 13,000 jobs generated
 - 9,150 jobs generated by equine operations, not including racetracks
 - 3,820 jobs generated by racetracks

C – Taxes Generated

- An estimated \$160 million annually paid in federal, state and local taxes
 - \$85 million generated by equine operations and owners
 - \$75 million generated by New Jersey racetracks

D – Acres to Support Equine Facilities

- 176,000 total acres reported by equine operations
 - 96,000 of these acres are directly related to equine activities
 - 78,000 of these acres are devoted to pasture and hay production
- 46,000 additional acres in New Jersey produce hay and grain for horses
- New Jersey equine-related acres represent about one-fifth of the states 790,000 acres in agriculture

E – Animals and Operations

- 42,500 equine animals housed in New Jersey
 - 30,000 in non-racing activities
 - 12,500 in racing-related activities – 8,200 racing-related Standardbreds & 4,300 racing-related Thoroughbreds
- 7,200 equine operations in New Jersey
- \$4 billion in equine-related assets
 - \$582 million in equine animals
 - \$2.9 billion in land and buildings (not including racetracks)
 - \$476 million in racetrack assets (land and buildings)

Equine Operations and Associated Land by County

The following table shows the Equine operations and associated land for the top ten counties of the state:

County	Number of Operations	Total Facility Acres	Acres that are Equine-Related	Acres Used for Pasture, Hay, and Grain
--------	----------------------	----------------------	-------------------------------	--

Hunterdon	1,110	29,400	16,600	14,000
Monmouth	960	27,300	19,900	15,700
Burlington	850	20,700	12,100	10,100
Sussex	640	20,000	10,300	7,800
Warren	500	18,800	6,800	5,300
Salem	500	12,900	5,600	4,700
Gloucester	490	6,200	3,600	2,800
Ocean	290	4,000	1,500	1,100
Cumberland	270	8,200	3,300	2,800
Atlantic	270	3,100	2,100	1,500

This table demonstrates the importance of the Equine industry to Monmouth County. In addition to the economic impact of the industry, it is consistent with the policy goals of the county to support open space and farmland preservation. As indicated in the Rutgers Equine Study, There is a reason the state animal of New Jersey is the horse.

Proposals and Legislation to Keep Horse Racing Strong in New Jersey – Dennis Drazin, Chairman, NJ Racing Commission – *(Some information in this section of the Bulletin has been extracted from a 2009 Rutgers study on the same subject by Dr. Karyn Malinowski and Ryan Avenatti)*

Mr. Drazin talked about the serious impact being experienced by the New Jersey race horse industry with the introduction of state lotteries in 1970 and casino gaming in Atlantic City in 1977. As surrounding states continue to provide alternative gaming opportunities for residents of New Jersey, the State’s racing industry continues to erode. Since their inception in Atlantic City, New Jersey’s casinos have operated virtually with no competition for the gaming dollar, being the only gaming destination on the East Coast. Thirty years later the picture has changed where Delaware, New York, Pennsylvania, West Virginia and now Maryland have approved the placement of video lottery terminals or slot machines at their respective racetracks. Casinos are not alone in “feeling the pain” of increased gaming opportunities in close proximity to New Jersey. Competition for the gaming dollar affects horse racing and lottery interests as well. The entire state is suffering. Gaming dollars are tied to tourism, transportation and retail spending, providing the double benefit of boosting the state economy with much needed tax revenue.

Pari-mutuel wagering can no longer ensure racing’s sustainability; nor can it fund the ever increasing costs of improving an aging plant infrastructure or with the promotion and marketing that needs to be conducted to introduce racing to a “new” generation of fans. These additional funds might be supplied by the state as a direct subsidy; however, while Governor Christie is very supportive of the industry, he cannot support such action in the current economic situation. Additional options include continued Purse Enhancement Agreements from Atlantic City casinos, Expansion of Off-Track and Internet Wagering, or by increasing revenue by adding slot machines and/or video lottery terminals to New Jersey racetracks with a portion of that revenue dedicated to the horse racing and breeding industry.

Off-Track and Internet Wagering have been successful in New Jersey since being approved by the Legislature in 2001; however, only three of the 15 authorized off-track wagering centers have opened to date. The following table shows the results reported by the New Jersey Racing Commission in 2008:

New Jersey Account Wagering

	2007	2008
<i>Internet</i>	\$64,319,015.	\$79,090,735.

<i>Phone</i>	\$12, 287,207.	\$9,985,987.
<i>Off Track Wagering</i>	\$30,892,422	\$140,787,044.
<i>Total</i>	107,498,644.	\$229,863,766.

Racing interests need to take advantage of this legislation and proceed with the strategic opening of additional wagering outlets while at the same time being cognizant of the impact these gambling outlets will have on live handle at the racetracks.

What Other Options Are Being Considered by the New Jersey Racing Commission to Enhance the Viability of the New Jersey Racing Industry?

Pennsylvania permits 61,000 slot machines at racetracks and has in place a long-time off-track wagering and phone betting system. Florida offers both slot machines and poker rooms at its racetracks. Delaware and New York both have video lottery terminals at their racetracks and Delaware has passed legislation to permit sports betting and table games at its racetracks to enable them to remain competitive within the region.

There should exist in New Jersey a partnership between the casino and horse racing industries to enable both to remain sustainable as competition for the gaming dollars continues to escalate. This is no longer a discussion about competition between the horse racing and casino industries. It is about the competition between two important New Jersey industries and the rest of the region. Slot machines in New York and Pennsylvania are impacting Atlantic Casinos now and will continue with increasing force as more machines are put into operation, and, more neighboring states like Maryland implement this form of wagering.

For years Atlantic City casino owners have resisted the idea of installing video lottery terminals at New Jersey racetrack and off-track wagering facilities. The study commissioned in 2007 by the governor’s office predicted that the installation of 2100 lottery terminals at the Meadowlands Racetrack, Scenario A, would generate approximately \$268 million annually in gross revenue with a payout of approximately \$114 million to the state. Video lottery terminals at the Meadowlands would also draw clientele from Northern New Jersey and New York residents who do not want to drive to Atlantic City. In Scenario B, it was estimated that an additional 2,100 video lottery terminals at Monmouth Park, for a total of 4,200, would generate \$411 million; and Scenario C, adding an additional 2,100 machines at Freehold Raceway for a total of 6,300 would generate \$434 million in the first year of operation. The projected revenue generating ability of these scenarios is conservative in view of the fact that at Yonkers Raceway, 5500 machines generated \$208.60 per day per unit for a potential of \$418.764 million per year.

What does New Jersey Stand to lose if the Horse Racing Industry in the State does not adapt to meet the Competition from Bordering States?

The Garden State stands to lose its premier agribusiness which generates \$780 million of economic impact annually, 7000 jobs, \$110 million in federal, state, and local taxes and 57,000 acres of working agricultural landscape and open space, if racing-related training and breeding farms leave New Jersey. An analysis by Goundrey & Malinowski in 2007 of preserved farmland in the state showed that a small portion of preserved farmland is in equine related activity. Only eight percent of acreage in the Farmland Preservation Program is used for horse related activities and eleven percent of preserved farms are in the horse business. This reinforces the argument that the state stands to lose this farmland to development if racing is no longer viable. Also, racing is not the only equine discipline that will lose if New Jersey racing does not successfully make the changes it so desperately needs. Sport competition and recreational horse users stand to suffer, as will traditional agricultural interests such as grain, hay, and straw farmers who continue to survive and maintain open space due to the fact that their major

customers are horse owners.

State Agriculture Development Committee Issues

New Jersey Preserving 1,900 Acres as Open Space

New Jersey is spending nearly \$28 million to preserve 1900 acres of land as open space in Monmouth, Mercer and Burlington counties.

The State Department of Environmental Protection recently announced a deal with the Flemer family, which until recently operated the land as Princeton Nurseries. Based in Upper Freehold Township, it was once one of the nation's largest commercial nurseries.

More than 1,000 acres will be preserved through the creation of a 512 acre state wildlife management area and by adding nearly 500 acres to the Monmouth and Mercer county parks systems.

An additional 900 acres will be preserved through acquisitions of development rights on farmland.

DEP Commissioner Robert Martin said, "I commend the Flemer family and all the partners for having the foresight to recognize the importance of preserving this land". Agriculture Secretary Douglas H. Fisher said the land is among the state's best for agricultural uses. Also, he said "This project is in the midst of what already is the highest concentration of preserved farmland in the state, and for good reason --- the farmland here has extraordinarily high-quality soil, among the best in New Jersey".

The \$27.8 million deal uses more than \$16.4 million in state, local and non-profit open-space funding sources for the purchase of land for the wildlife management area and the parkland additions. The SADC and its partners are providing an additional \$11.4 million to purchase farmland easements. The deal is expected to close early next year.

The majority of the land is in Upper Freehold Township in Monmouth County, with additional parcels in Hamilton Township in Mercer County and North Hanover Township in Burlington County. The land is located where Monmouth, Mercer and Burlington Counties meet. It will help connect thousands of acres of existing county park lands and greenways along Crosswicks Creek.

Useful Internet Links

The following are selected Internet Links that are provided here to assist Colts Neck Landowners desiring access to additional information relating to Farmland Preservation and other agricultural issues:

State Agriculture Development Committee (SADC) –

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

Monmouth County Agriculture Development Board (MCADB)

[http://co.monmouth.nj.us/ Departments/Planning Board/Environmental Planning/Farmland Preservation](http://co.monmouth.nj.us/Departments/Planning%20Board/Environmental%20Planning/Farmland%20Preservation)

NJ Farm Bureau – <http://www.njfb.org/>

The American Farmland Trust's Web site (www.farmlandinfo.org), and

The Nature Conservancy's Web Site (www.nature.org)