



Trends in APR Program Acquisitions: What Is (and Is Not) Being Protected

Policies of PDR Programs in other States

To inform potential policy recommendations, AFT examined certain policies of PDR programs in six northeast states: Connecticut, Delaware, Maryland, New Jersey, Pennsylvania, and Vermont. The review focused on the following topics:

- *Easement Value*: what is the average a state program pays for the easement? The easement value is the difference between the appraised fair market value and the agricultural value. (Note: measured below as average per acre value in fiscal year 2009).
- *Per Acre and Project Caps*: do state programs place a limit on the amount they will pay for the easement value: either for the total project or on a per acre basis?
- *Local Match and Bargain Sales*: do state programs require municipalities, counties or other entities, such as a land trust, to pay a portion of the easement value? Do programs require landowners to accept less than the full value of the easement, often referred to as a “bargain sale”?

State	Program	Ave per acre Easement Value	Per Acre and Project Caps	Local Match and Bargain Sales
Connecticut	Farmland Preservation Program	\$4,600	\$20,000 per acre	None
	Joint State-Town Farmland Preservation Program	\$4,600	\$20,000 per acre	at least 25%
Delaware	Agricultural Lands Preservation Program	\$2,500	None	None (competitive application process)
Maryland	Maryland Agricultural Land Preservation Foundation	\$5,952	None at state level	2 funding rounds: none in first round; 40% from counties in second & ranked by bargain sales
New Jersey	State Easement Acquisition Program	\$7,917	None	None; bargain sales increase project ranking
	County Easement Grants Program	\$7,917	None	20-40% from county; bargain sales increase project ranking
Pennsylvania	Agricultural Conservation Easement Purchase Program	\$2,191	None at state level	None; portion of funds allocated to county partly based on match
Vermont	Farmland Preservation Program	\$1,023	\$3,500 per acre and \$500,000 per project	None; match can increase ranking

Additional Information:

Connecticut

There are two programs in Connecticut. The Connecticut Farmland Preservation Program allows landowners to apply directly. The Joint State-Town Farmland Preservation Program provides for the joint purchase of development rights by the state and a town, provided the town has a policy in support of farmland and has an agricultural land preservation fund. Towns may solicit from willing landowners; once a landowner in an eligible town applies, the state and town work jointly.

Local Match and Bargain Sales

Connecticut Farmland Preservation Program does not require a match, but often makes use of bargain sales; between 2000 and 2006, over half of the farms protected were acquired using a bargain sale, a total of almost \$4 million in bargain value. Joint State-Town Farmland Preservation Program will pay 10-75% of the value of development rights, thus requiring a minimum of a 25% match.

Delaware

Local Match and Bargain Sales

The program does not require a bargain sale. However, the program is competitive and applicants with the highest percent discount below the easement value are selected (bargain sale). The average discount is 52 percent, with the state paying the remaining 48 percent. This bid process is the only selection criteria; all other factors are included in eligibility.

Maryland

Per Acre and Project Caps

MALPF has not established per acre or per project caps. County programs, however, are authorized and encouraged to establish caps. To date, only Carroll County has set a cap, which is 70 percent of the appraised value of the easement.

Local Match and Bargain Sales

Each year the Maryland Agricultural Land Preservation Foundation (MALPF) makes offers in two purchase rounds. Half of the total available state funds are divided equally among the 23 counties during round one. County matching funds are not required in this round. During round two, the state provides a 60 percent match up to \$1 million per county. In addition, the state ranks projects statewide based on the willingness of landowners to accept a bargain sale.

New Jersey

The State Agriculture Development Committee (SADC) administers multiple acquisition programs. Under the State Easement Acquisition Program, SADC buys easements or land in fee directly from landowners. The County Easement Grants Program provides funding to county programs to purchase development rights on farms.

Local Match and Bargain Sales

A local match or bargain sale is not required for the state easement program, however a landowner can improve the farm's ranking by offering a bargain sale. Through the county easement grants program SADC provides counties with grants to fund 60-80 percent of the costs of purchasing development rights on approved farms, thus requiring a 20-40% local match. Under the county program, bargain sales also increase the project's ranking and priority for funding. To date, the state has paid an average of 88 percent of the total acquisition cost through its direct easement acquisition program and 61 percent of the total acquisition cost through its grants to counties for easement purchases.

Pennsylvania

Per Acre and Project Caps

In 2001, the state program eliminated its \$10,000 per acre cap. Many counties, which administer the program, set caps: forty-one counties have set caps on state and county contributions toward easements acquisitions, while 16 operate without any caps. Most of the caps represent maximum prices per acre. A few, such as York County, have instituted a percentage caps—the state and county will not pay more than 90 percent of the estimated easement value.

Local Match and Bargain Sales

While the state does not have requirements for local matching funds, the state requires counties to declare available local matching funds before state funds are allocated. The availability of local funds in addition to agricultural production in the county, determines how much money is allocated to the county. The remaining half of the annual funding is distributed to counties based on the amount of real estate activity within the county as measured by real estate transfer tax revenues.

Vermont

Per Acre and Project Caps

The Vermont Housing and Conservation Board (VHCB) can waive the per acre and project, although this is rare. The per acre cap may be waived for projects with “substantial leverage” (match or bargain sale) and the farm is an “exceptional resource.” VHCB can waive the project cap if the property is an “outstanding statewide resource.”