



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
Agricultural Lands Preservation Commission
c/o Department of Environmental Management
235 Promenade Street
Providence, RI 02908

Farmland Preservation Program FAQs

What is a Development Right?

The acquisition of development rights is a purchased right or easement to the property which restricts all future uses except those related to farming, with the goal of permanently protecting the best farmland and preserving a base of agricultural land for food protection and open space.

Selling Development Rights enables a landowner to **keep land in agricultural use** and also be compensated for the potential development value of the land. The landowner retains ownership of the land and agrees to the terms of a “Deed to Development Rights” limiting future ability to subdivide and develop the land.

The Deed to Development Rights is the legal document recorded in the land records that travels with the land upon resale, guaranteeing the state's investment in land conservation will be maintained for future generations. The ALPC holds a perpetual legal easement to the property on which development rights are acquired.

Why would I want to sell my development rights?

Some farmers do not plan to develop their property, and appreciate the ability to access some of the land's equity while continuing to farm. Proceeds from easement sales have been used, for example, for the payment of debts or to finance needed capital investments. Selling your development rights may offer special tax advantages for those who are planning to pass the farm onto heirs.

Another advantage of selling your development rights to the State is that the State offer is not subject to the conditions that developers frequently include in their agreements. Developer purchase offers are almost always based on numerous contingencies, such as approval of their development plan at certain densities and receipt of necessary state or local permits. It is important to understand that the State is purchasing only the development value of your farmland and that you retain the value of the land as a farm and, if applicable, a residence.

How are the development rights valued?

The value of the development rights is the difference between the fair market value of the property and its agricultural value, as determined through an appraisal. Each appraiser values the land "before" the development rights restrictions and "after" the development rights restrictions are placed on the land. The difference between the two values is the appraised value of your development rights.

How is the program funded?

To fund the purchase of development rights, the ALPC uses State bond funds as approved by voters on a periodic basis, federal grants obtained by the ALPC and/or DEM, and partners with other federal, local or non-profit agencies and organizations. Nearly all projects in recent years involve a consortium of interests and funding partners.

Once I sell my Development Rights, how will my property be restricted?

The deed to development rights contains the following restrictions:

- No development or subdivision
- No storing or dumping trash
- No excavating
- No use other than agriculture

What if I want to build a barn on my farm after I sell the development rights?

With prior approval, the construction of farm-related structures is allowed on farms that have sold their Development Rights to ALPC.

How does the process work?

Interested farmers should fill out the application to determine eligibility. The application is available on the DEM Division of Agriculture's website at

<http://www.dem.ri.gov/programs/agriculture/documents/farmpurc.pdf>

If accepted into the program and if funding can be secured, the DEM will handle the acquisition process: arranging for an appraisal, contracting for survey and title work on the farm, and then preparing the final Deed to Development Rights. Assistance in completing the application can be provided by the Department if needed.

How long does it take?

The process for purchasing development rights can take many months and depends on the size and complexity of the project.

Contacts

Ken Ayars, Chief, Division of Agriculture 222-2781 ext. 4500

Elisabeth Peterman, Farm Ecology, Division of Agriculture 222-2781 ext. 7261

Michelle Sheehan, Assistant, State Land Conservation Program 222-2776 ext. 4436