

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS



Department of Agricultural Resources

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AGRICULTURAL PRESERVATION RESTRICTION (APR) PROGRAM POLICY

APR Purchase Price Limitations

I. **PURPOSE:** The purpose of this policy is to provide a clear and transparent methodology on how the ALPC considers fair market value when evaluating APR projects, while meeting the obligation 301 CMR 51.06 (1), M.G.L. Chapter 20, Section 24(b)(ii) and the 330 CMR 22.07(1)(c), which require both a limitation to APR purchase price and that the ALPC consider fair market value as a priority criterion when evaluating APR projects.

II. **AUTHORITY:** M.G.L. Chapter 20, Section 24 establishes the ALPC and requires that the ALPC consider fair market value when evaluating projects. 330 CMR 22 requires that the ALPC consider value as one of the priority criteria when evaluating projects. See also: M.G.L. Chapter 184, Sections 31-33, M.G.L. Chapter 20, Sections 23-26, and 301 CMR 51.

III. **SCOPE:** This policy applies to acquisitions of APRs funded by the Department.

IV. **POLICY:** The ALPC limits the "Department's Purchase Price Contribution, as defined herein", in the following ways:

Cap Policy: Unless otherwise allowed by the "Over Cap Policy" defined below, the ALPC limits the Department's purchase price contribution to a maximum of \$17,000/acre, but no more than fair market value as determined by an appraisal and also subject to the Department's Local Match Policy.

Over Cap Policy: In circumstances where a project is determined by the ALPC, in its discretion, to be a high priority when compared to other APR opportunities, the ALPC may agree to go over the \$17,000/acre cap and approve up to a maximum of \$34,000/acre but no more than fair market value as determined by an appraisal.



Implementation of Over the Cap Funding:

If an APR project qualifies for Over the Cap funding, the following rules shall apply:

1. Above cap spending up to \$34,000/acre may only be applied to Open Farmland acreage consisting of Prime and/or State important soils in Agricultural Use.
2. Any pending project which qualifies for the Over Cap Policy must be matched by a fixed minimum of 10% of the total appraised APR Value. Said match can be accomplished by any combination of Local Match sources. For example, if the APR Program determines an appraised APR restriction value is \$300,000, then a minimum match of \$30,000 is required.

V. **DEFINITIONS:** As used throughout this policy, the words or phrases listed below shall have the following meanings:

Agricultural Lands Preservation Committee (ALPC): A committee in the Department

Agricultural Resources whose membership, powers, duties, and statutory grant of authority are set forth in M.G.L. c. 20, §§ 23 and 24.

Agricultural Use: The uses of land enumerated in M.G.L. c. 61A, §§ 1 and 2.

Agricultural Preservation Restriction (APR): a perpetual restriction set forth in M.G. L. c. 184 § 34 to retain land or water areas predominately in their agricultural, farming, or forest use, and forbids or limits certain property development rights and uses.

APR Value: The difference between the Fair Market Value and the Fair Market Agricultural Land Value as determined by the appraisal obtained by the Department pursuant to 330 CMR 22.06(2)(e).

Bargain Sale: A real estate transaction in which the landowner donates part of the value of the APR by accepting a purchase price less than the appraised value of the APR.

Department: Massachusetts Department of Agricultural Resources

Department's Purchase Price Contribution: The portion of funds contributed to an APR purchase price by the Department that are generated through Commonwealth taxes, fees, fines and other revenues specifically allocated to the APR Program through an Environmental Bond Bill, Capital Budget or similar bill or budget. Any other portion of funds contributed to an APR purchase price by the Department, including but not limited to those funds that are generated through the federal government, land trusts, municipalities, state or private grants, and private foundations and allocated to the Department, whether on a reimbursement basis or otherwise, are not part of the Department's Purchase Price Contribution.



Local Match: A cash or in-kind contribution towards the acquisition of an APR. The source of the match can come from any combination of the following sources: a non-state or federal entity such as a municipality, land trust or other non-profit organization, or non-government organization, or a Bargain Sale from the landowner.

Open Farmland: The uses of land enumerated in M.G.L. c. 61A, §§ 1 and 2, excluding land that is forested.

Prime and/or State Important Soils: Soils identified by the U.S. Department of Agriculture as prime farmland or farmland of statewide importance.

VI. REFERENCES:

- M.G.L. Chapter 184 Section 34
- M.G.L. Chapter 20 Sections 23 & 24
- M.G.L. Chapter 61A Sections 1-5
- 330 CMR 22
- 301 CMR 51
- APR Local Matching Funds Policy

VII. POLICY HISTORY:

- 2024-1-24: ALPC voted to adopt the policy herein, defining "Department's Purchase Price Contribution"
- 2021-10-27: ALPC voted to increase cap to \$17,000 per acre and up to \$34,000 per acre
- 2015-12-10: Food Policy Council accepted the Local Food Action Plan, which recommended a policy change.
- 2003-08-01: ALPC voted to increase the cap policy.
- 1983: Estimated year the Cap of \$10,000 per acre was established.

Approved and adopted by the Agricultural Lands Preservation Committee at a duly authorized public meeting on January 24, 2024.



Ashley Randle
Commissioner

Date: __11/14/24_____

