## Overview of PDR (Purchase of Development Rights Programs)

**Agricultural Stewardship Association** 



Purchase of Development Rights (PDR) programs financially compensate landowners for permanently protecting their land.

Through PDR programs, landowners sell the development rights on the land and place a conservation easement on the property that limits future development. Farmers who place conservation easements on their land retain ownership of their property and are able to sell or transfer the land in the future. The goal is to protect the land, soils, agricultural viability and productivity, while compensating the farmer.

A conservation easement is a voluntary, legal agreement that permanently limits uses of the land in order to protect its conservation values.

PDR programs are developed by states, localities, and the federal government to protect high-quality agricultural land and keep it available for farming for future generations. Agricultural Stewardship Association (ASA) administers such programs and works directly with qualified landowners in Washington and Rensselaer counties to help them through the process of applying to protect their farmland.



There are several funding sources for PDR programs. Most often, ASA helps interested landowners apply to New York State's Farmland Protection Implementation Grants (FPIG) Program. Run by the Department of Agriculture and Markets, the program works to protect valuable, at-risk farmland from development by compensating landowners for placing a conservation easement on their property.

Landowners who want to participate don't apply directly to the state, but rather work with ASA. ASA helps farmers through the grant application to make sure that the farmers who apply have the greatest chance of success. If awarded, ASA will manage the project and ensure the easement terms are upheld after closing. Once awarded, the entire process may take up to two years to complete.

#### Where does the funding come from?

Each year, New York State's legislature allocates funds for this grant program from the Environmental Protection Fund. Other sources of funding may also become available, such as through the Bond Act. Demand is high, and typically, there are twice as many applicants as funding allocated each year, making the grant process very competitive.

A state PDR grant provides up to 87.5% of the total cost to purchase the development rights, including project-related expenses such as the survey, title report, appraisal, environmental assessment, ASA attorney time, staff time and recording fees. The remaining amount must come from a local match.







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In most cases, landowners donate a portion of the development rights as the match requirement.

#### What farms are most likely to be selected for PDR?

Funded projects primarily focus on commercially viable farming operations with a large percentage of the land in active agriculture. The state occasionally changes the eligibility from past funding cycles, but some eligibility criteria may include:

- Percentage of Productive Soils (prime, statewide important soils)
- Development pressure or likelihood of non-farm conversion
- Proximity to public natural resources or other protected farms
- Demonstrated good farm management practices
- Consistency with state, local and ASA planning documents (i.e. Farmland Protection Plans)

State PDR projects require considerable time, paperwork and patience. The process can take up to two years to complete, or sometimes longer if unforeseen issues arise. ASA will work side by side with the landowner during this entire process.

Because of the popularity of the state program, ASA asks interested landowners to submit a "preapplication" that describes their farm operation in detail. A review committee, formed of ASA staff and County Agricultural Farmland Protection Board members, ranks these pre-applications to help determine the best projects for this funding opportunity. This pre-application allows ASA to be prepared to submit applications quickly when state funding becomes available.



The Agricultural Conservation Easement Program – Agricultural Land Easements (ACEP-ALE) is funded by the Farm Bill and administered by the Natural Resources Conservation Service of the U.S. Department of Agriculture (NRCS).

Eligible land includes cropland, rangeland, grassland or pastureland. NRCS prioritizes applications that protect farming and natural resources while focusing on protecting blocks of contiguous acres devoted to agriculture. ACEP-ALE provides 50% of the value of the conservation easement but does not fund project-related expenses.



On a case-by-case basis, private funding for PDR is sometimes available through ASA fundraising efforts. Potential projects are evaluated according to the property's physical features, conservation attributes and location, funding availability, and whether the property lies within a priority area for farmland conservation.









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If you're a landowner interested in protecting your farmland, contact ASA to find out your next steps. ASA is an accredited nonprofit land trust helping landowners conserve working farms and forests in Washington and Rensselaer counties of New York.

ASA offers guidance for farmers interested in PDR, holds workshops and helps to prepare farmland protection grant applications free of charge. If your land doesn't qualify for a PDR program, ASA also accepts donated easements, which can offer additional tax benefits.





We look forward to talking with you about your goals for your land.

Agricultural Stewardship Association



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