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APR *Prime*

PRESERVING OUR HERITAGE,
SUSTAINING OUR FUTURE

Providing key information on the APR Program

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Welcome to **APR Prime** our new Agricultural Preservation Restriction (APR) program newsletter. This newsletter will provide you with key information about the APR Program as we approach closing on 70,000 acres of protected farmland in Massachusetts.

Over the past year the program has continued to preserve and protect farmland in collaboration with local land trusts and with matching funds from the Natural Resources Conservation Service (NRCS). In fiscal year 2013 the program protected 1,151 acres of farmland through acquiring restrictions on 21 farms. This brings the total area of land protected in the state to 69,825 acres as a result of agricultural restrictions on 856 APRs.

Looking to the future of farming in Massachusetts we understand that agriculture today is more diverse than ever and that it continues to evolve. Over the next few months we want to start a dialogue with APR landowners about the future of the program and their needs. We are particularly interested to hear from you about your thoughts on the program to learn what we can do further to help you maintain your farm as an economically viable and environmentally sound entity.

And we want to make you aware of the staff and programs within the Department that can help you, such as the APR Improvement Program and our Agricultural Stewardship Program.

I also want to make sure that you know who to contact for information. The APR Program is supported by four field agents throughout the state and a stewardship coordinator. If you are not familiar with your local APR representative, or our support staff, their contact information is included on this page. I recommend that you to contact your field agent or stewardship planner should you wish to discuss any matter related to your APR property.

While this is just a start, you will begin to see more communications from us in the next few months, and will continue to receive information on a regular basis from now on. I encourage you to sign up to receive the newsletter electronically at our website: www.mass.gov/agr. Until then, I wish you a happy, healthy, and productive year.

Greg Watson, Commissioner



Department Approvals: Certificates, Waivers & Special Permits

Farming and non-farming landowners of APRs will likely desire to make changes to their properties over time to accommodate business growth, adjust to changing market needs, and advance certain agricultural practices. Department Approvals are tools issued by MDAR to permit certain accepted agricultural advancements that landowners propose.

There are three types of Department approvals issued by MDAR: Certificates of Approval (COAs), Waivers, and Special Permits. COAs are single-use permits issued typically for structural additions to a property for agricultural-related structures, improvements, excavation, dwelling requests, and labor housing requests. Waivers are issued when an individual APR document retains either the Option to Purchase at Agricultural Value (Option) or Right of First Refusal (ROFR) for MDAR in reviewing transfers of sale from one party to another. Special Permits are also single-use permits issued for non-agricultural activities taking place on APR property.

COAs and Special Permits must be applied for in advance of the use/activity by the landowner. Upon receipt of an application, APR staff will conduct a site visit, make a recommendation to the ALPC, and upon approval, issue an Approval document. Both COAs and Special Permits may require additional inspections or recording of documents to complete the process. For landowners who are intending to transfer or sell the property with an APR document that specifies either an Option or ROFR, landowners should contact their local Field Representative. Upon review of the sale by the ALPC, a waiver will be issued, which the landowner must record.

Each Approval request is unique, and documents and conditions may vary. The APR Staff looks forward to working with you to reach an acceptable Approval that addresses your agricultural needs. Contact:

Delia.Delongchamp@state.ma.us



APR Then and Now

The History of the Agricultural Preservation Restriction Program in Massachusetts

In the late 1970's with the value of Massachusetts land increasing at an alarming rate, owners of large parcels of farmland who had traditionally been "land rich" but "cash poor" had few options when faced with economic difficulties—sell off parcels of land one house at a time or sell the entire farm to a real estate developer.

In 1978 legislation was passed that established the Agricultural Preservation Restriction (APR) Program which gave landowners another option—receive payment for the non-development value of their land while continuing to own and farm the land. The APR Program is a voluntary program that not only offers a non-development alternative to farmland owners for their agricultural land who are faced with a decision regarding future use of their farms, but is also a very useful tool for older farmers to pass along the farm to the next generations while in most case alleviating large estate tax consequences. The Program offers farmers a payment up to the difference between "fair market value" and the "fair market agricultural value" of their farmland in exchange for a permanent deed restriction, which precludes any use of the property that will have a negative impact on its agricultural viability.

The first APR acquisition occurred in 1980 and over the past 35 years the Commonwealth has invested to permanently protect close to 70,000 acres of land out of the total 518,000 acres in production statewide. Those acres are distributed over 856 farm sites in 162 cities and towns across the state.

In the early days of the APR Program a large percentage of the farms protected were large commercial dairy farms or forage operations that supported those farms. Over the years

as agriculture in Massachusetts has changed in reaction to local, national, and international trends, the APR Program has changed as well. Although dairy farms are still being protected, a large variety

of farm operations are now permanently preserved by the APR Program including vegetable farms, Pick-Your-Own orchards, blueberry farms, nursery operations, grass fed beef operations, small fruit, etc. Commercial agricultural enterprises include goat cheese production, winter squash processing, wine making, poultry slaughtering and processing, and Community Supported Agriculture (CSA) operations are just a few of the farming activities that are now successfully operating on APR farms today.

By preserving farmland through the APR Program, taxes are maintained at a lower rate, farms are strengthened as economically viable businesses, and an inventory of farmland is maintained for future generations.

Over 80 percent of Massachusetts farms are family-owned and operated. Farming is an integral part of the environmental character and economic viability of the food and fiber sector of the Commonwealth.

Annually, the Bay State's 7,691 farmers generate \$490 million in cash receipts and help supply fresh farm products to the state's \$6 billion dollar food manufacturing and retailing industry.

More importantly, they employ over 13,000 workers earning more than \$131 million dollars in wages and keep 518,000 acres of farmland in active production. In addition to benefiting the farmers working the land, permanent protection of farmland benefits the environment, provides scenic landscapes, and contributes to an overall improved quality of life.

"Over the past 35 years the Commonwealth has invested to protect close to 70,000 acres of land"



APR Improvement Program

The APR Improvement Program (AIP) was initiated in 2009 to help sustain active, commercial farming on APR farms. AIP provides technical assistance, business planning, and grant funds to APR farms to improve their productivity and profitability. Dependent upon the annual availability of funding, this program typically offers grant levels of \$25,000, \$50,000, or \$75,000 with levels determined based on the amount of farmland, agricultural significance of the operation, and planned use of the funds.

Many types of farms have participated from across the state, from orchards, dairy farms, livestock, vegetable farms, to cranberry, and a grain producer.

AIP can help with farm transfer planning, marketing, value added processing, or other issues associated with plans to diversify, modernize, or expand. Since 2009, 44 farms have participated in AIP, receiving a total of \$3,025,000 in grants (an average of \$68,750 per farm). Funds are spent primarily on infrastructure improvements to the land or the agricultural buildings.

Examples of past AIP projects include: expanded farmstand, new dairy barn, livestock housing, fencing, a packing & storage facility, greenhouses, replanting of orchard, a cheese plant and wastewater system, hay barn repairs, and reseeded of hay fields.

For more information contact:
Melissa Adams 413-268-8269,
Melissa.AdamsAIP@gmail.com

AIP Case Study

Breezlands Orchards—Warren, MA

Breezlands Orchards have been in the Tuttle Family since 1896. This 190 acre orchard produces fruit for the wholesale market and offers a traditional family destination for pick-your-own apples as well as a variety of fruit and baked goods for sale at their farmstand, including their famous cider donuts. Mark Tuttle, the 3rd generation on the farm, applied to AIP to update farm infrastructure as they transition away from wholesale. As part of their participation in AIP, the Tuttle's received assistance with business planning, retail layout, marketing, and website design. AIP grant funds were used for worker housing to meet H2A requirements, expand their bakery, purchase new freezers, plant new trees, and help with marketing outreach for the farm.

The successful completion of the AIP project has given Breezlands Orchards expanded sales opportunities and up-to-date living quarters for their employees, both extremely important to the viability of the operation. Mark is appreciative of the quality of technical assistance people that shared their expertise with him, bringing new ideas as well as solidifying his own thoughts. Mark stated, "I was impressed—the funds went to good use towards needed farm improvements, which made a big difference to the farm and our family, helping us stay in business."

FARM ENERGY DISCOUNT PROGRAM

Are you participating in the Farm Energy Discount Program? The program provides discounts on electricity and natural gas bills of 10% to eligible entities engaged in production agriculture. Subject to verification by the Department, persons, or corporations determined to be principally and substantially engaged in the business of production agriculture or farming for an ultimate commercial purpose will, upon written application, be eligible for a 10% discount on rates.

Persons or corporations with 75 or more full time employees in January of the application year will not be eligible for the Farm Discount.

To apply contact:

Linda Demirjian at 617-626-1733,
Linda.Demirjian@state.ma.us



What is land stewardship?

Stewardship is the practice of assisting APR landowners with the long-term planning horizon of the agricultural viability and resource protection of the APR property. The APR Program is unique in that there is a Stewardship Planner on staff available to answer questions and work on planning strategies with landowners. Currently, the Stewardship Planner serves a variety of functions and programmatic needs, such as overseeing contract services for field inspections and field report production, administering a federal monitoring program, facilitating the Department's Approval processes, tracking stewardship concerns, and working directly with landowners to achieve stewardship issue resolutions.

For most landowners, the headaches of property ownership are not unfamiliar, and this holds especially true for farmers who manage complex operations, business entities, and staff, all while working within the constraints of Mother Nature to make a living off the land. Stewardship concerns might be experienced by the landowner or farm manager, and are often times caused by third-parties or abutters. Common stewardship issues on APRs might include illegal dumping, encroachment, and



boundary discrepancies or disputes, fulfillment of permit conditions (both state and local), and farm transitions. Additionally, as markets and owners' priorities change, certain agricultural practices and enterprises can become unproductive, resulting in situations that may require intervention from MDAR, NRCS, or other agricultural related service providers to help steer landowners back into a productive state.

If you are experiencing any of the above issues on your APR land, have questions about ag/non-agricultural uses, or have other concerns, please do not hesitate to contact myself or your local Field Representative. Working cooperatively, APR Staff provides guidance and insight that can alleviate stewardship issues, or proactively prevent them from occurring, while functioning on behalf of the best interest of the landowner and the agricultural resources. We look forward to connecting with you in the future.

Contact: Delia Delongchamp; Delia.Delongchamp@state.ma.us



For future APR information please subscribe to our email list at: www.mass.gov/agr

ADDITIONAL FUNDING PROGRAMS:

In addition to the APR Improvement Program highlighted on the previous page, the Department offers a suite of technical assistance grants to help farmers with the stewardship of their farmland. APR farmers enjoy an enhanced ranking in several of our grant programs, which increases their chances of funding. This is also to reflect that fact that the state has a specific interest in those farms and also to acknowledge the legacy that these farms are granting to future generations by placing their programs under a restriction for perpetuity. Please note that while there are many activities on APR farms that are allowed by right some projects may require an approval from the APR Program.

• Agricultural Environmental Enhancement Program (AEEP)

The AEEP program supports agricultural operations that are looking to install conservation practices that prevent or mitigate direct impacts on water quality, ensure efficient use of water, as well as address impacts on air quality. Since 1999, over 400 farms have been funded statewide receiving over \$4.5 million in awards. The program often works in conjunction with USDA's Natural Resource Conservation Service (NRCS) to help farms undertake large scale projects.

Contact: Laura Maul, Laura.Maul@state.ma.us, 617-626-1739

• Agricultural Energy Program (Ag-Energy)

The Energy program provides technical and financial assistance to agricultural operations under the Ag-Energy Grant program and the Massachusetts Farm Energy Program (MFEP). Since 2008, these programs have provided over 300 grants and incentives statewide for implementation of renewable energy and energy efficiency projects totaling over \$2,100,000.

Contact: Gerry Palano, Gerald.Palano@state.ma.us, 617-626-1706

