

Purchase of Development Rights

Q What does Purchase of Development Rights mean? Purchase of Development Rights (PDR) has become a popular tool for protecting farmland and other resources from development. Under a Purchase of Development Rights program, a landowner voluntarily sells the development rights of a parcel of land to a public agency or to a charitable organization, such as a local land trust, local unit of government or state government. Development rights are comparable to other rights that come with a parcel of land such as mineral rights, water rights, or logging rights. When a landowner sells his or her development rights, the right to develop or subdivide that parcel of land is permanently relinquished. However, the landowner still retains all other rights and responsibilities associated with that land, i.e. the right to farm that property and to post it as private property, as well as paying property taxes. The landowner is compensated for the value of the development rights to the property.

When a landowner sells their development rights, that restriction on development is recorded in a conservation easement which is attached to the property deed. Thus the restrictions are made permanent, running with the title to the land. Removing the development rights from farmland generally reduces its future market value. This may help facilitate farm transfer to the children of farmers and make the land more affordable to beginning farmers and others who want to buy it for agricultural purposes. The reduction in market value may also reduce property taxes. For more information on conservation easements, please see Gathering Waters' information sheet on easements.

The American Farmland Trust is an important source of information about PDR programs and other farmland preservation tools and programs. They maintain an online library of fact sheets at www.farmlandinfo.org. The American Farmland Trust also can be reached at 202.331.7300.

In Wisconsin, there is growing interest in PDRs as a conservation tool and as a means of preserving family farms in the face of development pressures. Below are several examples.

Q Town of Dunn

The Town of Dunn, in Dane County, established the state's first PDR program in 1996. The Town of Dunn's PDR program has protected over 1700 acres of farmland and received over \$1.5 million in grants to acquire development rights. In 2000, the Town voted to approve a \$2.4 million bond to acquire additional development rights. Also in 2000, the Town's PDR program was awarded a National Award for Environmental Sustainability by Renew America. Funding for the PDR program has come from the Farmland Protection Program of the Farm Bill, the USDA's Natural Resource Conservation Service, the Wisconsin Department of Natural Resources, the Dane County Conservation Fund and the Town's own bonding referenda.



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The PDR program's conservation easements are jointly held by the Town and the Natural Heritage Land Trust, a local land trust operating in Dane and surrounding counties. For more information, please see the Town of Dunn's website: <http://town.dunn.wi.us>, or contact the Town's Land Use Coordinator at (608) 255-4219 ext. 4 or rlauber@town.dunn.wi.us.


Town of Bayfield

Town of Bayfield implemented a Purchase of Development Rights program in July 2002. The program is administered by the Town of Bayfield with day-to-day coordination by the local land trust, the Bayfield Regional Conservancy. This program has been established to preserve the unique orchard community in the Town of Bayfield, which produces apples, cherries, plums, pears, strawberries, raspberries and blueberries for marketing throughout Wisconsin and Minnesota. This agricultural resource has been identified by the Town in its land use plan as critical to the economic and community health of the township.

The Town is providing about one third of the funds for the program, and will be seeking Federal Farm Bill conservation funds for half of the total \$1 million acquisition fund. The remainder of the program will be funded through landowner contributions and private foundations. For more information, please see the Bayfield Regional Conservancy's website: www.brcland.org/farmland.htm.

For More Information

-  Gathering Waters Conservancy has copies of all of the American Farmland Trust fact sheets on PDR programs and other methods for conserving farmland. To request a copy, contact Gathering Waters at the number below.

-  Examples of conservation easements for active farmland are also available from Gathering Waters Conservancy.



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