

Request for Proposals

Liberty Lane, South Kingstown

1/14/2021



The Rhode Island Department of Environmental Management is offering for sale 10 acres of prime agricultural land subject to Development Rights restrictions. This farmland sale is part of the Department's Farmland Access Program and its efforts to provide affordable and accessible farmland options for working farmers in accordance with 250-RICR-110-00-8 Farmland Access Program Rules and Regulations.

Farmland Access Program Request for Proposals

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Background/Rationale

Farmland values in Rhode Island are among the highest in the country and lack of access to affordable farmland threatens the continued viability of local agriculture. Over the past several years, DEM has experienced a growing interest from both expanding and new farmers seeking affordable land to farm.

Property Description

The subject property consists of 10 acres of prime agricultural soils on Liberty Lane in South Kingstown. The property was most recently in turf production. The most recent application of pesticides/herbicides was in spring and summer of 2019. There are no improvements or structures on the property. Attached is a location map, a survey, and a soils map. The entirety of the property is readily viewable from the road and prospective applicants are invited to do so.

According to the Town of South Kingstown's zoning ordinance (https://library.municode.com/ri/south_kingstown/codes/code_of_ordinances?nodeld=PTIICOOR_APX_AZOOOR), the property is located in the Town South Kingstown's R200 Rural Very Low Density District. Prospective buyers should familiarize themselves with the zoning requirements of this district. Mobile homes and manufactured homes are not allowed in this zone. Crop and livestock farms are allowed by right, but pig farms are not, and boarding animals is only allowed by special use permit. In addition, although commercial uses are not allowed, a "farm retail sales building" could be constructed, subject to development plan review by the town, not exceeding 1,200 square feet in total floor area, the principal use of which is the sale of farm or farm-related products at retail to the general public. In addition, building agricultural structures without a residential use on the property is allowed only if the property is declared as a farm as its principle use, as evidenced by an IRS form 1040 showing \$2,500 or more in farm income.

The property will be sold subject to development restrictions, imposed by the state, as follows:

- The prohibition against building houses and associated non-agricultural improvements outside any identified dwelling unit area. Please note that this farm is being offered under two different scenarios. Under the first scenario, applicants may select to purchase the property with a restriction that would not allow for construction of any residential structures. Applicants choosing this scenario understand that the property will remain without residential structures in perpetuity. Under the second scenario, applicants may select to purchase the property with the ability to build one single family house no larger than 2,000 sf within an identified one-acre dwelling unit area. Applicants must identify the location of the dwelling unit area at the time of application. Agricultural improvements and structures are allowed. Permanent agricultural structures such as barns are

subject to prior review and approval, non-permanent agricultural structures such as high tunnels do not require review or approval;

- The prohibition against any future subdivision;
- The prohibition against removing soil or other mineral resources from the Farm Property;
- The prohibition against using the Farm Property other than for agricultural purposes outside the identified dwelling unit area;
- An “affirmative covenant” requiring the protected Farm Property to be kept in active agricultural use; and,
- An Option to Purchase at Agricultural Value running to the Department or its assignors, where agricultural value is defined as *the fair market value of a farm property permanently protected with an agricultural deed restriction and as determined by an appraisal conducted by a certified appraiser*, which shall provide the Department with the opportunity to purchase a Farm Property at the then current Agricultural Value plus the Residential Value at the time a bona fide offer is made on a Farm Property originally sold through this program.

Price

This farm is being offered under two different scenarios, reflecting current fair market appraised value. Under the first scenario, applicants may select to purchase the property for \$70,000 with a restriction that would *not* allow for construction of any residential structures. Applicants choosing this scenario understand that the property will remain without residential structures in perpetuity.

Under the second scenario, applicants may select to purchase the property for \$240,000 with the ability to build one single family house no larger than 2,000 sf within an identified one-acre dwelling unit area. Applicants must identify the location of the dwelling unit area at the time of application. **Please note that according to the Town of South Kingstown’s zoning ordinance, the property is located in the Town South Kingstown’s R200 Rural Very Low Density District. Mobile homes and manufactured homes are not allowed in this zone.*

Application and Selection

Proposal requirements

Parties interested in making an offer on this property must submit a Proposal, including **all information** described below by **Wednesday, APRIL 14th, 2021**. Please submit all required elements of the Proposal, as outlined below and provide as many details as possible to facilitate scoring. Incomplete Proposals may not be scored. All submissions will be kept strictly confidential.

1. A cover letter that includes
 - a. A written offer in the amount of \$70,000 or \$240,000, as explained above
 - b. Description of your qualifications to successfully run on farm business on this property
 - c. Outline of your plan to finance the purchase of the land. Include evidence of either loan pre-qualification or availability of start-up capital.
2. Evidence of experience operating and/or managing a farm (*To be eligible to apply, an applicant must provide evidence that, for at least two years, they have operated or managed a farm business that has generated at least \$5,000 annual gross farm revenues*)

- a. Narrative summary that details your agricultural history, including all past and present farm experience. Demonstrate your ability to bring products to market and to sustain positive cash flow. Include photos of your current operation if possible.
 - b. Provide any information that demonstrates your need for farmland
 - c. Production records from at least the previous two years
 - d. Two (2) references
 - e. Two (2) previous years' income tax returns
 - f. A current credit report
 - g. A current cash flow statement, current balance sheet, and list of assets.
3. Farm plan for the subject property. **Please note that the property is located in South Kingstown's R200 Rural Very Low Density District. Crop and livestock farms are allowed by right, but pig farms are not, and boarding animals is only allowed by special use permit. In addition, although commercial uses are not allowed, a "farm retail sales building" could be constructed, subject to development plan review by the town, not exceeding 1,200 square feet in total floor area, the principal use of which is the sale of farm or farm-related products at retail to the general public.*
- a. Narrative summary that details production plans for the subject property including equipment and infrastructure needs and upkeep plan. Plan should clearly justify the need for 10 acres of land. Identify if the subject property will be a satellite field for a larger operation or the main location of a proposed operation. [If you are offering to purchase the non-residential option, please describe how you will handle operation of this farm without easy access to a residence.
 - b. Details about anticipated or confirmed market outlets for the product proposed to be raised on the farm
 - c. If you are offering \$240,000, include a map showing the location of your proposed one-acre dwelling unit area. If you are offering \$70,000 no residential structure will be allowed to be constructed on the property in the future, though agricultural structures are allowed
 - d. Estimated cost for first year's operation along with a 3-year projected earnings statement

Please email the proposal and related materials by 4pm on **Wednesday, APRIL 14th, 2021** to:
michelle.sheehan@dem.ri.gov

or you may mail proposal to:
Department of Environmental Management
Attn: Michelle Sheehan
235 Promenade Street
Providence, RI 02908

*must be post marked **WEDNESDAY, APRIL 14th, 2021**

Buyer selection

The Department of Environmental Management will acknowledge receipt of all proposals received by **FRIDAY, APRIL 23rd, 2021** and convene a meeting of the Farmland Access Advisory Committee.

The advisory committee is made up of nine members representing the farming community and its advisors. The Advisory Committee will review proposals and select the best candidate based on its stated criteria (detailed below) for recommendation to the Director of the Department of Environmental Management.

Eligibility and selection criteria

To be eligible to apply, an applicant must:

- *provide evidence that, for at least two years, they have operated or managed a farm business that has generated at least \$5,000 annual gross farm revenues*
- *be financially ready to purchase the Farm Property and start and sustain a farm business, as evidenced by loan pre-qualification and/or availability of start-up capital. DEM will not provide financing*

Review of the eligible applicants will be based on the following criteria:

1. Agricultural Experience (20 points)

The Committee shall consider the duration and quality of the agricultural experience with a type of agriculture similar to the type proposed in the applicant's Farm Plan. Priority shall be given to small and/or beginning farmers who are farming full-time or working towards becoming a full-time farmer in Rhode Island and to such farmers who have direct experience with the subject farm property.

2. Farm Business Experience (35 points)

The Committee shall consider the duration and quality of the experience managing a farm business similar to the type proposed in the applicant's Farm Plan and including the ability to bring products to market and sustain positive cash flow. Priority shall be given to small and/or beginning farmers that have demonstrated their ability to run a successful farm business.

3. Farm Plan (25 points)

The Committee shall consider the suitability of the applicant's plan for the purchased farm property, including land use and business operations. In determining plan suitability, the Committee shall consider the soil type, topography, infrastructure, and size of the farm property in relation to the proposed agricultural operation. The Committee shall also consider the viability of the proposed farm business on the subject farm property using the following criteria: market potential for the proposed product to be raised on the farm property, identified/secured market outlets, and projected earnings.

4. Demonstrated need for farmland (15 points)

Priority shall be given to in-state farmers who do not currently own sufficient land to sustain a profitable farming operation.

5. Financial need

(5 points)

The Committee shall consider the applicant's financial need for affordable farmland

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or you may mail proposal to:

Department of Environmental Management

Attn: Michelle Sheehan

235 Promenade Street

Providence, RI 02908

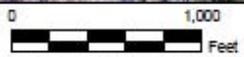
*must be post marked **WEDNESDAY, APRIL 14th, 2021**

For questions about the development restrictions or the Farmland Access Program process, please contact Michelle Sheehan at 401-222-2776, ext. 74436 or michelle.sheehan@dem.ri.gov

**Farmland Access Program
Liberty Lane Parcel**



Title:	
Scale:	1:9,600
Date:	1/4/2021
Drawn by:	paj

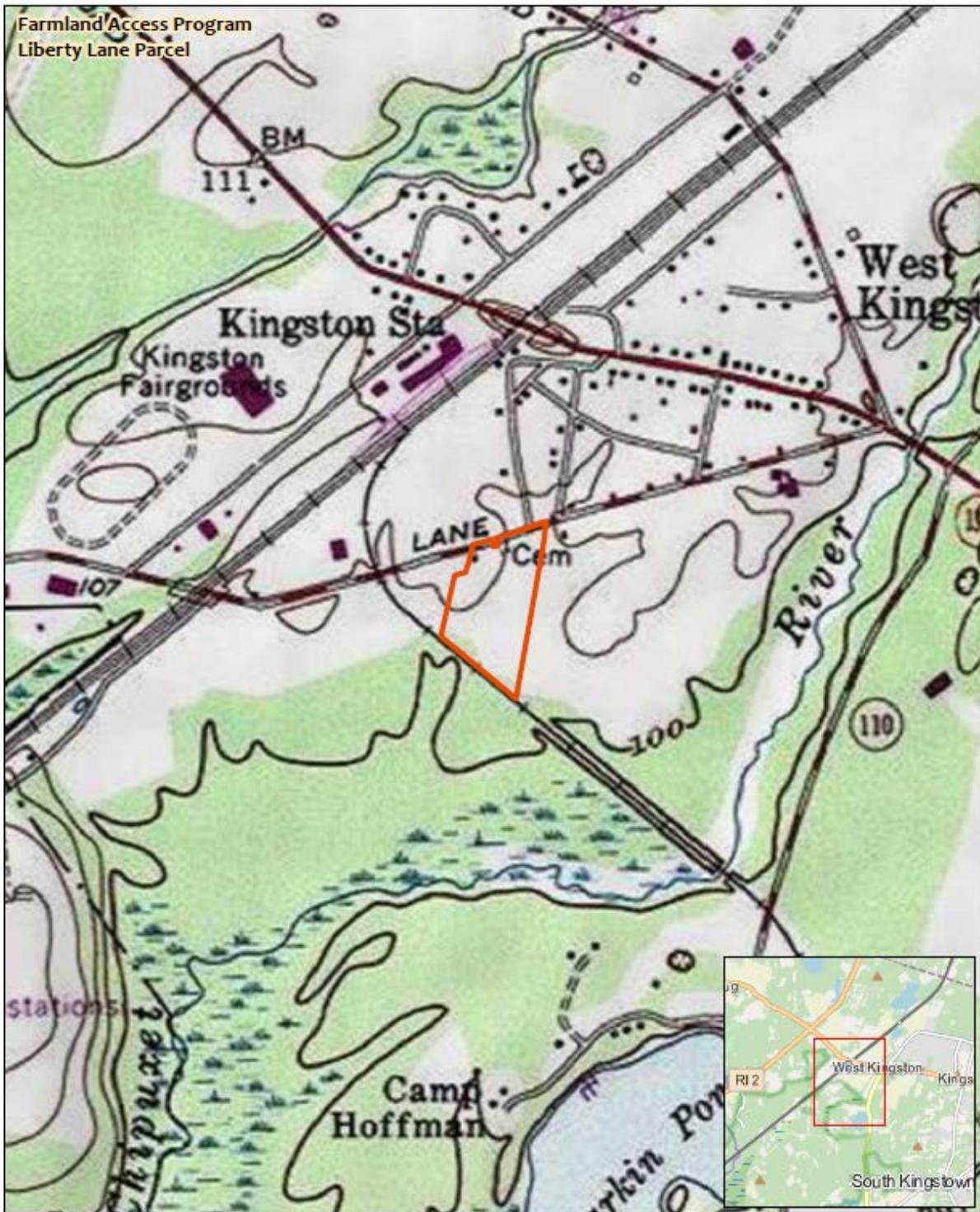


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Farmland Access Program
Liberty Lane Parcel



Title:		0	1,000	
Scale:	1:9,600			
Date:	1/4/2021	<small>This map was created for informational, planning and guidance use only. It is a general reference, not a legally authoritative source for the location of natural or man-made features. Proper interpretation of this map may require the assistance of appropriate professional services. The cartographic representations depicted have not been verified by a RI Registered Professional Land Surveyor and are not intended to be used in place of a survey. The producer makes no warranty, express or implied, related to the accuracy, reliability, completeness, or correctness of this map.</small>		
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**Farmland Access Program
Liberty Lane Parcel**



Title:		0	200	RAV - Relative Agricultural Value, 0 to 100
Scale:	1:2,400			Feet
Date:	1/4/2021	<small>This map was created for informational, planning and guidance use only. It is a general reference, not a legally authoritative source for the location of natural or man-made features. Proper interpretation of this map may require the assistance of appropriate professional services. The cartographic information depicted here has not been verified by a RI Registered Professional Land Surveyor and are not intended to be used in place of a survey. The producer makes no warranty, express or implied, related to the accuracy, reliability, completeness, or suitability of this map.</small>		
Drawn by:	paj			

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