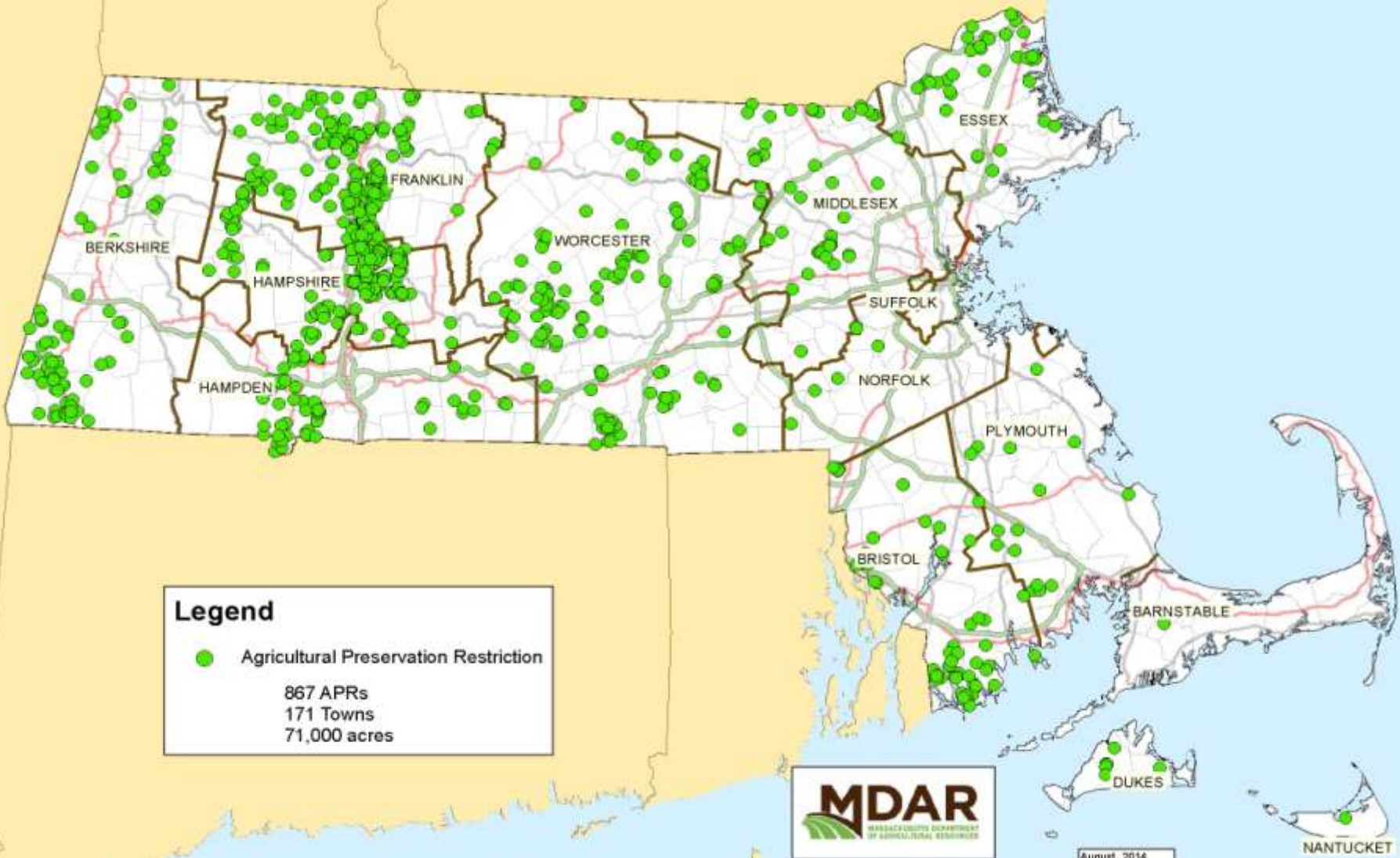


Agricultural Land Use Protection

Does it Open the Door to Farmland Ownership?



Agricultural Preservation Restrictions in Massachusetts



Legend

- Agricultural Preservation Restriction

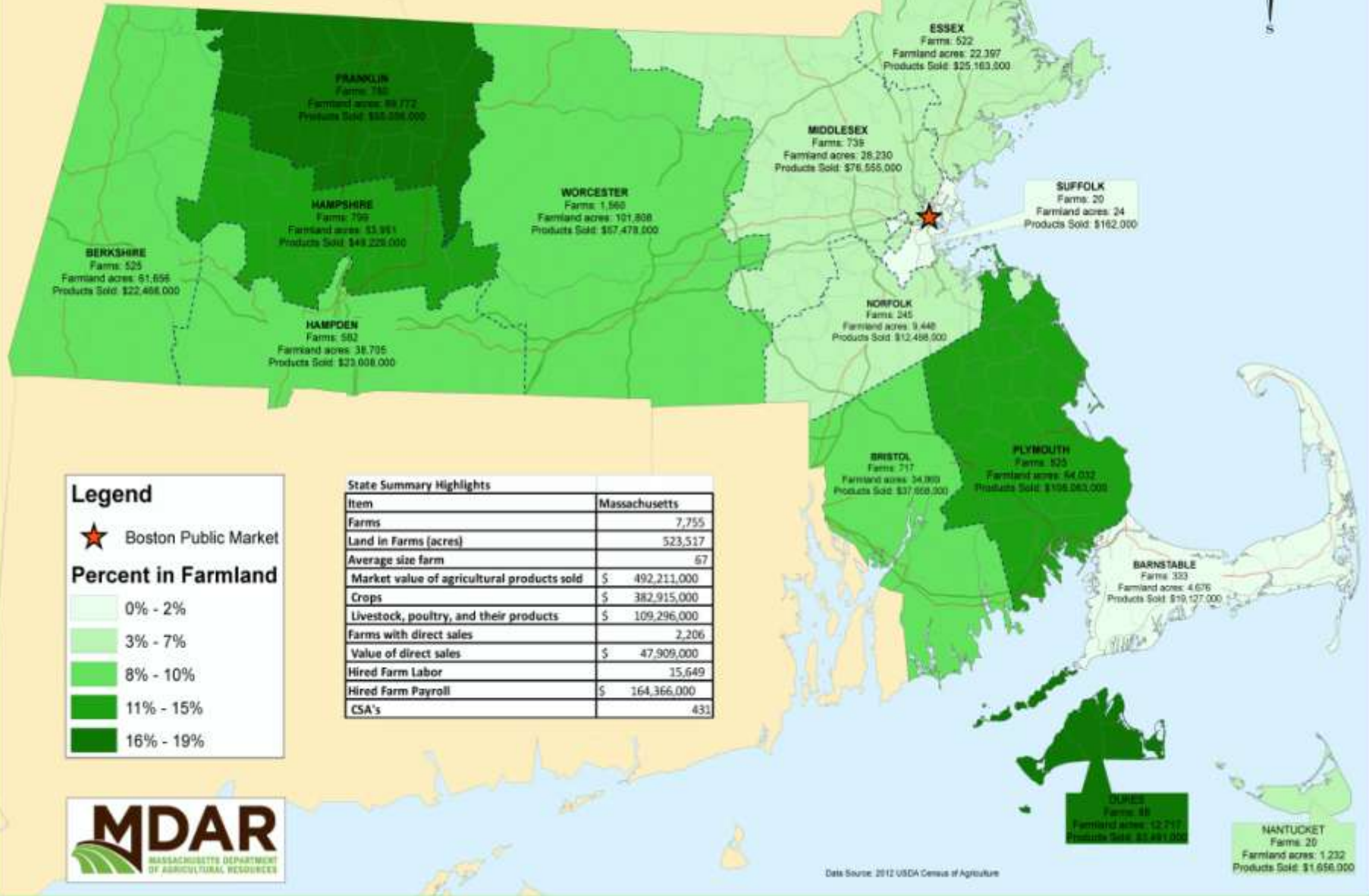
867 APRs
171 Towns
71,000 acres



August, 2014

NANTUCKET

Snapshot of Massachusetts Agriculture



Legend

Boston Public Market

Percent in Farmland

- 0% - 2%
- 3% - 7%
- 8% - 10%
- 11% - 15%
- 16% - 19%

State Summary Highlights

Item	Massachusetts
Farms	7,755
Land in Farms (acres)	523,517
Average size farm	67
Market value of agricultural products sold	\$ 492,211,000
Crops	\$ 382,915,000
Livestock, poultry, and their products	\$ 109,296,000
Farms with direct sales	2,206
Value of direct sales	\$ 47,909,000
Hired Farm Labor	15,649
Hired Farm Payroll	\$ 164,366,000
CSA's	431



Data Source: 2012 USDA Census of Agriculture

- **PURPOSE:**

The primary purpose of the APR program is to preserve and protect agricultural land, including soils, as a finite natural resource, from being built upon for non-agricultural purposes or used for any activity detrimental to agriculture.

 - Ownership type not specified
- Further, the program is designed to keep APR land values to a level that can be supported by the land's agricultural uses and potential.
 - ROFR 1986 – Match P&S/assign
 - Waiver of Option 1992 Determine Ag Value
 - Housing Include/Exclude/Third Party Covenant

- **What is available on the market and how does the resource match needs**
 - Size (Subdivision potential – NRCS policy)
 - Infrastructure (Single Use – especially high cost)
 - Housing
 - Retail/Wholesale
 - Community (Lifestyle, Local Support, Expectations)
- **Condition**
 - Upland/Lowland soils
 - Fertility, Drainage, Irrigation, Slope, Prior Use
 - Land Clearing Potential (USDA/Conservation Commission/Army Corps)
- **Competition**
 - Expanding Farms
 - Well Backed New Farms
 - Investors (leasing to meet restriction requirements)
 - Higher Value Uses
- **Options**
 - Flexibility of use on and off the restricted land to be acquired (Special Permits/Farmsteads)
 - Changes in Restriction documents and program policy over time (Farm Bureau/Constituent)
 - Potential for appreciation
 - Ownership /Equity

APR Improvement Program

New in 2012 – Prioritizes APRs in new ownership that did not receive the benefit of the original payment. Recognizes that new or significantly changed enterprises on older APR land may need access to funds for redirection or expansion, and no longer have access to sale of land or rights. Can also assist with eligibility for credit by enhancing permanent on-farm infrastructure.

Phase I – Business Planning

Phase II – Contract and Grant Award (\$25,000 - \$100,000)

Phase III – Receipts, Reporting and Evaluation (high percentage of additional owner investment)

•

Top Uses of AIP Funds

- **Farmstand/ Retail**
- **Kitchen/Value Added Processing**
- **Hay/Equipment Barn**
- **Livestock Housing**
- **Vegetable Storage/Washing/Packing**
- **Establishing Perennial Crops**
- **Dairy Processing**
- **Irrigation/Wells/Drainage**

A First Step to Preservation? Short Term to Permanent Conversions – Farm Viability

- Tool to increase viability in preparation for preservation – can accommodate heirs concerns
- Demonstrate success – increase borrowing power
- Allows investment in equipment and other non-permanent improvements
- 10 Year restriction – renewable once
- \$25,000-100,000
- Business Plan/Spending Plan
- Conversion Formula for APR



THANK YOU FOR ATTENDING THE AFT CONFERENCE!

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