

Planning for Agriculture: How Farmland Preservation Drives Land Use Planning and Agriculture Drives the Local Economy; What Land Use Planners Need to Know

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What is Farmland Preservation?

- ◆ 1. Purchase or donation of conservation easements (development rights) - PDR
- ◆ 2. Transfer of Development Rights (TDR)
- ◆ 3. Limited development with conservation easements
- ◆ 4. Fee simple acquisition and re-sale with easement or leasing

Who Does Farmland Preservation?

- ◆ Private, non-profit land trusts
- ◆ County, Town, and Township Governments
- ◆ States and the Federal Government through the Natural Resources Conservation Service (NRCS)
- ◆ Willing Landowners
- ◆ Public-private partnerships

Agricultural Land

- ◆ Farmers and Ranchers own most of the privately held land in the U.S.
- ◆ Average age: 58
- ◆ Tens of millions of acres will change hands over the next 20 years
- ◆ Metropolitan counties produce most of the nation's vegetables, fruits, nuts, and dairy products
- ◆ Nearly all of the farmland in metro counties is worth more for growing houses, strip malls, and office parks

Challenges Farmers Face

- ◆ Profitability- Be the low cost producer or find niche market
- ◆ Passing the Farm to the Next Generation
- ◆ Resisting the Temptation to sell land for development

How Can Land Preservation Help?

- ◆ Enables farmers to sell their development rights and get cash out of their land without having to sell land for development
- ◆ Can create a retirement fund, and then farmers can sell “preserved” land to a family member or another farmer.
- ◆ Most farmers love their land and would like to see it stay farmland if they can afford to. Cash injection can help make the farm more profitable.

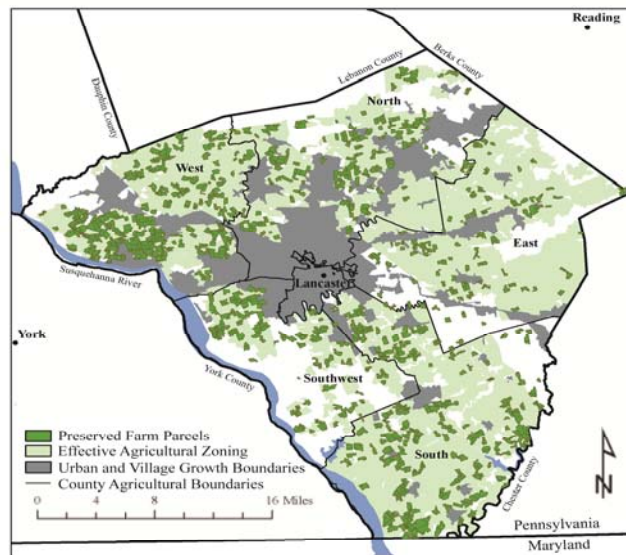
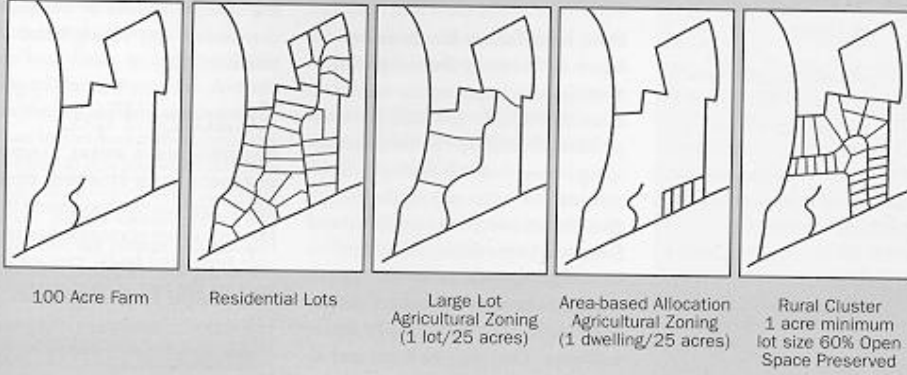
Goals of Farmland Preservation Programs

- ◆ Preserve large contiguous blocks
- ◆ Maintain a critical mass of farms and farmland
- ◆ Affordable prices for farmland
- ◆ Reasonable cost of preservation
- ◆ Commercially viable farms
- ◆ Help direct development, create or reinforce growth boundaries
- ◆ Sustained public and private support

The Planning Approach

- ◆ A Comprehensive Plan that documents the importance of agriculture, and sets goals and objectives for land *preservation*, land *protection* (zoning), and infrastructure (growth boundaries/growth areas)
- ◆ Public funding for farmland preservation
- ◆ Effective agricultural zoning: One house per 20 acres
- ◆ Peace with the Development Community
- ◆ Public-Private Partnership between Local Government and one or more land trusts: cooperative agreement and joint projects

Agricultural Zones and Permitted Development



Steps in the Sale or Donation of a Conservation Easement

- ◆ Application
- ◆ Appraisal
- ◆ Offer
- ◆ Title search
- ◆ Sign and record deed of easement
- ◆ Monitoring

What the Easement Contains

- ◆ Whereas clauses: cite state law (public purpose), conservation values
- ◆ List acreage with legal description
- ◆ If a bargain sale or donation, note that
- ◆ Permitted uses (ag)
- ◆ Prohibited uses
- ◆ Required soil and water conservation plan
- ◆ Indemnification
- ◆ Assignability
- ◆ Signatures

Development Rights Sale Example

- ◆ 250 acre Farm
- \$950,000 Appraised Fair Market Value
- \$500,000 Appraised Value Restricted to Farming and Open Space
- \$450,000 Appraised Easement Value and Cash Paid to Farmer

Benefits to the Community

- ◆ Preserved farmland is still ratable
- ◆ Better control over the pace and location of development
- ◆ Preservation of Open Space (raises non-farm property values)
- ◆ Reduction in increase of cost of community services
- ◆ Local food source
- ◆ Economic diversity

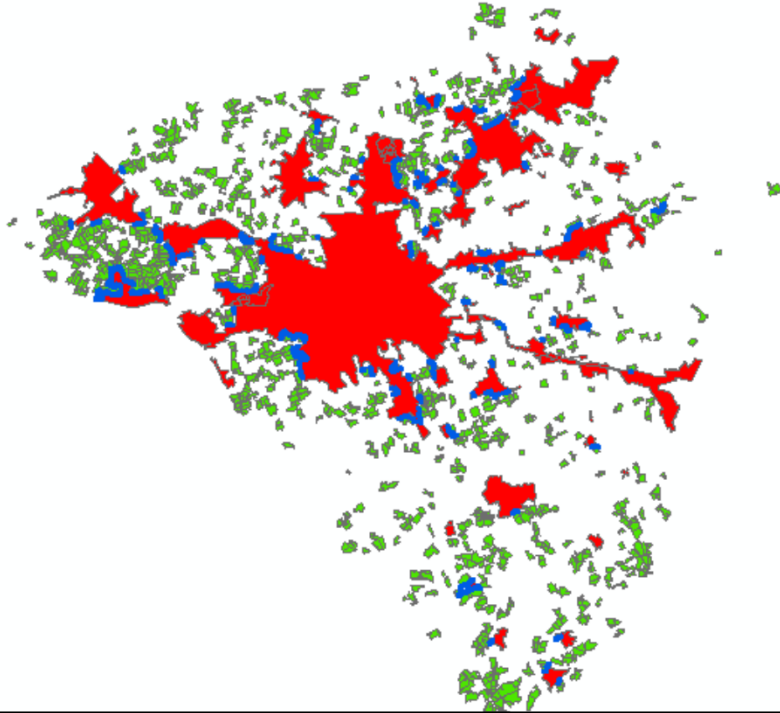
Dangers

- ◆ Land preservation is voluntary; farmers not interested in preservation
- ◆ The preservation of “islands” of farmland that act as magnets for development, especially in areas without effective ag zoning
- ◆ Fragmented farmland; Impermanence Syndrome
- ◆ Confusing the preservation of open space with farmland preservation: Lack of a strategy
- ◆ Lack of funding; high cost of preservation

Funding Sources

- ◆ Public:
 - ◆ Bonds, real estate transfer taxes, local sales tax, local income tax, property tax increase, IPA, state and federal grants (ALE-2014 Farm Bill)
- ◆ Private:
 - ◆ Foundations, major donors, members, conservation buyers
 - ◆ Public-private partnerships

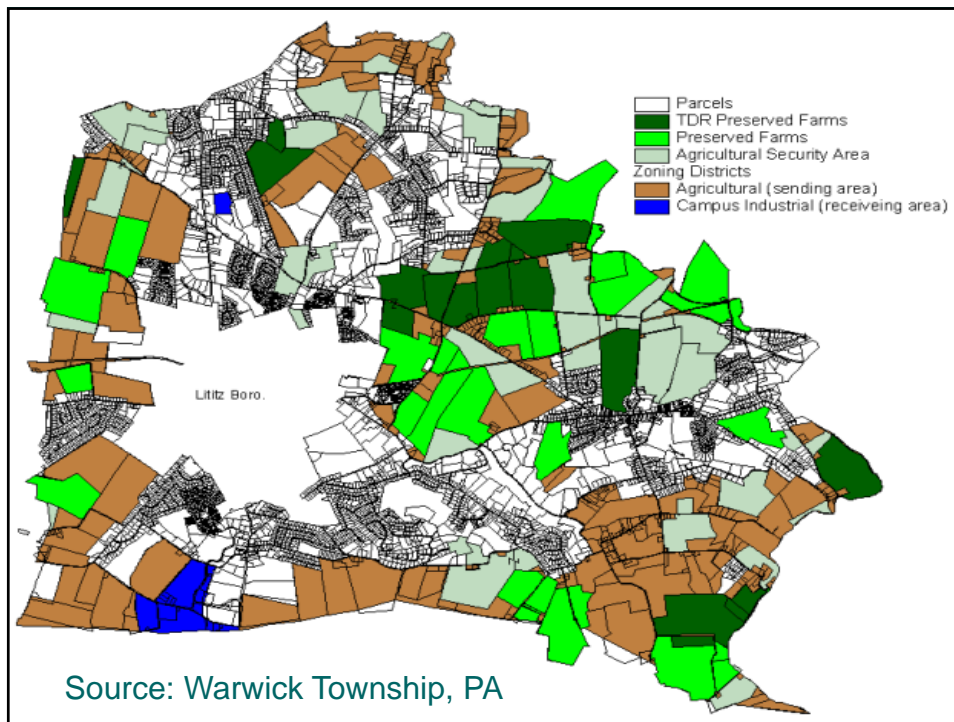
Tracking



TDR

- ◆ State enabling legislation
- ◆ Amendments to the text and maps of the local comprehensive plan and zoning ordinance to permit TDRs and identify sending and receiving areas
- ◆ Conservation easements protect the sending sites from further development
- ◆ Local approval of bonus density and site plan for use of TDRs on receiving area sites





King County, WA TDR-What Developers Can Get

◆ Zone	Minimum Density	Maximum Density
◆ R-4	4	6
◆ R-6	6	9
◆ R-8	8	12
◆ R-12	12	18
◆ R-18	18	27
◆ R-24	24	36
◆ R-48	48	72

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Other Sources

- ◆ Farmland Preservation Report:
www.farmlandpreservationreport.com
- ◆ Farmland Information Library:
www.farmlandinfo.org