

# The Purchase of Development Rights in Broward County: A Feasibility Study

Prepared for the Broward County Board of County Commissioners

Prepared by the Department of Planning and Environmental Protection Comprehensive and Neighborhood Planning Division



April 2000



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## The Purchase of Development Rights in Broward County: A Feasibility Study

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#### **Executive Summary**

In response to concern about the loss of agricultural land in Broward County, the Board of County Commissioners directed staff to investigate the feasibility of implementing a Purchase of Development Rights (PDR) Program for the purpose of retaining agricultural land in Broward County. It is anticipated that if agricultural land loss continues at its present rate, there may be no significant parcels remaining in Broward County by 2010. This study examines the feasibility of initiating a PDR Program in Broward County in order to preserve agricultural lands. Such a program would involve using public funds to purchase conservation easements from owners of viable and economically productive agricultural land, who in exchange agree to permanently restrict their land to agricultural activity. PDR programs provide compensation to property owners who voluntarily sell their development rights, instead of selling their land for development.

Countywide, 1,071 parcels, totaling 11,452 acres, have an Agricultural Tax Exemption. According to the Broward County Property Appraiser, in 1998, the agricultural land value of exempt property was \$80.3 million. Development pressure clearly contributes to the high speculative value of agricultural land in Broward County. According to the Property Appraiser, the exempt parcels had a total just value of \$463.8 million, which is an average of \$34,683 per acre. The Property Appraiser assigns a just value, based on the value of the existing use, rather than highest and best use, of each parcel. Therefore the just value may be significantly lower than the actual sales price that might be expected on a parcel which has a speculative value for nonagricultural uses. Based on recent sales, the average sales price of agricultural land in Broward County is \$43,038 per acre, including development rights averaging \$37,871 per acre. Estimating purchase costs is complex. The reader is cautioned that actual sales are determined based on individual site appraisals and therefore purchase costs (for PDR or any other land acquisition program) may be substantially higher than \$43,038 per acre, especially where the highest and best use is nonagricultural.

Agricultural activities in Broward County produced \$49 million in total sales in 1997. In terms of market value, crop production contributes more to the Broward County economy than livestock farming. Nursery and greenhouse products were the major crops, generating 77 percent of total sales (\$37 million). Such production is highly intensive, with high value crops being grown on agricultural parcels that are typically much smaller than the extensive pasture lands associated with cattle and other livestock. Livestock farming accounted for less than 15 percent of total sales, although the majority of agricultural acreage is in cattle farms.

PDR has been implemented successfully in counties with significant amounts of farmland, to permanently preserve agricultural land. Successful programs in 14 county/municipal jurisdictions were reviewed. The cost of implementing these programs varied from \$667 to \$7,990 per acre depending on the pace of development in each community. Total program costs ranged from \$0.3 million to more than \$54 million. These PDR Programs were funded at a local level, typically by general obligation bonds or local taxes. Some aspects of these programs could be adapted to Broward County, but not without significant cost. For this reason, the cost/benefit of acquiring development rights in a high-growth area, such as Broward County, should be analyzed very carefully.

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Broad-based citizen support is essential in order to implement a PDR Program, because funding typically requires voter approval. Since participation is voluntary, PDR programs must also be financially attractive to landowners who have the choice of continuing to use their land for agriculture or selling it for development. Although a PDR Program could be implemented in Broward County, the participation rate may be low, due to the high value of land that results from the intensity of development pressure that agricultural land is experiencing. A PDR Program in neighboring Palm Beach County was recently discontinued due to few applicants, and the inability to reach mutual agreement with landowners concerning the appraised value of specific properties.

Based on an analysis of the extent and character of agriculture in Broward County and potential applicability of PDR Programs used in other communities, this report presents four alternatives for consideration:

- (1) Open the program to preserve all agricultural parcels;
- (2) Focus on the preservation of nurseries, greenhouse crops and citrus farms, because they are the most economically productive agricultural activities in Broward County;
- (3) Focus on preserving larger parcels of "traditional farming" (10+ acres) for which PDR Programs have been used in other jurisdictions; and

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(4) Do nothing.

#### CHAPTER 1 - Introduction

#### 1.1 Study Context

The Board of County Commissioners has expressed concern over the continued conversion of agricultural land to nonfarm development in Broward County and a desire to encourage the retention of working agricultural lands. Currently, there are no significant programs or policies that provide sufficient incentive to property owners in Broward County to retain their land for agricultural use. The current practice is to keep land in agricultural use only until such time as market forces indicate a greater value for nonagricultural use.

In October 1996, the Broward County Planning Council staff completed the Broward County Agricultural Study, which recommended "amendments to the Broward County Land Use Plan to enhance existing agricultural policies to clearly identify specific incentive-oriented programs and methods to retain agricultural uses, including implementation measures." Subsequently, the Board of County Commissioners directed the establishment of an Ad Hoc Agricultural Committee, which completed an Agricultural Study Implementation Report in August 1997. One of the report's recommendations was to review policies for the feasibility of addressing a Purchase of Development Rights (PDR) Program and an Agricultural Land Retention Information Program in the Land Use Plan. The Planning Council recommended that a PDR Program be pursued, and in March 1998, the Board of County Commissioners accepted the Committee's report. On November 10, 1998, the Board directed the Planning Council staff to pursue exploring a PDR Program for agricultural lands and to work with the Agricultural and Extension Education Division. Since the Planning Council is an independent agency mandated by the Broward County Charter, the Comprehensive and Neighborhood Planning Division is responding to the Board of County Commissioners' directive to investigate the feasibility of implementing a PDR Program for the purpose of retaining agricultural lands in Broward County.

#### 1.2 Purpose of the Study

This study examines the feasibility of initiating a PDR Program in Broward County in order to preserve agricultural lands. Such a program would involve using public funds to purchase conservation easements from agricultural land owners, who in exchange agree to permanently restrict their land to agricultural activity. PDR Programs provide compensation to property owners that voluntarily sell their development rights, instead of selling their land for development. This is a concept that has been used successfully elsewhere in the United States, since the 1970s.

In the following sections, this report addresses:

- Extent and Character of Agriculture in Broward County,
- The Purchase of Development Rights Programs,
- Analysis of Feasibility, and
- Findings and Recommendations.

#### CHAPTER 2 - Extent and Character of Agriculture in Broward County

#### 2.1 Economic Value of Agriculture

The 1997 U.S. Census of Agriculture provides the most comprehensive data on agricultural activity in Broward County. In 1997 there were 347 farms in Broward County, covering 30,897acres. The total market value of agricultural products sold from Broward County farms was \$49 million. However, 79 percent of farms had annual sales of less than \$100,000. Few large working farms remain in Broward County. The average farm size was 89 acres, with two-thirds of farms in Broward County smaller than ten acres.

Broward County Property Appraiser's records show that, in 1999, 1,071 parcels, covering 11,452 acres had Agricultural Exemptions for tax purposes.<sup>2</sup> In 1998, 1,178 parcels had exemption. Ninety percent of these parcels are small farms of less than 20 acres, as shown in Figure 2.1. The average parcel size was 10.7 acres.

Fig. 2.1 Undeveloped Agricultural Exempt Lands

Parcel Size* (scres)	Exempt Parcels	Percent of Exempt Parces
0.04 -1.9 acres	312	26.5%
2.0 - 4.9 acres	463	39.3%
5.0 - 9.9 acres	172	14.6%
10.0 - 19.9 acres	118	10.0%
Subtotal < 20 acres	1,065	90,4%
20.0 - 49.9 acres	55	4.7%
50.0 - 99.9 acres	29	2.4%
100.0 - 199.9 acres	23	2.0%
200.0 - 299.9 acres	4	0.3%
over 300 acres	2	0.2%

<sup>\*</sup>In some cases one owner may have several contiguous parcels.

Source: Broward County Property Appraiser, 1998

<sup>&</sup>lt;sup>1</sup> Source: U.S. Census of Agriculture, 1997, U.S. Department of Agriculture.

A farm is defined as any place that produced or sold \$1,000 or more in agricultural products during 1997. The Census identified 30,897 acres of farmland in Broward County. The census definition allows for the inclusion of:

<sup>(1)</sup> Approximately 3,100 acres of pasture land located on tribal lands west of the levee;

<sup>(2) 154</sup> farms (44%) where the operators principal occupation was not farming; and

<sup>(3) 167</sup> farms (42%) that had annual sales less than \$10,000.

It is most likely that farmland in these three categories would not be eligible for Agricultural Tax Exemption.

<sup>&</sup>lt;sup>2</sup> Source: Parcels with Agricultural Tax Exemption in 1998, Broward County Property Appraiser (April 1999). An exempt parcel is defined as land where the primary use is for bona fide commercial agriculture; hobby farming is not eligible for exemption. In 1997, the total area of exempt parcels was 16,136 acres, which is significantly smaller than the total area of farmland shown in the 1997 Census of Agriculture (30,897 acres). The difference is due to the definition of exempt agricultural land (primarily the exclusion of hobby farming) and to geography (tribal lands within Broward County cannot be taxed by the County).

The agricultural sector has declined in importance as a source of employment in Broward County, which can be attributed to the net loss of agricultural land. In 1989 agricultural productions employed 1,027 persons in Broward County. This number has declined by 32.2 percent, in 1998, as shown in Figure 2.2. During this same period, the county's economy grew and total employment increased by 22.8 percent. Both agriculture-crop and agriculture-livestock categories were among the groups that lost most employees, ranking sixth and third respectively in terms of net loss over seven years. Correspondingly, the total payroll for workers in the agricultural sector has declined.

Fig. 2.2 Job Loss in Crop and Livestock Agricultural Sector, 1989-1998

Agricultural	Employment		Net Job Loss	Percent Loss	Total Wages	Total Wages	
Sector	1989	1998	<u> </u>		1989	1998	
Crops	925	620	-305	33.0%	\$13.1M	\$12.4M	
Livestock	102	76	-26	25.5%	\$1.5M	\$1.6M	
TOTAL	1,027	696	-331	32.2%	\$14.6M	\$14.0M	

Source: Florida Division of Labor and Employment Security ES-202 series, 1989 & 1998 Annual Average.

#### 2.2 Recent Trends - Declining of Agricultural Lands

Broward County is the second most populated county in the State of Florida, with 1.4 million residents. The county has grown rapidly since the 1950s as agricultural land and other undeveloped parcels have been developed for residential, commercial and industrial uses. The value of any undeveloped parcel of land is a function of its development potential. Agricultural land owners have found it financially advantageous to sell their land for development in Broward County. Existing land use, zoning and property tax breaks have been insufficient to withstand such development pressures.

The number of farms in Broward County and the total acreage in farmland has declined during the past four decades. In 1950, 423 farms in Broward County occupied 139,235 acres. In 1982, there

Fig. 2.3 Change in Farm Size, 1982 to 1997

Farm Size	Num	ber of F	arms	Acres of Farmland		
(acres)	1982	1997	change	1982	1997	change
<50	391	299	-92	3,620	2,142	-1,478
50-219	46	36	-10	4,127	3,965	-162
220-1,999	36	8	-28	20,466	5,195	-15,271
2,000+	6	4	-2	46,770	19,595	-27,175
Total	479	347	-132	74,983	30,897	-44,086
Avg. Size			157			89

Source: Census of Agriculture, 1982 and 1997

were 479 farms on 74,983 acres. By 1997, this number had declined to only 347 farms occupying 30,897 acres. Of these, only 193 (56 percent) were defined as full-time farms. Much of the reduction of total farmland in Broward County is due to the loss of several large farms. Over 15 years, the total acreage of farmland on large farms (2,000 acres or more) fell by 27,175 acres, as shown in Figure 2.3 and Appendix

B. Average farm size declined from 157 acres to 89 acres. During the same time period, the urbanized area of the county increased and the population grew rapidly, as shown in Figure 2.4.

200,000 2.0 **図 Population** Farmland 150,000 Population (millions) 1.5 100,000 1.0 0.5 0.0 1978 1987 1950 1959 1969 1997

Fig. 2.4 Population Growth and Farmland Decline 1950-1997

Sources: U.S. Census of Agriculture, 1950-1997; U.S. Census of Population, 1950-1990 (pro-rated); and University of Florida, Population Estimate, 1997.

A corresponding decline is evident in the land approved for Agricultural Exemption from property taxes. Figure 2.5 shows total exempted acres for tax purposes, between 1980 and 1999. During this 20-year period, lands with an agricultural exemption declined by 68 percent, from 36,152 acres to 11,452 acres. This represents an average annual conversion of more than 1,200 acres of agricultural land. Although some parcels are converted to nonagricultural uses (including vacant land and inactive agricultural land) and some are subject to temporary loss of exemption due to a recent sale, the majority of this agricultural land is being platted for development. Countywide build-out is expected to occur in 2020.

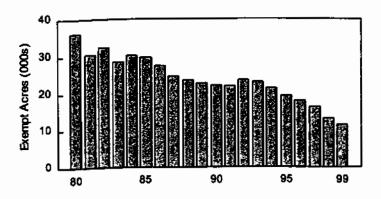


Fig. 2.5 Land with Agricultural Exemption, 1980-1999

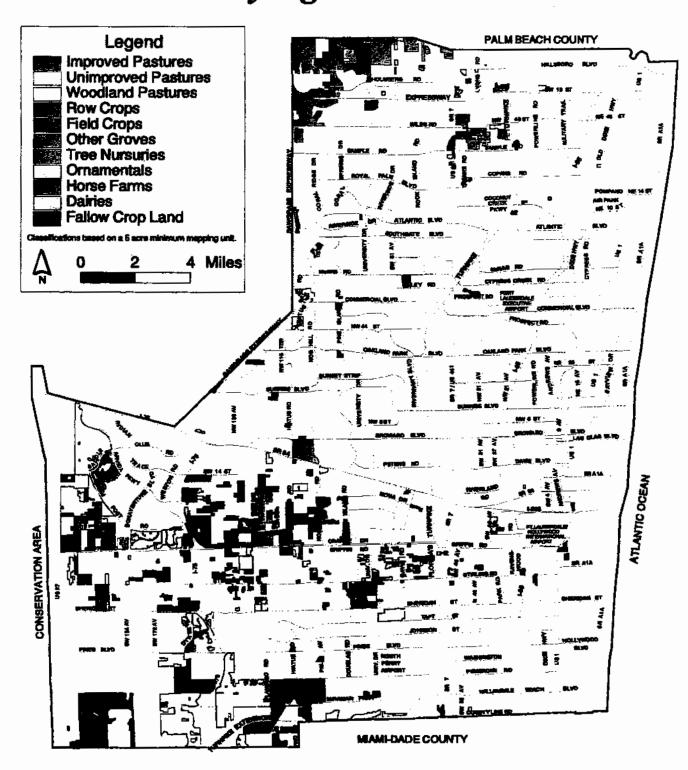
Source: Broward County Property Appraiser, 1999

2.3 Location of and Value of Remaining Agricultural Lands in Broward County

Remaining agricultural land is concentrated in southwest Broward County, primarily west of Interstate 75, and in the northwest at the Palm Beach County boundary. Map 1 shows the distribution of active agricultural parcels of five acres or more in 1995. This map shows the general

#### Map 1

### Broward County Agricultural Lands - 1995

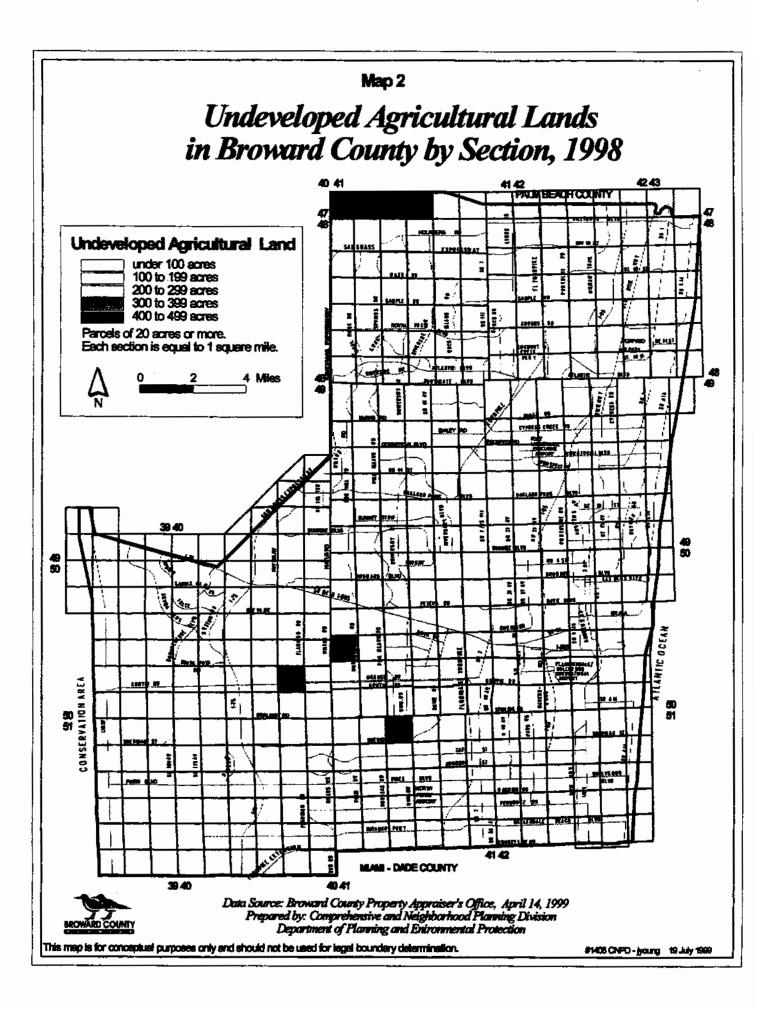




Source: South Florida Water Management District Existing Land Use - 1995 Prepared by: Comprehensive and Neighborhood Planning Division Department of Planning and Environmental Protection

This map is for conceptual purposes only and should not be used for legal boundary determinations.

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pattern of agricultural land location, based on an existing land use survey and a study of aerial photography conducted by South Florida Water Management District, with a 90 percent level of accuracy. It represents contiguous acreage which is greater than five acres, regardless of parcel boundaries, but it does not show scattered agricultural land of less than five acres. The majority of agricultural land in Broward County is concentrated in the southwesterly portions, which are located west of University Drive and south of Interstate 595. A significant proportion of agricultural land is located in the northwestern corner of the county, in the City of Parkland and Unincorporated Area adjacent to the Palm Beach County border. The usefulness of the map is limited because the data is five years old and development activity has been concentrated in the southwestern portions of Broward County during the last five years.

Fig. 2.6 Ownership of Large Agricultural Parcels

Ownership	Parcels of 50+ acres	Percent	Acres
Developer	36	62%	4,322
Other private	18	31%	2,356
Other	4	7%	363

Source: Broward County Property Appraiser, 1998, with analysis by Comprehensive & Neighborhood Planning Division.

The majority of large parcels (50 acres or more) that have an agricultural exemption, are owned by developers as shown in Figure 2.6 (a parcel inventory is provided in Appendix A). This suggests that their long-term use will be nonagricultural and that they are already under a high level of development pressure. For example, Imagination Farms, one of the largest farming operations remaining in Broward County, has recently been platted for residential development.

Map 2 shows the location of agricultural land by section, township, and range, as reported by the Broward County Property Appraiser for parcels

which are 20 acres or larger. There are 1,065 parcels less than 20 acres, which are not mapped. Each section is equal to one square mile (640 acres). Sections are classified by the total acreage of agricultural land within their boundaries for parcels which are 20 acres and larger. Sections which are not classified may contain agricultural land, but do not contain any parcels of at least 20 acres. This map generally corresponds with the agricultural land use pattern shown in Map 1.

Six of the sections displayed contain between 400 and 500 acres of agricultural land. Four of these are located in the northwest corner of the county, adjacent to Palm Beach County, in the Unincorporated Area and Parkland. One of these sections is located on the north and south sides of Griffin Road and on the west side of Flamingo Road, in Davie, Cooper City, and the Unincorporated Area. The western portion of this section, Imagination Farms, has been platted for development and the northern portion contains the Flamingo Road Environmentally Sensitive Lands Site. The remaining section is the Waldrep Dairy property, located on the west side of University Drive and on the north side of Sheridan Street, in the Unincorporated Area and Davie.

The 1997 Census of Agriculture asked farmers to self-report the value of their farms. The average estimated market value of land and buildings reported in Broward County was \$414,044 per farm (\$4,791 per acre). By definition, the Census included pastures on tribal lands west of the levee, which have a very low market value since they have no development potential, and small "hobby farms" that produce less than \$10,000 in annual sales. Inclusion of these farms skews the average value per acre data to a lower than expected mean. Notwithstanding this, the value per acre in Broward County was almost twice the statewide average of only \$2,241 per acre, suggesting that agricultural land in County has a high value due to its development potential. Over time the total value of agriculture has declined. In ten years, the estimated market value for land and buildings fell by \$87 million, to \$144 million in 1997. This decline can be attributed to the loss of total agricultural land acreage.

A more comprehensive data source for determining the value of agricultural land in Broward County is the Broward County Property Appraiser. Land with Agricultural Exemption is taxed based on the agricultural land use. In 1998, the agricultural land value of property in Broward County was \$80.3 million, which is an average of \$6,129 per acre. However, according to the Property Appraiser, those parcels had a total just value of \$463.8 million, which is an average of \$34,683 per acre. This value per acre appears low: for example, in 1998, one large farm (more than 200 acres) sold for more than \$50,000 per acre. The range of values contributing to the average of \$34,683 is substantial, reflecting the unique qualities of individual agricultural parcels in Broward County. Among the largest parcels (those with a minimum parcel size of 20 acres), the just value varied from \$4,839 per acre to \$102,941 per acre. Location, zoning, proximity of infrastructure, and unique characteristics of a parcel contribute to its market value. Zoning determines the density and intensity of permissible future development, which is reflected in the speculative value of land. The just value, assigned by the Property Appraiser, typically reflects the value of the existing use, rather than highest and best use, of each property. Therefore just values shown in the Property Appraiser's data may be

Nursery \$2,000 per acre
Row crops \$1,400 per acre
Citrus \$1,300 per acre
Poultry and Catfish farming \$900 per acre
Beef cattle and Horse breeding \$200 per acre

<sup>&</sup>lt;sup>3</sup> In 1987, the U.S. Census of Agriculture showed the estimated value of land and building was \$177 million. The implicit Gross Domestic Product price deflator shows a growth rate of 1.306 over 10 years. Applying this growth, the value of 1987 land and buildings expressed in 1997 dollars would be \$231 million.

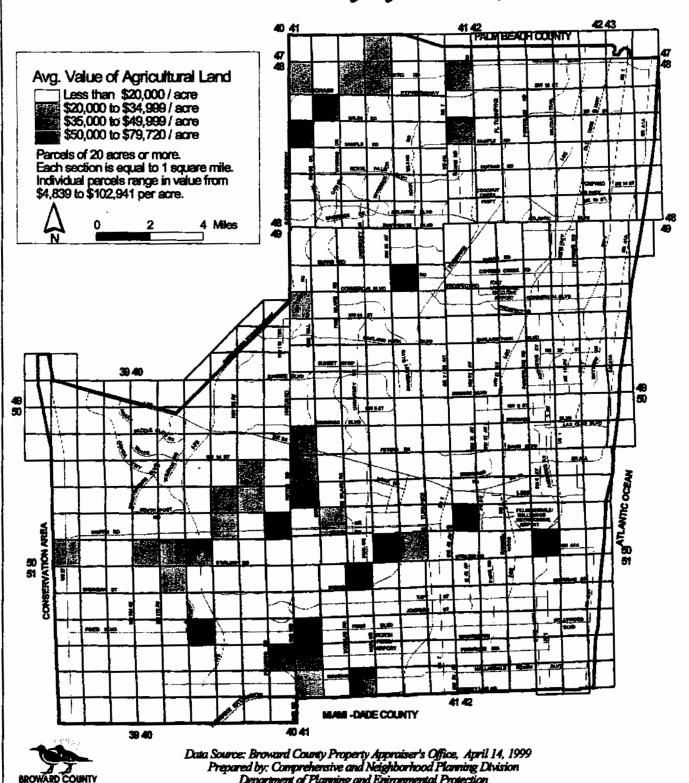
<sup>&</sup>lt;sup>4</sup> Agricultural land is assessed as follows:

<sup>&</sup>lt;sup>5</sup> The Florida Constitution requires property to be valued at its "just value". In a 1965 decision, the Supreme Court held that "just value" is the same as "market value". Market value is the cash amount that a hypothetical willing buyer, who does not have to buy, would pay to a hypothetical willing seller, who does not have to sell, for a given property.

<sup>&</sup>lt;sup>6</sup> Source: Broward County Property Appraiser, 1998

Map 3

## Average Value of Undeveloped Agricultural Lands in Broward County by Section, 1998



BROWARD COUNTY

Department of Planning and Entronmental Protection

This map is for conceptual purposes only and should not be used for legal boundary determination.

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### Map 4 Average Price of Agricultural Land Sales in Broward County by Section, 1998 and 1999 41 42 PALM BEACH COUNTY Average Price of Land Sales \$4,460 - \$24,999 per acre \$25,000 - \$49,999 per acre \$50,000 - \$74,999 per acre \$75,999 - \$193,186 per acre No Sales Recorded Note: Just Value of buildings authracted from total sales price for those transactions that included land and buildings, to give land only price. 3940 49 50 4969 CONSERVATION AREA ٤ı 41 42 MIAMI - DADE COUNTY 39 40 Data Source: Broward County Property Appraiser's Office, Feb. 2000 Prepared by: Comprehensive and Neighborhood Planning Division Department of Planning and Entronmental Protection This map is for conceptual purposes only and should not be used for legal boundary determination.

significantly lower than actual sales prices that might be expected on parcels that have a speculative value for uses other than agriculture. For example: according to the Broward County Real Property Section, a two-acre agricultural parcel in an urbanized area, having a just value of \$49,000 and zoned for multi-family development, may sell for \$435,000. Estimating purchase costs is complex. The reader is cautioned that actual sales are determined based on individual site appraisals and therefore purchase costs (for PDR or any other land acquisition program) may be substantially higher than \$34,683 per acre, especially where the highest and best use is nonagricultural.

Based on the Property Appraiser's data, the average difference between just value (\$34,683) and agricultural value (\$6,129) is \$28,554 per acre, which is 82 percent of just value. Development pressure clearly contributes to the high speculative value of agricultural land in Broward County. Map 3 shows the average market value per acre of agricultural parcels of 20 acres or more, as defined by Broward County Property Appraiser, by Section. The distribution shows that generally agricultural land is most expensive in locations where it is surrounded by development; whereas in the far northwest and west of the county average value per acre is typically lower.

#### 2.4 Recent Agricultural Land Sales

Data provided by the Broward County Property Appraiser show that 29 agricultural properties, totaling 428 acres, were sold during 1998 and 1999, for a total sales price of \$26.6 million (as listed in Appendix E). Some of these properties were sold for development, others continue in agricultural use. The inclusion of buildings in nine of these transactions limits the usefulness of the raw sales data. To enable comparison between properties with and without buildings, this study assumes that all buildings were sold for their just value.

Analysis of the land sales shows that agricultural land sold for \$24.5 million or \$57,319 per acre; whereas the agricultural land value, established by the Property Appraiser (based on agricultural use such as grazing, nursery, orchard etc), was only \$777,750 or \$1,816 per acre. The difference between sales price and agricultural value was \$55,503 per acre.

Recorded sales prices ranged from \$3,785 per acre for a small nursery encumbered with a utility easement to \$193,186 per acre for a 28-acre parcel in a prime location, sold for commercial development. Properties sold ranged in size from 1.4 acres to 260.4 acres. The mean sales price was \$57,319 per acre, however this was skewed by two properties (a \$5.5 million transaction, and another property than represents more than 60 percent of total acreage sold). The median property value, of \$44,933 per acre, is more representative of the average sales price of agricultural land. The median property size was less than five acres.

Exclusion of the two properties that skew the 1998-99 data series, provides a better measurement of the value of development rights on a "typical" agricultural property in Broward County. Land on the remaining 27 properties sold for an average price of \$43,038 per acre and had an agricultural land value of \$5,167 per acre, established by the Property Appraiser. The difference between sales price and agricultural value was \$37,871 per acre. Since the sales price of any property is strongly affected

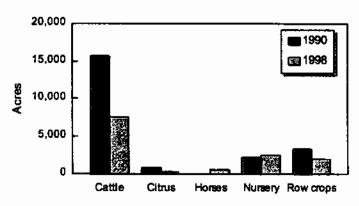
by its location and the unique characteristics of the site, aggregation of recent sales data does not necessarily predict the cost of future land purchases. However, based on these data, the value of development rights would be \$37,871 per acre, equivalent to 88 percent of the sales price. Compared to similar values documented in PDR Programs elsewhere (discussed in section 3.10 below), this percentage is very high, confirming the intense development pressure that agricultural land is currently experiencing in Broward County.

The geographic distribution of sales is shown on Map 4. Typically, parcels in central locations, east of I-75, had higher sales prices that those in the west. Two small properties (5.5 acres) were purchased by South Florida Water Management District as part of the Everglades restoration program.<sup>7</sup> The average sales price of these parcels was \$8,545 per acre.

#### 2.5 Types of Agricultural Activity

Cattle farming accounts for 57 percent of the total agricultural acreage in Broward County.8 However, its importance has declined significantly since 1990, as shown in Figure 2.7. In 1990, 15,572 acres were used for cattle farming (70 percent of all agricultural acreage). By 1998, less than half that area (only 7.535 acres) was used for cattle. Citrus orchards and row crop farms have also declined in acreage. Small increases in horse breeding and nurseries have occurred. In 1998, nurseries accounted for 2,592 acres of exempt land. The loss of cattle farms to development largely accounts for the decline in total acreage of agricultural land and the loss of open space associated with it.

Fig. 2.7 Agricultural Exempt Lands by Type, 1990-98



Source: Broward County Property Appraiser, 1998.

#### 2.6 Value of Agricultural Sales

Agricultural activities in Broward County produced \$49 million in total sales in 1997, as shown in Figure 2.8. In terms of market value, crop production contributes more to the Broward County economy than livestock farming. In 1997, crops comprised 86 percent of the total value of agricultural product sales in Broward County; a total of \$42.1 million. Livestock and livestock

<sup>&</sup>lt;sup>7</sup> Folio numbers: 0927 02 010 and 0927 02 012

<sup>&</sup>lt;sup>8</sup> Source: Broward County Property Appraiser, 1998

products only accounted for 14 percent of sales (\$6.9 million). Nursery and greenhouse products were the major crops, generating 77 percent of total sales (\$37 million). Such production is highly intensive, with high value crops being grown on agricultural parcels that are typically much smaller than the extensive pasture lands associated with cattle and other livestock. Small parcels are economically viable for ornamentals and tree nurseries, which are the primary products grown. Broward County is suited to this type of agricultural activity, because its climate allows for several growth cycles per year. In contrast, livestock farming accounted for less than 15 percent of total sales, although the majority of agricultural acreage is in cattle farms.

Fig. 2.8 Total Sales by Farm Type (for farms with sales more than \$10,000 only), 1997

<b>Farm Туре</b>	Number of Farms *	Total Sales	Percentage of Total Sales *
Nursery & greenhouse crops	156	\$37,313,000	77%
Vegetables, sweet corn & melons	9	\$3,992,000	8%
Other livestock	18	\$1,362,000	3%
Cattle & calves	13	\$1,266,000	3%
Fruits, nuts, and berries	11	\$528,000	1%
Dairy products	2	data not	available from USDA
Hogs & pigs	1		
All Farms (with sales \$10,000+)	200	\$48,599,000	100%

Source: U.S. Census of Agriculture, 1997

#### 2.7 Soil Type and Drainage

U.S. Department of Agriculture (USDA) classifies soils based on their productivity potential. Well drained, high quality soils have a high yield potential for crops. In Broward County, soils are generally poorly drained and not considered favorable for agriculture. However, an extensive manmade drainage infrastructure has improved those lands, such that the natural soil quality is not an inhibitor to productive agricultural use.

In addition to drainage, irrigation is used in 200 farms in Broward County. According to the 1997 Census of Agriculture, more than 2,100 acres have been irrigated.

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<sup>\*</sup> Aggregate does not equal the total as individual farms may be in more than one category.

<sup>9</sup> Source: U.S. Census of Agriculture, 1997

#### 2.8 Agricultural Infrastructure

The long-term economic viability of individual agricultural operations is partially dependent on the availability of nearby support services, or the so called "local agricultural infrastructure." This includes suppliers, turf grass and pest control, feed stores, farm equipment suppliers and repair businesses, et cetera. In turn, suppliers require a "critical mass" of local agricultural activity in order to generate sufficient customers to support their businesses. As agricultural lands have declined in Broward County, so have these support services. Figure 2.9 shows the decline in two categories of agricultural support business. Farm machinery manufacture, which employed 25 persons in 1980, provided fewer than half that number of jobs in 1995. Businesses providing wholesale raw materials, declined even more from 45 employees to only seven within 15 years.

Fig. 2.9 Business Enterprises and Employment in Agricultural Support

Category	Business E.	stablishment		Avg. Annua	l Employme	et 🦾
	1980	1990	1995	1980	1990	1995
Farm Machinery Manufacture (SIC 352)	4	5	3	25	21	12
Wholesale Farm Product Raw Materials (SIC 515)	7	*	3	45	•	7

<sup>\*</sup> Data suppressed by source to maintain confidentiality

Source: Florida Dept. of Labor and Employment Security, ES-202 Report series, 1980-1995

#### 2.9 Agricultural Future Land Use Designation

The Broward County Land Use Plan (BCLUP) governs the permitted land uses in Broward County. Municipal future land use plans and zoning maps must comply with the BCLUP. To be in compliance with the BCLUP means that the municipalities are at least as restrictive in terms of permitted land uses. The BCLUP has an agricultural future land use designation; however, agricultural uses are permitted in numerous future land use designations. These include Rural Ranches, Rural Estates, Residential, Commercial, Employment Center, Industrial, Office Park, and Utilities. The existing agricultural land use pattern is not reflective of the lands identified as Agriculture on the BCLUP. Most of the existing lands used for agricultural purposes have a future land use designation other than agricultural.

Furthermore, 90 percent of land designated Agricultural on the Broward County Future Land Use Map Series is either vacant or used for a nonagricultural activity, including low-density residential, and conservation. In fact, the South Florida Water Management District's East Coast Buffer/Water Preserve Areas account for 5,810 acres (75%) of the land designated Agriculture.

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Fig. 2.10 Agricultural Land Use Designation, 1977-1995

Year	 Acres	Decline
1977	33,560	Base year
1989	14,700	56%
1995	7,750	47%

Source: Broward County Planning Council

Between 1977 and 1989, the area designated for Agriculture on the Future Broward County Land Use Plan Map Series declined by almost 19,000 acres (approximately 1,570 acres per year), as shown in Figure 2.10. From 1989 to 1995, the area declined further by almost 7,000 acres (approximately 1,160 acres per year). This reduction occurred despite the fact that Broward County Land Use Plan Objective 4.01.00 provides for encouraging the retention of agricultural land and uses. Significant areas designated for Agricultural are located within the South Florida Water Management District's East Coast Buffer/Water Preserve Area, including approximately 75 percent of the lands designated for Agriculture on the Future Land Use Plan (about 5,810 acres).

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#### CHAPTER 3 - Purchase of Development Rights Programs

#### 3.1 General Concept

The purchase of development rights (PDR) is a technique which is typically used to preserve agricultural land or protect open space; however, it may be used for other purposes, such as the preservation of historic sites and the protection of environmentally sensitive land. When implemented for the purposes of agricultural protection, PDR is often used interchangeably with the term purchase of agricultural conservation easement (PACE). For purposes of this Study, the term PDR will be used.

The first PDR Program was initiated in Suffolk County, NY in 1974 and the majority of PDR Programs are found in the northeastern United States. Since its inception, the PDR concept has gained popularity as development pressures to convert agricultural land in urban and suburban fringe areas to nonfarm uses have strengthened. PDR Programs are often developed by state and local governments, but private organizations, particularly land trusts, are also active in this realm. Purchase of development rights programs are intended to benefit the community by preserving the economic viability of agriculture, protecting rural character and open space, providing wildlife habitat, preserving water recharge areas, and protecting water quality. PDR programs are intended to benefit the farmer by providing the farmer with capital to use as he or she so chooses, while retaining title to the property; enhancing the ability of the farmer to continue farming on land under intense development pressure; reducing estate taxes which make it easier to transfer the farm to heirs; and, reducing property tax.

The core concept behind PDR is that all real property is vested with a package of rights, commonly referred to as property rights. The package comprises a combination of individual components, which include mineral rights, air rights, surface rights, and development rights. Each of these rights has monetary value and may be sold, without transferring ownership of the property as a whole. In the case of farmland protection, the property rights at issue are the development rights, specifically, the right to develop the property for residential, commercial, and industrial uses. The right to use the property for agricultural uses is retained by the landowner. The sale of development rights is a voluntary decision by the farmer.

Upon the sale of development rights, a conservation easement or deed restriction is placed upon the land. For the purposes of this Study, the term conservation easement will be used. Conservation easements run with the land and remain intact when property ownership is transferred. The terms of the conservation easement usually restrict all uses, with the exception of farm structures and residences for the owner and owner's children. Conservation easements are usually placed upon the land in perpetuity, although some may run for a specified period of time, with an option to buy back the development rights if conditions conducive to farming no longer persist.

Farmers are reliant upon agricultural production to sustain their livelihood. Consequently, the success of PDR programs is inherently dependent upon the profitability of agriculture. The economic viability of agriculture is affected by numerous factors, including weather patterns, foreign

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competition, labor costs, regulatory requirements, and land market values. PDR programs attempt to address how the market value of land effects farmers' decisions on how to use the land. The assigned market value of land reflects its speculative and economic values. The market value is based upon the "highest and best use," which is the use of land for urban economic activities, such as industry, commerce, and residences. Under the highest and best use principal, low values are assigned to land for agricultural, rural, and natural characteristics. PDR programs attempt to bridge this gap.

Typically, PDR programs have several major components: goals, community support, farm eligibility criteria, farm selection criteria, terms of the conservation easement, easement valuation methodology, funding, and program administration.

#### 3.2 Program Goals

Most PDR programs establish the protection of agricultural land and viable farming operations as a primary goal, while some programs favor the protection of open space. The order of priority depends upon the characteristics of the community, including, the state of agriculture, the level of development pressure, and community values. All other PDR program aspects, particularly farm selection criteria, should be structured to reflect the goals; therefore, it is essential that the goals are established and prioritized in the early stages of program development. There may also be associated goals, which may vary depending upon the individual circumstances of a community, such as the preservation of environmentally sensitive lands, the maintenance of rural character, the provision of buffers for other protected land, the enhancement of quality of life, and the establishment of continuity along greenway corridors.

#### 3.3 Community Support

The initiation of a PDR program requires a significant degree of community support. The support must be derived from the farming community, as well as the public at large. The support of the farm community is the most important, since the preservation of their land is being sought and because participation is voluntary. The foremost advantages to farmers include the acquisition of capital, the ability to continue farming land threatened by urban development, the reduction of property tax, and the reduction of estate taxes. Although farmers receive direct economic benefits from a PDR program, in the form of monetary compensation, they often do not support PDR programs initially. There are numerous reasons farmers may not support PDR programs, but one of the foremost is that they simply do not want to give up the development rights, which often provide the main source of retirement income or speculative value for their heirs.

Typically, the general public embraces PDR programs more quickly than farmers, particularly in areas experiencing rapid development. Residents often consider agricultural land and open space essential to the fabric of the community. A significant value often is placed upon the amenities which agriculture provides, which include the provision of rural character, open space, wildlife habitat, and water recharge areas. As residents watch urban development replace farmland, they frequently feel that their quality of life is being compromised.

#### 3.4 Farm Eligibility Criteria

Many PDR programs establish a minimum farm size to be eligible for participation. This size varies among programs depending upon the characteristics of agriculture in a particular community. Among those PDR programs which do not require a minimum farm size, the size of the farm is always a consideration in terms of ranking PDR applications. The primary reason for establishing a minimum farm size requirement is to ensure a critical mass of farmland will be preserved to provide for the long-term economic viability of agriculture. Figure 3.1 displays the minimum farm size requirements established by other communities with PDR programs.

Fig. 3.1 Minimum Farm Size in PDR Programs

PDR Program	Minimum Farm Size
Town of Dunn, WI	None
San Juan County, WA	None
Virginia Beach, VA	10 acres or included in a batch application for 10 contiguous acres.
King County, WA	40 acres
Forsythe County, NC	10 acres or contiguous to a 10-acre tract for which the county owns the development rights and is in agricultural or open space use.
Buckingham Township, PA	50 acres
Suffolk County, NY	None
Southhampton, NY	10 acres in a single operation.
Peninsula Township, MI	None
Marin County, CA	None

Source: Telephone survey of selected PDR programs, Broward County Comprehensive and Neighborhood Planning Division, July 1999.

#### 3.5 Farm Selection Criteria

Much of the literature concerning PDR programs stresses the importance of establishing criteria to select farms. Currently in practice, there are many different systems used to rank farms, which vary in complexity. Some programs identify the land eligible for PDR at the time the program is established, which eliminates the need to rank individual farms on a case-by-case basis. In some situations, a ranking system may not be required because the community is small enough to rely on common knowledge of farm location and agricultural importance. In other uncommon circumstances, the availability of funds outpaces demand for program participation; thus, all PDR applications are approved.

This section discusses variables which are commonly addressed by the PDR programs which have established and actively used farm ranking systems to determine farm eligibility. Some programs establish general criteria to perform an objective analysis to rank farms and others utilize a farm ranking worksheet to determine a numerical score. Farm ranking worksheets are typically based upon the Land Evaluation and Site Assessment (LESA) system developed by the United States Department of Agriculture's (USDA) Soil and Water Conservation Service (currently known as the USDA's Natural Resource and Conservation Service) in the early 1980s. A PDR program often embraces one of three primary philosophies when implementing a LESA-based ranking system. One is to target farmland which is experiencing the greatest level of development pressure. This method often weights the open space benefits of a PDR program above the agricultural preservation benefits. This emphasis on open space often is popular with suburban residents, but substantially increases the cost per acre. A second philosophy is to focus on the areas which are experiencing minimal development pressure; thereby, maximizing the amount of land upon which development rights are purchased, while minimizing the cost. The third philosophy is to target land with moderate development pressure to strike a balance between location and cost. In all cares the program's goals have to be considered within the context of the dedicated resources.

Figure 3.2 Farm Selection Criteria used in PDR Programs

Characteristic	Farm Selection Criteria
Soil Quality	Most PDR programs place substantial emphasis on the quality of soils for farming, in recognition that the quality of farmland is dependent upon high quality soils. Soil types are weighted according to their agricultural value. The most valuable soils are usually those which are identified by the USDA NRCS as prime or unique.
Farm Size	Some PDR programs establish a minimum size in order to be eligible for consideration of PDR. The generally accepted principal is that the larger the farm, the more important its agricultural value. The consideration of farm size is intended to maintain large, viable farm operations, while maximizing open space.
Proximity to Other Protected Land	The intent of the proximity criteria is to create clusters or corridors of agricultural land and open space. This helps establish a critical mass of farmland and maximize open space benefits. Protected land may include public parks, greenways, environmentally sensitive land, forest preserves, and farmland upon which the development rights have been purchased.
Public and Natural Resource Benefits  Significant non-agricultural attributes, including scenic, historic, archaeological watershed, wetland, and other unique features, may be considered as ranking favalue of the land for nonfarm purposes can further other public goals; however, programs will eliminate certain farms if these nonagricultural values are already by law.	
Land Stewardship	The habitual use of good soil and water conservation practices, or good land stewardship, demonstrates the commitment of the farmer to keeping the land in agriculture and helps ensure the land's capability for agricultural production. Considerations in assessing good land stewardship may include control of weeds and exotic plants, erosion prevention, good grazing management, and water quality management.

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Public and Natural Resource Benefits	Significant non-agricultural attributes, including scenic, historic, archaeological, wildlife, watershed, wetland, and other unique features, may be considered as ranking factors. The value of the land for nonfarm purposes can further other public goals; however, some programs will eliminate certain farms if these nonagricultural values are already protected by law.
Land Stewardship	The habitual use of good soil and water conservation practices, or good land stewardship, demonstrates the commitment of the farmer to keeping the land in agriculture and helps ensure the land's capability for agricultural production. Considerations in assessing good land stewardship may include control of weeds and exotic plants, erosion prevention, good grazing management, and water quality management.

Characteristic	Farm Selection Criteria
Proximity to Public Sewer and Water	Many PDR programs consider a farm's proximity to public sewer and water important to a farm's rank. There are two opposing approaches to the consideration of this factor. The first is to protect farms in closest proximity to planned or existing sewer and water, since the provision of infrastructure makes them vulnerable for conversion to urban uses. (PDR programs which utilize this approach typically emphasize open space benefits over the agricultural preservation.) The second, is to protect farms which are not in close proximity to public sewer and water, where land values are typically cheaper, to further the acquisition of a critical mass of farmland. (PDR programs which utilize this approach typically focus on the agricultural preservation, rather than the open space benefits.)

#### 3.6 Terms of Conservation Easements

In conjunction with the sale of development rights, a legal document, known as a conservation easement is placed upon the property deed. The conservation easement usually restricts the use of the land to agriculture or open space use, limits residential development, and prevents commercial and industrial development. The conservation easement runs with the land and stays on the deed, regardless of the transfer of property ownership.

The restrictions placed upon the land by a conservation easement are often negotiable with the property owner and depend upon the characteristics of the property, the needs of the landowner, and the goals of the PDR program. The restrictions often limit the number of dwelling units which may be placed upon the property and may limit the ownership of residences to the children of the landowner. Conservation easements typically do not allow public access; however, certain types of limited public access may be negotiated with the landowner. Conservation easements may contain provisions to protect environmentally sensitive areas and archaeological sites.

Conservation easements typically apply in perpetuity, although many provide for a release provision after a specified period of time, which is often 25 years. The release of a conservation easement generally requires the property owner to buy back the property rights, the value of which is adjusted for current market conditions. Furthermore, the repurchase of development rights is typically subject to a rigorous consent process, which may require board and/or voter approvals. Figure 3.3 displays the provisions by which various selected PDR programs allow for the repurchase of development rights.

Fig. 3.3 Release of Conservation Easement in PDR Programs

PDR Program	Provisions for Release of Conservation Easement
Town of Dunn, WI	<ol> <li>Public hearing required.</li> <li>Land Trust Commission has opportunity to provide a recommendation to the Town Board.</li> <li>Advisory referendum must be approved by a majority of the electors.</li> <li>Approval by % majority of the Town Board.</li> <li>Approval by a majority vote of any governing body or not-for-profit agency which was jointly involved in the PDR.</li> </ol>
Virginia Beach, VA	<ol> <li>Approval by ¾ majority of the City Council.</li> <li>Repurchase of development rights must be essential for the orderly growth and development of the community and not in conflict with the Comprehensive Plan.</li> <li>Conservation easement must have been in effect for 25 years.</li> </ol>
Forsyth County, NC	<ol> <li>Conservation easement must have been in effect for 30 years.</li> <li>Town Board approves repurchase in principle.</li> <li>Town Board and County Commission approves the repurchase price.</li> </ol>
Suffolk County, NY	Approved by the Suffolk County Legislature.     Recommended by the Farmland Committee.     Approved by voter referendum.
Peninsula Township, MI	<ol> <li>Approved by Town Board.</li> <li>Approved by voter referendum.</li> <li>Funds from the sale are used for PDR on other eligible farmland.</li> </ol>
Source: Telephone intervie documentation provided by	ws, Comprehensive & Neighborhood Planning Division, July 1999, with supporting the municipality/county.

#### 3.7 Easement Valuation Methodology

The cost of development rights vary from community to community, depending upon the pace of development. In rapidly growing areas, where development pressure is high, the cost of the development rights may approach 85 percent of the fee simple value (Lapping, 1980). Payments may be made in a lump sum or in installments over a specified period of time. Out of 14 PDR programs for which the cost of development rights were obtained, the average cost per acre varied from \$675 to \$8,000. The primary mechanism by which the value of the conservation easement is determined is by conducting appraisals of the property based upon two scenarios. The first scenario is the value of the property under its maximum development potential and the second is the value of the property for agricultural use. The value of the development rights equals the difference between the two appraisals. For example, if a 50-acre farm has an agricultural value of \$5,000 per acre and could be sold for residential development at \$25,000 per acre, then the development rights would cost \$20,000 per acre for a total of \$1 million.

Some PDR programs utilize the average value of appraisals conducted by two qualified property appraisers. The local government usually pays for the appraisal, but some programs allow the landowner to independently hire a qualified property appraiser if the value of the development rights is in dispute.

#### 3.8 Funding

Local, state and federal sources have been used to fund PDR programs in other jurisdictions. Typically programs initiated at a county or municipal level have relied on locally generated revenue sources, such as general obligation bonds, and property and sales taxes. A variety of funding mechanisms have been used to fund PDR programs as shown in Figure 3.4. Some communities have used a combination of funding sources, which distributes the funding burden and helps establish a consistent long-term revenue source. Figure 3.4 shows the advantages and disadvantages of selected forms of revenue which may be used to support PDR programs.

Table 3.4: Advantages and Disadvantages of Selected Funding Sources

Funding Source	Needs State Legislative Approval	Needs Voter Approval	Advantages	Disalivantages
Local Revent	ie Sources			
General Obligation Bonds		х	Ability to commit large sums to farmland at program initiation, while land is still available and relatively affordable.  Total cost of acquisition is distributed over time, between current and future residents receiving PDR benefits.  Bonds do not count against the millage cap.	Interest paid on bonds increases total program cost. Bonds are repaid with property taxes, an unpopular revenue source. Bonds do not provide long-term funding.
Local Sales Tax	Sometimes	х	Reliable, long-term funding source. Tourists' dollars partially support the PDR program.	Sales tax is regressive. Sales tax is often unpopular. Requires well-organized campaign for public support.
Local Real Estate Transfer Tax	х	Usually	Funding increases when real estate market activity is heavy.	Funding decreases as real estate market activity declines.

Funding Source	Needs State Legislative Approval	Needs Voter Approval	Advantages	Disadvantages
Local Property Tax			Flexible and can be implemented quickly.	Flexibility may compromise reliability of funds, as allocation of funds is subject to political will of the governing body.  Property tax counts against the millage cap.  It is an unpopular form of taxation and is a regressive tax.
Dedicated Local Property Tax ( Voted Millage Increase)		х	Reliable source of funding. Flexible and can be implemented quickly. Does not count against the millage cap.	Fixed dollar amount payable over a fixed period of time, does not provide ability to commit large sums to the program up-front.
Annual Appropriati ons from Budget Reserve or General Fund			May provide a large funding source for program initiation. Saves financing costs.	Limited by the availability of surplus funds
State and Fed	eral Revenue	Sources		
State Appropria- tion	х		State funding.	Not necessarily a reliable funding source since it is often competitive.  State of Florida does not have a PDR program in place. (However, Green Swamp Land Authority did receive an appropriation in 1994 for specific PDR Program).
Federal Farmland Protection Program			Federal funding. Provides up to 50% matching funds for purchase of agricultural conservation easements.	Program is limited to prime, unique and productive farmland threatened by development. Requires landowner to implement a conservation plan. Distribution of federal funding, based on annual appropriation, is competitive between state and local programs nationwide.

Funding Source	Needs State Legislative Approval	Needs Voter Approval	Advantages	Disadvantages
Other Fundi	ng Sources			
Local Cellular Phone Tax	х	X	Provides a steady stream of funds.	Maybe unpopular.
Tax Bill Check Off Boxes			Allows residents to donate money to PDR program	Diminutive revenue return.
Mitigation Ordinance			Developers pay an impact fee or grant a conservation easement	Ordinance is difficult to compose since exactions must be linked to the impacts of the proposed development and must be roughly proportional to those impacts.
Special District	Sometimes	х	Those residents who receive the most direct benefits finance the program.	Difficult to equitably establish district boundaries.

Source: Adapted from "Purchase of Agricultural Conservation Easements: Sources of Funding Fact Sheet," American Farmland Trust, January 1999.

#### 3.9 Program Administration

A PDR program administration process must be established to review and approve applications. Some programs also establish monitoring and enforcement procedures to ensure the terms of the conservation easement are met by the landowner. The review and approval of applications typically takes between six and twelve months. Final approval of applications is usually reserved for the local governing body, which is provided with recommendations by staff, an advisory review board, or a combination of the two. Advisory review boards are typically established for the specific purpose of formulating recommendations on PDR applications; although the review function may be delegated to a previously established board. Advisory review boards typically consist of seven members; the composition of which typically includes individuals with backgrounds in real estate, development, finance, conservation, agriculture, and other fields, depending upon the needs of the program.

Most programs conduct some type of monitoring and enforcement of the terms of the conservation easement, which is carried out in an assortment of methods and to varying degrees. A baseline conditions report is typically produced at the time the development rights are purchased, which includes photographs and written descriptions of the condition of the land and buildings. Some programs require inspections, typically in three to four year intervals. Penalties may be established as part of the conservation easement in the event its terms are breached or violations may be subject to remedy by the courts.

#### 3.10 Inventory of Established Programs

Figure 3.5 provides an inventory of selected PDR programs at a local level, excluding programs administered by state agencies. It includes six counties, one independent city, six municipalities/townships and one bicounty land authority. The majority of these PDR programs were established since the mid-1980s and have preserved more than 85,000 acres of farmland, at a cost of approximately \$165 million. Marin County, California, which established its program in 1980, has protected more than 25,000 acres, while the City of Virginia Beach, Virginia, which established its program in 1995, has protected about 50 acres. Most of the programs have protected fewer than 25 farms; however, King County, Washington and Suffolk County, New York have protected 209 and 139 farms, respectively. King County and Sonoma County, California have expended the most funds to date. King County has spent more than \$54 million, with an average cost per acre of \$4,300 and Sonoma County has spent \$34 million, with an average cost per acre of \$1,500. The average farm size protected ranges from 26 acres in Southold, New York to 671 acres in Marin County. PDR programs in San Juan County, Washington and the Green Swamp Land Authority, Florida are geared toward the protection of environmentally sensitive land and open space, rather than the preservation of agriculture.

Fig. 3.5 Selected Local PDR Programs in other Counties and Local Jurisdictions

Jarisdiction	Year of Inception	Acres Protected	Farms Protected	Funds Speat to Date	Avg. Cost / Acre	Avg. Size Protected Farms	Funding Source(s)
California Marin County	1980	25,504	38	\$17,000,000	\$667	671	State bonds, 10% of unallocated county funds, private foundations
Sonoma County	1990	22,850	60	\$34,000,000	\$1,488	381	0.25% sales tax, state bonds
Colorado City of Boulder	1984	1,092	6	\$6,833,732	\$6,258	182	Sales tax
Florida Green Swamp Land Authority	1994	12,826	22	\$10,500,000	\$819	583	Appropriations from state agencies & water management district

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Jurisdiction	Inception Protected Protected to Date		Funds Spent to Date	Avg. Cost / Acre	Avg. Size Protected Farms	Funding Source(s)	
Michigan Peninsula Township	1994	724	10	\$1,253,000	\$1,731	72	Property tax increase, state grants, FPP
New York Southampton	1980	765	19	\$5,640,000	\$7,373	40	Municipal bonds, FPP
Southold <sup>2</sup>	1986	627	24	\$5,010,000	\$7,990	26	Property tax increase
Suffolk County	1974	5,568	139	\$26,000,000	\$4,670	40	Municipal bonds, FPP
North Carolina Forsyth County	1984	1,236	20	\$1,869,965	\$1,513	62	County budget reserve, FPP
Pennsylvania Buckingham Township	1996	137	3	\$1,100,000	\$8,029	46	Municipal bonds
Virginia Virginia Beach	1995	48	1	\$267,016	\$5,563	48	Property tax increase, cellular phone tax
<b>Washington</b> King County	1979	12,691	209	\$54,113,724	\$4,264	61	Municipal bonds, FPP
San Juan County	1990	670	5	\$1,419,401	\$2,119	134	Real estate transfer tax
Wisconsin Town of Dunn	1996	174	1	\$260,000	\$1,494	174	Property tax increase
TOTAL	$\times$	84,912	557	\$165,266,838	\$1,946	152	>>

<sup>&</sup>lt;sup>1</sup> Funds spent to date do not include administrative costs. Boulder's Open Space Department is a multipurpose program that also purchases land in fee; the figures in the table represent easement acquisitions on farmland.
<sup>2</sup> Figures as of 8/1/96. Southold received \$100,000 from the FPP in the fall of 1996.
FPP: Federal Farmland Protection Program.

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Source: American Farmland Trust, 1997

Figure 3.6 shows data for the counties where PDR programs have been implemented. Broward County data is included for comparison only. Twelve of the 14 counties have more than 35,000 acres of agricultural land, including five that have more than 100,000 acres. Average farm size varies from 59 acres to 542 acres, with 132 acres being the median. The market value of land and buildings ranges from less than \$1,000 per acre in Dunn County, WI to \$10,648 per acre in Suffolk County, NY. Counties vary in geographic area, from 175 to 2,828 square miles. Population density, which is indicative of development pressure, ranges from 42 to 1,450 persons per square mile. There is a strong correlation between population density and farm acreage. Four counties had more than 40 percent of their land area in agricultural use: Sonoma County, CA, Dunn County, WI, Marin County, CA and Polk and Lake counties (Green Swamp Land Authority), FL. In these counties agriculture is the primary land use. These four areas also had the lowest average cost per acre for PDR programs as shown in Figure 3.5 above. Conversely, counties with a low proportion of total area in farmland-Suffolk County, NY; King County, WA and San Juan County, WA - had PDR programs with higher costs ranging from \$2,119 to \$7,990 per acre.

Fig. 3.6 Characteristics of Counties where PDR Programs has been Implemented

Jurisdiction	1	997 Census	of Agricul	ture	1990 Census of Population			Percen
Jarsakook	Full Time Farms	Total Acreage	Avg. Farm Size (all farms)	Avg. Market Value of Land & Buildings per acre	Pope- lation	Area (eq miles)	Population Intion Density	land in Farms
California Marin County	172	149,663	542	\$1,900	230,096	519.8	442.7	45.0%
Sonoma County	1,344	570,804	208	\$5,211	388,222	1,576.2	246.3	56.6%
Colorado City of Boulder <sup>(1)</sup>	276	128,146	195	\$2,054	225,339	742.5	303.5	27.0%
Florida Green Swamp Land Auth. <sup>(2)</sup>	1,522	806,800	209	\$2,312	557,486	2,828.0	197.0	44.6%
Michigan Peninsula Township	198	61,767	150	\$2,051	64,273	465.1	138.2	20.8%
New York Southampton <sup>(1)</sup>	406	35,858	59	\$10,648	1,321,864	911.2	1,450.6	6.1%
Southold (1)	406	35,858	59	\$10,648	1,321,864	911.2	1,450.6	6.1%
Suffolk County	406	35,858	59	\$10,648	1,321,864	911.2	1,450.6	6.1%

Jurisdiction	1	997 Census	of Agricu	kure	1990 Census of Population			Percent
Jui Sur (IVII	Full Time Farms	Total Acresge	Avg. Farm Size (all farms)	Avg. Market Value of Land & Buildings per acre	Popu- lation	Area (sq miles)	Popu- lation Density	land in Farms
North Carolina Forsyth County	284	51,091	82	<b>\$</b> 3,561	265,878	409.7	649.0	19.5%
Pennsylvania Buckingham Township <sup>(1)</sup>	351	83,534	113	\$5,713	541,174	607.6	890.6	21.5%
Virginia Virginia Beach	71	29,958	204	\$2,529	393,069	248.3	1,582.9	18.9%
Washington King County	472	41,653	38	\$8,839	1,507,319	2,126.1	709.0	3.1%
San Juan County	70	16,887	97	\$5,419	10,035	174.9	57.4	15.1%
<b>Wisconsin</b> Town of Dunn <sup>(1)</sup>	821	366,618	264	\$934	35,909	852.1	42.1	67.2%
Broward County	193	30,897	89	\$4,791 <sup>(0)</sup>	1,225,488	1,209(9	1,038(4)	4.0%

<sup>(1)</sup> Agricultural Census data are published by county. Therefore agricultural and population data shown in this Table are for Boulder County, CO; Grand Traverse County, MI; Bucks County, PA; and Dunn County, WI; rather than the municipalities named.

- (2) Data are for Lake and Polk counties, within which Green Swamp Land Authority operates.
- (3) As discussed in Chapter 2 above, the 1997 Census asked farmers to self-report the value of their farms. By definition, the Census included pastures on tribal lands west of the levee, which have a very low market value since they have no development potential, and small "hobby farms" that produce less than \$10,000 in annual sales. Inclusion of these farms skews the average value per acre data to a lower than expected mean.
- (4) The U.S. Bureau of the Census definition of Broward County includes the conservation area west of the levee. When only the 410 square mile area east of the levee is considered, the population density of Broward County is significantly higher: 3,064 persons per square mile.

Sources: U.S. Census of Agriculture, 1997; Land and Population Density 1990, U.S. Bureau of the Census, 1996

In addition to the programs identified by the American Farmland Trust as cited above, Palm Beach County initiated a Purchase of Agricultural Conservation Easements (PDR Program) in 1996. This was to augment a Transfer of Development Rights Program<sup>10</sup>, established in 1989 to facilitate the preservation of agricultural lands within the 20,923-acre Agricultural Reserve in south-central Palm Beach County. In two years, the PDR Program received only three applications, none of which was accepted into the program, due to unresolved differences between the applicants' and the county appraisers' valuations of development rights on each parcel. As a result of few applicants and the inability to reach mutual agreement with landowners concerning the appraised value of specific properties, Palm Beach County has recently discontinued its PDR Program. As a point of information, in March 1999 Palm Beach County voters approved a \$150 million conservation bond issue. Two-thirds of this money (\$100M) will be used to acquire land within the Agricultural Reserve. The remainder (\$50M) will be used to buy Environmentally Sensitive Lands. To date, no lands have yet been purchased.

#### 3.11 Advantages and Disadvantages of PDR Programs

Figure 3.7 indicates the advantages and disadvantages of PDR programs using various indicators. These indicators include fairness, voluntary nature of the program, permanence, cost, regulatory effect, taxation effect, financial flexibility, and program administration.

Figure 3.7 Advantages and Disadvantages of PDR Programs

Indicator	Advantages	Disidvantages
Fairness	Landowner is compensated for the reduction in value due to the development restrictions.	The compensation is not based on the landowner's situation.  Landowner is paid compensation for development value that the landowner did not create. Rather, the value was created by public investment in infrastructure (drainage, roads, water, sewer, etc.) that have made the landowner's real property more accessible. Thus, PDR pays the landowner for an unearned increment.
Voluntary	Landowner is not forced to participate in the program.	The landowner may elect not to participate in the program.  The program's voluntary nature does not guarantee that the protected land will be compact and contiguous, thereby undermining the accumulation of a critical mass of the protected resource and does not allow an economy of scale.  Scattered resources can invite development on adjacent lands because of the value associated with the permanent open space.

<sup>&</sup>lt;sup>10</sup> A Transfer of Development Rights (TDR) program allows landowners to sell their development rights to a developer. Unlike PDR, the developer may use the development rights to develop qualified lands at higher densities than allowed under existing zoning laws. TDR enables local governments to steer development to desirable locations while assuming little financial burden.

Indicator	Advantages	Disadvantages
Permanence	The land can be preserved in perpetuity or for a long term (such as 25 years).	The protected resource (e.g., agricultural lands) could become economically unviable and may foreclose other options.
Cost	Preserving the land in an undeveloped state may cost taxpayers less money than if developed.	Development rights may cost as much as 85 percent of the fee simple value and more than the agricultural value of the real property.
Regulatory effect	-	Weakens the credibility of zoning. Land use restrictions do not require compensation if they further the public health, safety and welfare and if some reasonable economic use remains.
Taxation effect	Possible reduction in property taxes and estate taxes on affected property.	May lead to increase in property taxes on lands adjacent to the protected resource.
Financial flexibility	Landowner can reinvest the cash generated from the PDR, use it to pay off existing debt, or for any other purpose.	Landowner not required to reinvest the money in the local economy. Landowners acquire capital value of their property today, but lose potential future speculative value for their heirs.
	Government can fund the program through taxes or bonds.	
Administration	Program can be delegated to a not-for-profit organization.	Government bureaucracy takes too long to process applications and can discourage landowner participation.

#### 3.12 Key Components of Success

There are many components to a successful PDR program. Two of the foremost success factors are adequate funding and community support. Many of the communities surveyed by the CNPD have identified funding as the key ingredient to the success of a PDR program. It is crucial that funding options are carefully scrutinized to ensure the type and level of funding will be sufficient to acquire enough the development rights to enough land to meet program goals. Community support, both in terms of the general public and the farm community also is essential to the establishment of a successful PDR program. The general public must support the program, since its tax dollars are likely to be earmarked to fund the program. The support of the farm community also is essential, since it owns the land which is designated for preservation and participation in the program is voluntary.

## CHAPTER 4 - Analysis of Feasibility

#### 4.1 Context

Broward County has urbanized rapidly since the 1950s as agricultural land and other undeveloped parcels have been developed for residential, commercial and industrial uses. According to the Census of Agriculture, in 1997 there were 347 farms in Broward County, covering 30,897 acres. Excluding tribal pasture lands, this acreage represents approximately 11 percent of the total land area east of the levee. Urbanization has absorbed agricultural land. If this trend continues, within ten years there may be no significant agricultural parcels remaining in Broward County. The loss of agricultural land is detrimental not only to food production, but also to open space, aesthetic appearance and character that contribute to the quality of life in Broward County.

The value of any parcel of land is a function of its development potential. Land owners, in Broward County, have found it financially advantageous to sell agricultural land for development. Existing land use, zoning and property tax breaks have been insufficient to withstand such development pressures. The Broward County Land Use Plan permits agricultural uses in most of the future land use designations. Land designated "Agriculture" is intended to be predominantly used for agriculture and low density estate-residential. However, other land use designations permit agricultural activities, in recognition that they are not incompatible with other permitted uses, such as low density residential. In fact, most active agricultural businesses in Broward County have a nonagricultural land use. The Land Use Plan has not served to provide for planned agricultural uses, instead it has designated land "Agriculture" until such time as market forces warrant its conversion to other uses.

The PDR concept has been applied successfully in other parts of the country to preserve agricultural land and thereby prevent its future development. In order to determine whether it would be feasible to establish a PDR program in Broward County, this Chapter reviews those components that have contributed to the success of PDR programs implemented in other jurisdictions and examines how these might be applied in Broward County.

#### 4.2. Availability of Farmland Appropriate for Conservation in Broward County

Since PDR programs are voluntary, there must be a pool of potentially eligible agricultural parcels, from which to draw potential program participants. Broward County has few large working farms remaining. Average farm size is 89 acres, with two-thirds of farms in Broward County smaller than ten acres. Ninety percent of parcels that have Agricultural Exemptions for tax purposes are small farms of less than 20 acres.

Relatively few large farms comprise most of the agricultural land, while many small farms occupy a modest amount of land in comparison. Agricultural land is diminishing rapidly. According to the Census of Agriculture, two-thirds of the loss is attributed to large farms over 2,000 acres in size. Compared to other jurisdictions that have PDR programs (identified in Chapter 3 Figure 3.6 above), Broward County has fewer full-time farms than 11 of the 14 jurisdictions; less farmland than 12 of the 14; and a lower percentage of land in agricultural use than 13 of the 14. With the rapid conversion of agricultural land to development, time is an important factor to consider when

attempting to implement a PDR program.

Agricultural land was once spread throughout Broward County. Currently, agricultural land is concentrated in Southwest Broward County, primarily west of Interstate 75, and in the Northwest at the Palm Beach County Boundary. It is anticipated that this general pattern will persist; however, agricultural land will become increasingly scattered as the, already high, level of development pressure increases.

Most agricultural land in Broward County is in crop production, with nurseries accounting for a total of 90 percent of all crop farms. However, cattle and livestock farming account for the majority of land in agricultural use. It is anticipated that if agricultural land loss continues, the few remaining cattle and livestock operations will vanish, along with most of the major agricultural parcels in Broward County. The majority of large agricultural parcels (more than 50 acres) are currently owned by developers.

Nursery and greenhouse crops account for 77 percent of the \$49 million agricultural industry; the most valuable type of agriculture consumes the least amount of land. According to the U.S. Census of Agriculture, approximately 70 percent of total agricultural sales are generated by the 29 farms which generate more than \$500,000 per year; 95 percent is generated by the 103 farms which generate more than \$50,000 per year. Nearly all employment attributed to agriculture supports crop production. The total direct agricultural employment is about 750 people, which does not represent a significant proportion of Broward County's labor force.

Data provided by the U.S. Census of Agriculture indicates a significant reduction the estimated market value of land and buildings since 1982. The overall loss in total agricultural land acreage accounts for this decline in market value. The average estimated market value per farm also has undergone steep losses since 1982. The reduction in average farm size from 157 acres in 1982 to 89 acres in 1997 is the foremost factor which contributes to the diminishing average market value per farm.

The U.S. Census of Agriculture also reports the average estimated market value per acre is \$4,791. This amount represents what landowners perceive to be the agricultural value of the property, not its speculative value. Broward County Property Appraiser reports the just value per acre is \$34,683 and the average difference between just value and agricultural value is \$28,554 per acre. Recent sales of agricultural land have ranged from \$3,785 to \$193,186 per acre, with an average sales price of \$43,038 per acre. Based of an average agricultural value of \$5,167 per acre, established by the Property Appraiser, the value of development rights is \$37,871 per acre, which equals 88 percent of the sales price.<sup>11</sup>

As discussed in Chapter 3, this value of actual sales are determined based on individual site appraisals and therefore purchase costs (for PDR or any other land acquisition program) may be substantially higher than \$37,871 per acre, especially where the highest and best use is nonagricultural.

PDR programs typically use ranking factors to identify and prioritize eligible lands. These factors include soil quality, farm size, proximity to protected land, public and natural land resources, land stewardship and proximity to public water/sewer, as discussed in Chapter 3 above. Agriculture in South Florida is different from agriculture in other parts of the United States. This is due to the climate, which permits year-round crop growth, and to the existence of an extensive man-made drainage system. Some factors, such as soil type, that are important in other communities may be significantly less important to the economic viability of farms in Broward County. Figure 4.1 reviews how factors used in existing PDR programs might apply to agricultural land in Broward County.

Figure 4.1 Ranking Factors Typically Used in PDR Programs

Characteristic	Factors used for Ranking farmland in PDR programs	Applicability to Broward County
Soil Quality	PDR programs place substantial emphasis on the quality of soils, because the quality of farmland is dependent upon high quality soils.	Broward County is characterized by poorly drained soils, which have been improved by extensive drainage infrastructure. Soil types with Broward County are relatively homogenous. Therefore, soil quality would be of less importance as a ranking factor.
Minimum Farm Size	Many PDR programs establish a minimum farm size, (typically 10+ acres) to: (1) Ensure that a critical mass of farmland will be preserved which will be economically viable in the long-term, and (2) Preserve large, viable farm operations, that maximize open space benefits.	In Broward County there are only 58 parcels of agricultural land over 50 acres, of which 62% are owned by developers. Average farm size is 89 acres; two-thirds of farms are less than ten acres.
Proximity to Protected Lend	PDR programs have been used to create clusters or corridors of protected land in order to establish a critical mass of farmland and maximize open space benefits. Protected land may be defined to include public parks, greenways, environmentally sensitive land, forest preserves, and other agricultural parcels where development rights have already been purchased.	A number of initiatives have been used in Broward County to protect and/or preserve open space, including the East Coast Buffer, ESL sites, greenways and county parks. Farmland in Broward County is predominantly located in SW and NW county. The physical location of individual parcels would be a relevant factor in Broward County.  Some agricultural parcels are included as
		Lands of Opportunity in the Natural Lands Acquisition Program inventory.
Public and Natural Resource Benefits	Significant nonagricultural attributes include scenic, historic, archaeological, wildlife, watershed, wetland, and other unique features.	The existence of unique parcel features would be important in prioritizing agricultural land in Broward County. Large parcels, which provide more open space benefits, are typically cattle farms.

energy produced in the contract of the contrac

Characteristic	Factors used for Ranking farmland in PDR programs	Applicability to Broward County
Land Stewardship	The habitual of good soil and water conservation practices help ensure the land's capability for agricultural production.	Man-made drainage, the use of irrigation, and the local climate have resulted in highly productive nursery operations.
Proximity to Public Sewer and Water.	To protect farms in closest proximity to planned or existing sewer and water, since the provision of infrastructure makes them vulnerable for conversion to urban uses, OR  To protect farms which are not in close proximity to public sewer and water, where land values are typically cheaper, to further the acquisition of a critical mass of farmland.	Undeveloped parcels west of Flamingo Road and north of the Sawgrass Expressway are mostly unsewered. However, public sewer systems have been extended to support development throughout Broward County. Therefore, this would not be an important ranking factor in Broward County.

Ranking factors such as those listed in Figure 4.1 could be developed for use in a future PDR Program in order to determine land owner eligibility. It is important to avoid the purchase of development rights on marginal properties. If an agricultural business fails on a parcel where development rights have been sold, the remaining property rights may be so limited as to inhibit any future use of the property. If no other agricultural use can be found, the parcel may be abandoned, aesthetically undesirable and potentially a local nuisance. In the case of business failure that results in bankruptcy, Broward County could become financially liable if the County forecloses for nonpayment of taxes. PDR is intended to preserve economically viable agricultural lands, not to assist marginal businesses.

#### 4.3 Community Commitment

There is growing concern about the changing character of Broward County, characterized by urban growth, congestion, and reduced open space. Successful implementation of PDR programs requires commitment from both agricultural landowners and the community as a whole. PDR programs are voluntary. Participation is limited to those who want to continue to pursue agricultural activities and can provide sufficient income from agriculture to sustain their livelihood. Of necessity, qualifying parcels must be economically viable in the long term. Broad-based citizen commitment and support are essential in order to implement a PDR program, because PDR programs are expensive and are typically funded by local bond issues or local taxes.

In order to assess the interest of the agricultural community in the potential development of a PDR program, the Broward County Comprehensive and Neighborhood Planning Division met with the Florida Nursery and Growers Association Broward Chapter, the Farm Bureau, and the Davie Agrarian Committee, in October 1999 (see Appendix D). In general, there was interest in the PDR concept. The agricultural community generally expressed that participation in a PDR program, should such be developed, would depend upon the specific details. Issues of concern included the valuation of development rights, property tax classification, and ability to borrow money against the business. Such issues would need to be addressed in the detailed development of a PDR program

prior to its implementation.

Interview surveys have been conducted in other jurisdictions to determine the level of support among residents for initiating a PDR program and the associated funding alternatives. At present Broward County residents have not been surveyed.

## 4.4 Costs and Funding Sources

PDR programs are more commonly used in less urban areas because of the high cost associated with buying development rights on parcels already facing development pressure. Of the jurisdictions with PDR programs identified in Chapter 3 above, Suffolk County, NY and King County, WA are the most similar to Broward County, in terms of populations, percent of land in farms and total farm acreage (as shown in Figure 3.4). It is notable that these counties had the highest average market value of land and buildings and were among those with the highest average costs for PDR, ranging from \$4,264 to \$7,990 per acre (as shown in Figure 3.5). The total cost of a PDR program depends on the cost of land and on the quantity of land protected. Of the 14 PDR programs reviewed, the cost per acre varied from \$675 to \$8,000. Total program costs varied from \$0.3 million to \$54 million (as shown in Figure 3.5).

Various federal, state and local funding sources can be used to support PDR programs. However agricultural land in Broward County would most likely not qualify for Federal Farmland Protection Program grants, since none of the soil types in the county is classified as prime or unique by USDA. Currently, the State of Florida does not have a PDR program. However, in 1994 Green Swamp Land Authority received \$30 million in state funding to preserve lands in Lake and Polk counties that were within a designated Area of Critical State Concern. Local funding options include general obligation bonds, property taxes, real estate transfer taxes, sales tax and appropriations from the general fund. Most of these would require voter approval (as shown in Chapter 3 Figure 3.4 above).

#### 4.5 Program Administration

Unlike a fee simple purchase of land, PDR does not result in a transfer of ownership. Therefore, the Broward County would not incur costs and liabilities of maintaining any preserved agricultural land. However, there would be costs associated program development, establishing a funding source, purchasing individual parcels, and the long-term enforcement of the conservation easements that are acquired. Other jurisdictions have appointed a board to administer the PDR Program and evaluate potential program participants. Such boards require legal, technical and administrative staff support.

#### **CHAPTER 5 - Findings and Recommendations**

#### 5.1 Purpose

The Board of County Commissioners directed staff to investigate the feasibility of implementing a PDR program for the purpose of preserving agricultural land in Broward County. Although PDR programs may be used for other purposes, for example the preservation of open space, such considerations are beyond the scope of this feasibility study. Based on the findings presented in the preceding chapters, four alternatives are presented for consideration to preserve existing viable agricultural businesses on agricultural land in Broward County.

#### 5.2 Key Findings

These key findings are derived from the data and discussion presented in Chapters 2 and 3 above.

#### A. The Extent and Character of Agricultural Land in Broward County

- Agricultural land has declined significantly since 1950 as a result of population growth and increased suburban development.
- According to the U.S. Census of Agriculture in 1997:
  - There were 347 farms in Broward County, which generated \$49 million in annual sales.
  - o 77% of total sales (\$37 million) were from nursery and greenhouse crops
  - Two-thirds of farms in Broward County are smaller than 10 acres.
  - Broward County farmland is valued at almost twice the statewide average.
- According to Broward County Property Appraiser:
  - Most large agricultural parcels are owned by developers (62 percent of parcels 50 acres or more).
  - There are 11,452 acres of property with Agricultural Tax Exemption (1,071 parcels).
  - The average just value of agricultural exempt land in Broward County is \$34,683 per acre, and average agricultural land value is \$6,129 per acre; the difference is \$28,554 per acre (82 percent of just value).
- Actual market value for agricultural land has been significantly higher than the Broward County Property Appraiser's average just value, in some cases.
- Development pressure has contributed to the high speculative value of agricultural land.

#### B. Purchase of Development Rights Programs

- The PDR concept involves using public money to purchase conservation easements from private land owners.
- PDR programs are voluntary and therefore require property owners to willingly sell their development rights and agree to permanently restrict their land to agricultural activity.

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- PDR programs are expensive.
- Agricultural land in Broward County would not be eligible for funding from the Federal Farmland Protection Program; the State of Florida currently has no funding to support PDR programs.
- In Broward County, a future PDR program would need to be funded by one or more local revenue sources, such as general obligation bonds, property tax or sales tax.
- PDR Programs may have undesirable outcomes; where development rights have been purchased and an agricultural business fails, and the vacant property is rendered unmarketable due to its restricted development rights.

#### 5.3 Alternatives

Should the Board of County Commissioners decide to initiate a PDR program for the purpose of preserving agricultural land in Broward County, four alternative programs are presented in Figure 5.1, including a "do nothing" option. The costs and benefits of each alternative are shown for comparison.

Fig. 5.1 Comparison of Alternatives for PDR in Broward County

Alternative PDR Program Targets	Benefits/Advantages	Costs/Disadvantages	Notes
To preserve all agricultural parcels.	Inclusive program available to all bona fide agricultural property owners.  Potentially may preserve a range of different agricultural land.	Potentially highest total program cost for PDR. 12  Would be financially infeasible to acquire a significant amount of land.	This would not result in the preservation of all agricultural land in Broward County. Voluntary participation of land owners means that the County may not be able to obtain rights on the most desirable parcels.
			Requires ranking system for potential program participants based on parcel size, location, land stewardship etc.

<sup>&</sup>lt;sup>12</sup> Based on the difference between agricultural value and just value assigned by the Property Appraiser, to preserve 11,452 acres may cost \$327 million. However, as discussed in Chapter 3 above, the value of actual sales are determined based on individual site appraisals and therefore purchase costs (for PDR or any other land acquisition program) may be substantially higher than, especially where the highest and best use is nonagricultural.

Alternative PDR Program Targets	Benefits/Advantages	Costs/Disadvantages	Notes
2. To preserve nurseries, greenhouse crops and citrus farms - the most economically productive agricultural sector.	Yields the greatest protection for the most productive sector of agricultural industry in Broward County. Provides for long term continuation of those agricultural industries that benefit from South Florida's unique climate and year-round growing season.  Program would focus on the most economically productive, intensive and profitable agricultural uses.  Preserves typically smaller parcels that are under pressure for in-fill development. Such pressure will likely increase as the County approaches build out by 2020.	Potentially highest cost per acre for PDR.  Provides a "windfall" of public dollars to a viable industry.	Nursery and green house crops contribute most to Broward County's agricultural economy: 77% of sales and the majority of agricultural employment.
3. To preserve "traditional farms" - larger farmer- owned parcels of 10 acres or more.	Preserves significant parcels of open space and contributes to the aesthetic character of the County.  Larger parcels, including pasture lands, with high visibility are preserved, maintaining the appearance of the community.	Most large agricultural parcels are grazing land which contributes least to the County's economy in terms of employment and annual sales.	62% of large parcels (50+ acres) are owned by developers who are most unlikely to participate in a PDR program.
4. To do nothing.	No PDR program costs.  Available revenue may be focused on other land acquisition programs.	Agricultural land will continue to diminish and the character of Broward County will become increasingly urban.  Continued job loss from agriculture.	There is no guarantee that property owners will want to participate in a voluntary PDR program.

## 5.4 Next Steps

Should the Board of County Commissioners decide to initiate a PDR program for the purpose of preserving agricultural land in Broward County, based on data and discussion in Chapter 4 above, the next steps would be:

#### A. Program Design

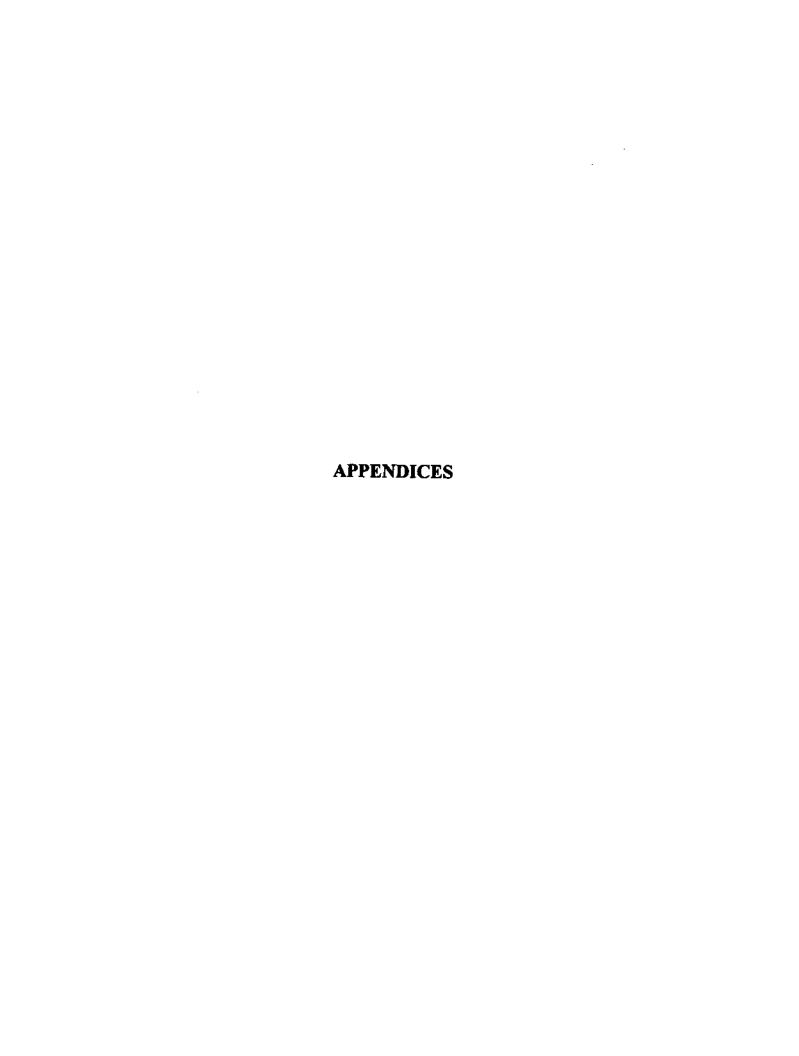
This would include, identifying eligibility criteria for ranking program applicants, setting minimum agricultural land selection criteria, drafting the terms of conservation easements, and establishing an easement valuation methodology. (Each of these is discussed in Section 4.2 above). The long term consequences of acquiring development rights should be reflected in the program design. It may be appropriate for the terms of the conservation easement to indicate whether the easement can be vacated at a future date. For example enabling a landowner to buy back the development rights in 25-years if agricultural use of the property is no longer economically viable. (This is discussed in Section 3.6 above.)

#### B. Funding

PDR programs are expensive. New local revenue sources, such as bonds and dedicated local property taxes require voter approval. Therefore, gaining broad-based community support for PDR would be important. Equally, since program participation is voluntary, there must be support from the agricultural community. (Community support and funding alternatives are discussed in Sections 4.3 and 4.4 above.)

## C. Program Administration

Administrative procedures should be established, with appropriate oversight from the Board of County Commissioners, to review and approve applications. Once approved, parcels should be monitored to ensure compliance with the terms of the conservation easements. (Administration considerations are discussed in Sections 3.9 and 4.5 above.)



Appendix A

Parcels of 50+ Acres that have Agricultural Exemption from Property Taxes

Folio Number	Owner	Acres	Owner Type
0026 07 001	Pasadena at Imagination Farms	404.36	Developer
1104 01 001	Waldrep Enterprises, LTD	347.97	Farmer
7133 01 001	D. S. Beaty, Trust - Revocable Trust	255.50	Farmer
1118 01 008	Ansin Group, LTD	253,55	Developer
1901 01 002	Ronald M. Bergeron, Sr., Trust	228.00	Developer
7134 00 0011	Thelma L. Johnson	209.99	Farmer
7131 01 001	D. S. Beaty, Trust - Revocable Trust	197.24	Farmer
7133 01 0012	Florida National Properties, Inc.	197.21	Developer
1035 01 001	M. Bregman, I. Bregman, B. Krantz	185.53	Developer
0107 15 001	General Charter Corporation	176,44	Developer
8104 00 002	Florida National Properties	164.36	Developer
0925 01 006	Ronald M. Bergeron, Sr.	161.61	Developer
0024 00 001	Continental Citrus Corporation	160.00	Farmer
1022 01 002	Arthur D. Weiss, Trust	156.27	Developer
7134 00 001	Charles W. Hendrix III	155.92	Farmer
7135 01 006	W.S. & Francis S. McJunkin	150.41	Farmer
8106 00 001	Florida National Properties	140.68	Developer
1025 01 002	Miami Gardens, Inc.	138.71	Developer
1130 01 003	Edmund N. Ansin	134.76	Developer
0119 01 006	Continental Citrus Corporation	134.53	Farmer
1025 01 001	Miami Gardens, Inc.	134.28	Developer
1015 01 005	Arthur D. Weiss, Trust	126.07	Developer
1036 01 001	Ansin Group, LTD	124.82	Developer
0230 00 005	Florida Power and Light Company	122.75	Other (Utility)
7131 01 004	Florida National Properties, Inc.	122.00	Developer
0032 03 002	Bianco Family, LTD	118.19	Farmer
0014 02 001	Sterling Lakes Development Corporation	114.88	Developer
1130 01 002	Edmund N. Ansin	105.19	Developer
7131 01 006	Florida National Properties, Inc.	100.13	Developer
0025 01 034	Sherlock Hibbs - Mack Groves	90.91	Farmer
0027 03 001	New Testament Baptist Church, Inc.	90.43	Other (Church)
0935 10 001	Ronald M. Bergeron, Sr.	87.66	Developer

Folio Number	Owner	Acres	Owner Type
7132 00 001	Florida National Properties, Inc.	81.88	Developer
0924 00 002	Ronald M. Bergeron, Sr.	80.00	Developer
0016 00 005	Everett G. Carroll, Trust	79.97	Other
7132 00 003	D.S. Beaty, Trust - Revocable Trust	79.95	Farmer
7132 00 0032	Florida National Properties, Inc.	79.52	Developer
0925 02 0012	Ronald M. Bergeron, Sr.	78.60	Developer
7132 00 0031	Florida National Properties, Inc.	77.66	Developer
9111 01 0019	Earl Franklin Johns, Trust	76.22	Farmer
1104 01 002	Waldrep Enterprises, LTD	75.00	Farmer
1104 01 003	Waldrep Enterprises, LTD	74.09	Farmer
0926 00 003	Investors Mortgage Funding Group	73.98	Developer
1022 01 003	Harold H. Dubner	71.44	Developer
0016 00 006	Everett G. Carroll, Trust	70.11	Other
1027 01 001	Harold H. Dubner	70.04	Developer
7132 00 0021	Florida National Properties, Inc.	69.01	Developer
0915 01 017	Ronald M. Bergeron, Sr., Trust	65.96	Developer
0923 01 002	Griffin Brothers Company, Inc.	61.29	Farmer
7134 00 002	Charles W. Hendrix, III	59.98	Farmer
7131 01 003	Florida National Properties, Inc.	57.59	Developer
7135 01 002	East Marsh Nursery, Inc.	57.49	Farmer
0135 18 001	Wilson Road Company, Inc.	57.42	Developer
1119 01 004	Edmund N. Ansin	56.55	Developer
1022 01 004	Arthur D. Weiss, Trust	53.66	Developer
7134 00 0013	Charles & Charlotte Hendrix	51.43	Farmer
1024 01 005	Miami Gardens, Inc.	51.33	Developer
8103 01 0026	Florida National Properties, Inc.	51.01	Developer
	Developer Owned 4,322.16 acres	36 parcels	62%
	Farmer Owned 2,356.11 acres	18 parcels	31%
	Other 363.26 acres	4 parcels	7%
	All 50+ Acre Parcels 7.051.53 acres	58 parcels	100%

Sources: Parcel data and owner name - Broward County Property Appraiser, April 1999
Owner type - data assembled by Comprehensive and Neighborhood Planning Division (data provided by CNPD, Development Management Division, Broward County Agricultural Extension, Broward County Planning Council, City of Parkland, City of Miramar and Town of Davie).

Appendix B Number of Farms and Acreage of Farms by Farm Size Classification

Parm Size		61	1982	: () : ()		1987				10	1992			1997	7.	
(22,000)	farms	*	Acres	*	Miral	*		<b>*</b>	hire	*	acres.	***		\$	seres	*
109	251	52.40	812	1.08	248	55.36	901	2.51	248	63.10	830	3.50	228	65.71	775	2.51
10 to 49	140	29.23	2,808	3.74	120	26.79	2,265	6.31	98	24.94	2,040	8.59	11	20.46	1,367	4.42
50 to 69	18	3.76	1,028	1.37	11	3.79	988	2.75	9	2.29	493	2.08	8	2.31	482	1.56
70 to 99	15	3.13	1,251	1.67	16	3.57	1,317	3.67	9	2.29	757	3.19	7	2.02	195	1.82
100 to 139	5	1.04	555	0.74	10	2.23	1,163	3.24	6	1.53	699	2.82	12	3.46	1,423	4.61
140 to 179	7	1.46	*	*	7	1.56	1,121	3.12	1	0.25	**	**	9	1.73	923	2.99
180 to 219	1	0.21	*	**	7	1.56	1,372	3.82	2	0.51	**	*	3	0.86	576	1.86
220 to 259	4	0.84	978	1.30	0	0.00	0	0	0	0.00	0	0.00	2	0.58	**	:
260 to 499	17	3.55	6,072	8.10	7	1.56	2,291	6.38	11	2.80	4,316	18.18	2	0.58	**	*
500 to 999	10	2.09	6,171	8.23	8	1.79	5,900	16.4	4	1.02	2,576	10.85	2	0.58	*	:
1,000 to 1,999	5	1.04	7,245	9.66	9	1.34	*	:	3	0.76	4,243	17.88	2	0.58	*	*
2,000 +	6	1.25	46,770	62.37	2	0.45	:	*	2	0.51	*	:	4	1.15	19,595	63.4
Total	479	100	74,983	100	46	100	38,909	100	393	100	23,735	100	347	100	30,897	100

Source: United States Census of Agriculture - 1982, 1987, 1992, 1997

\* Aggregates may not equal the total due to rounding.

\*\* Data suppressed to maintain confidentiality

## Appendix C

## Largest Agricultural Land Owners in Broward County

D.S. Beaty, Trust - Revoc Trust 697.28 Acres

(D.S. Beaty Farms, Inc.)

P.O. Box 1259

Lake Wales, FL 33859-1259

Waldrep Enterprises, LTD 497.06 Acres

8050 NW 30 Street

Hollywood, FL 33024-8601

Continental Citrus Corp. 376.73 Acres

3701 SW 112 Avenue Davie, FL 33330-2005

Charles W. Hendrix III 302.49 Acres

(C.W. III & Charlotte) 21715 Cartegena Drive Boca Raton, FL 33428-2859

Thelma L. Johnson 209.99 Acres

2500 NE 10 Street

Pompano Beach, FL 33062-4108

Daniel Franklin Johns, Trust 186.26 Acres

P.O. Box 14728

Fort Lauderdale, FL 33302-4728

Source: Broward County Property Appraiser, 1998, (acreage shown is an aggregate of parcels 15 acres and larger).

#### Appendix D

#### DAVIE AGRARIAN COMMITTEE MINUTES OCT.21,1999

October meeting called to order by Delia Alonso at 7:35 P.M. at the Davie/Cooper City Chamber of Commerce Bldg.; minutes of Sept.16 meeting were received and accepted.

Speakers were Al Shamoun, Assistant Director of the Comprehensive & Neighborhood Planning Div. and Heather E. Cunniff AICP, associate planner of the Dept. of Planning and Environmental Protection, Comprehensive & Neighborhood Planning Div.[www.co.broward.fl.us/cnpd]. They explained Purchase of Development Rights [PDR], aka Purchase of Agricultural Conservation Easement; see attached sheet of information. The primary objective of PDR is to continue agricultural use of land.

The Broward County Commissioners requested their Division do a feasibility study on PDR and see if owners of ag land would be interested. A paper was passed around and interested owners signed to receive more info. Those signing were:S.McCartney, D.Alonso, J.Aitken, A.S.&J.Hurley, L.Sayre, R.&S>Munson, R.Naugle Sr., K.&E.Shea, & T.Perkins.

Questions were asked by members and answered by Al & Heather.

Q-restriction on size of property A-no ans at this time

O-specific ag use to always stay same A-no ans at this time

Q-funding of PDR program A-Fed Farm Protection Prog & grants

Q-who does appraisals

A-independents, 2 appraisals needed for acquisition, could be as much as 80% of market value

statements of members: The present P A will force many of us into development before PDR program starts. The Fish Eating Creek deal sounds like PDR at the state level. Info needed for Southwest Ranches. Independent farmers depend on the income from their farms; we don't want to have to sell to exist; the PDR program encourages young farmers, the land is affordable. Interest has been established, we have questions, a lot of things have to be worked out.

statements of Al: He cannot speak for the PA: this program is in the planning stage, we will have all details before signing up; he will give a status report to BCC and they will make decisions; he will come back with new info, and he needs our support 954-357-6632/fax 954-357-8655.

Heather had a 1995 ag map showing 18,000 total acres in ag use, [only 5 ac and up parcels were shown]; she encouraged us to call her 954-357-6676/fax954-357-8655/Email hcunniff@co.broward.fl.us

Judy suggested we set up a work-shop.

Speakers left at 8:45 PM.

Appendix E Agricultural Land Sales 1998 and 1999

Folio Number*	Date Sold	Use Code	Total	Ag. Value Land (1999)	Just Value Land (1999)	Just Value Total Sale Buildings (1999) Price Paid	Total Sale Price Paid	Land Sales**	Land Sales Per Acre
8103 01 005	06/99	SF	6.24	\$138,480	\$405,600	\$823,090	\$1,605,300	\$782,210	\$125,354
0029 01 0374									
0029 01 0376	06/99	Nursery	1.67	\$3,340	\$83,500	0.8	\$148,000	\$148,000	\$88,623
034 03 0221	04/99	Grazing	2.29	\$460	\$80,150	\$0	\$190,000	\$190,000	\$82,969
0130 01 0028	07/98	Nursery	1.42	\$2,840	\$70,290	\$64,460	\$175,000	\$110,540	\$77,845
0035 01 0026	06/99	Grazing	10.00	\$127,290	\$320,000	\$123,240	\$875,000	\$751,760	\$75,176
0131 10 001	07/99	Nшжегу	5.24	\$10,480	\$235,800	\$12,960	\$400,000	\$387,040	\$73,863
934 14 001	12/99	Nursery	4.15	\$8,300	\$128,650	\$0	\$287,500	\$287,500	
002 01 0152	05/98	Grazing	9.55	\$8,600	\$477,500	\$0	\$620,000	\$620,000	\$64,921
230 13 025	01/99	Nursery	2.19	\$4,380	\$142,350	\$24,010	\$160,000	\$135,990	\$62,096
002 01 0128	11/98	Nursery	4.90	\$53,000	\$245,000	\$0	\$298,500	\$298,500	\$60,918
0936 01 005	09/99	Nursery	7.34	\$14,680	\$256,900	0\$	\$400,000	\$400,000	\$54,496
006 04 031	10/99	Nursery	3.46	\$18,880	\$96,880	\$137,600	\$320,000	\$182,400	\$52,717
0131 10 003	09/99	Nursery	5.23	\$10,460	\$235,350	\$0	\$235,000	\$235,000	\$44,933
014 01 012	08/99	Grazing	4.81	\$960	\$105,820	\$0	\$202,000	\$202,000	\$41,996
0925 07 001	07/98	Nursery	2.00	\$4,000	\$75,000	\$0	\$77,500	\$77,500	\$38,750
925 07 002	07/98	Nursery	2.00	\$4,000	\$75,000	0\$	\$75,000	\$75,000	\$37,500
901 01 0059	04/98	Nursery	2.50	\$5,000	\$75,000	\$0	\$73,000	\$73,000	\$29,200
0031 01 003									
0031 01 0063	07/99	Grazing &	9.59	\$62,740	\$484,580	\$476,240	\$750,000	\$273,760	\$28,546
0031 01 0193									
901 01 0013	03/98	Nursery	3.75	\$70,750	\$93,750	\$0	\$100,000	\$100,000	\$26,667

	\$57,319	\$62,145	\$4,826	\$55,037	\$1,816				Avg. Per Acre
\$57,319	\$24,545,665	\$2,066,520 \$26,612,185	\$2,066,520	\$23,568,510	\$777,750	428.23			Total (All Sales)
								:	1110 02 0050
									1110 02 0040
\$50,107	\$13,048,320	\$340,480 \$13,388,800	\$340,480	\$16,926,650	\$52,070	260.41	Grazing	07/98	1110 02 0020
									1110 02 0010
									1110 01 0010
\$193,186	\$5,500,000	\$5,500,000	\$0	\$1,850,550	\$5,690	28.47	Grazing	05/99	1118 23 002
	\$43,038	\$55,424	\$12,386	\$34,383	\$5,167				Avg. Per Acre
									Sales***)
\$43,038	\$5,997,345	\$1,726,040 \$7,723,385	\$1,726,040	\$4,791,310	\$719,990	139.35			Fotal (Selected
\$3,785	\$12,000	\$12,000	0\$	\$50,720	\$6,340	3.17	Nursery	05/99	0927 02 010
\$4,460	\$45,000	\$45,000	0\$	\$353,150	\$13,120	10.09	Orchard	06/99	1005 01 0076
\$8,630	\$86,300	\$86,300	0\$	\$85,000	\$20,000	10.00	Nursery	03/98	0923 01 0142
\$12,786	\$61,500	\$61,500	0\$	\$105,820	\$9,620	4.81	Nursery	06/99	0014 01 046
\$15,021	\$35,000	\$35,000	\$0	\$37,280	\$4,660	2.33	Nursery	06/99	0927 02 012
\$16,774	\$35,560	\$100,000	\$64,440	\$118,720	\$19,540	2.12	Grazing	04/99	0015 01 0391
\$19,034	\$161,785	\$161,785	\$0	\$178,500	\$17,000	8.50	Nursery	03/98	1002 01 0413
\$23,000	\$230,000	\$230,000	0\$	\$175,000	\$81,070	10.00	Nursery	04/98	0923 01 006
Per Acre	Sales**	Price Paid	Bulldings (1999) Price Paid	Land (1999)	Land (1999)	Acres	Use Code	Sold	Folio Number*
Land Sales	Land	Total Sale	1	Just Value	Ag. Value	Total		Date	

Source: Broward County Property Appraiser records of Parcels with Agricultural Exemptions Sold in 1998 and 1999, (February 2000)

Data exclude one property (folio # 1006 04 0039) which was conveyed to a person of similar name by Special Warranty Deed for a total sales price that was less than the just value of buildings.

Sales price adjusted by just value of buildings to give a comparable land only sales price.

Exclusion of two properties that skew the data series provides a better measurement of the value of development rights on a "typical"

agricultural property. Excluded are the largest parcel (which accounts for 60% of total acreage sold) and a 28-acre parcel that sold for

#### Appendix F

#### **Public Comment**

The Purchase of Development Rights in Broward County: A Feasibility Study was circulated in draft form for public comment during February and March 2000. The following organizations, as suggested by the Broward County Agricultural and Extension Education Division, received copies of the report for their review and comment; four responses were received and are included in this Appendix.

Begonia Society Bromeliad Society Broward County Airboat & Halftract Conservation Bush Club Farm Bureau Florida Nursery and Growers Assoc. Davie Agrarian Committee Florida Dept. of Agriculture and Consumer Services Herb Society Landscape Inspectors Assoc. of Florida **Broward County Audubon Society** Palm Society Violet Patch US Dept. of Agriculture Kraft Gardens Alexander Landscaping & Plant Farm

Broward County Planning Council
Broward County Agricultural and Extension Education Division
Broward County Management and Efficiency Study Committee

#### **Summary of Public Comments**

- (1) Florida Dept. of Agriculture and Consumer Services noted the fundamental difference between preserving agricultural lands for open space purposes and retaining agriculture as a viable economic entity. Citing experiences in other communities, the Department advised that without viable, economically profitable agriculture, no land use management tool will preserve agricultural lands. (Memorandum to Tracey Reichanadter, Regional Manager, attached.)
- (2) Florida Nursery and Growers Association members are interested in the PDR Program, but have concerns about being "locked in" for 25 or more years (verbal comment received from Rob Shoelson).
- (3) Bar-B Ranch is extremely interested in the PDR Program. (Correspondence from Arthur Hurley attached).

(4) Oakridge Farm expressed concern that the PDR Feasibility Study does not address horse farming. (Correspondence from Julie Aitken attached). Note: Although data on properties with agricultural tax exemption, from the Broward County Property Appraiser's Office, were used, the proposed alternatives do not specifically limit any future PDR Program to exempt properties. Criteria for eligibility would need to be established as part of the design of any future program. Similarly, the report does not preclude the application of PDR to smaller agricultural parcels. In fact, only one of the four alternatives focuses on larger farms.



# Florida Department of Agriculture & Consumer Services BOB CRAWFORD, Commissioner

Please Respond to: Office of Agricultural Water Policy 3125 Conner Boulovard Suite C, Mail Stop C-28 Tellahassee, FL 32399-1650

March 24, 2000

#### **MEMORANDUM**

TO:

Tracey Reichanadter, Regional Manager

FROM:

Terry/L. Phodes, Assistant Commissioner

SUBJECT: POR Comments- Broward County Feasibility Study

Attached are comments on the Broward County, Purchase of Development Rights (PDR) Feasibility Study. The comments are aimed specifically at the concept of PDR's as a tool to preserve agricultural lands. The proposal delineated the Broward County situation clearly, especially the fact that 62% of the remaining 'Ag" lands in Broward are owned by "developers." This fact alone effectively negates the success of any program that attempts to address development rights. If you would like to discuss this further or need additional information please contact John Folks at 850-414-9928, or email him at folksi@doacs.state.fl.us.

I would like to thank the Broward County Commission for the opportunity to comment on their feasibility study on the use of purchase of development rights to retain agricultural land in Broward County. It is important to note that there is a fundamental difference between preserving agricultural lands and retaining agriculture as a viable economic entity. If the desire is to maintain open/green space rather than a viable agricultural economic industry, then it should be thus stated. Assuming the desired goal of this study was the determine the contribution of a "Purchase of Development Rights" program in retaining agriculture as a viable economic force, and thus preserve agricultural lands in Broward county, I would like to provide the following comments and perspective.

Montgomery County, Maryland has done more than any place in the U.S. to retain farmland. It has the largest purchase of agricultural conservation easement (PACE) -- or purchase of development right (PDR) -- program in the country. It has the largest transfer of development right (TDR) program - the only one that has ever worked, as advertised, for agriculture. It also has some of the most comprehensive agricultural land use planning and zoning of in the United States.

Altogether, over 100,000 acres of farmland have been "preserved" in some manner from urban expansion ... right on the doorstep of Washington D.C. and its ever-expanding suburbs. Consequently, Montgomery County long has been considered the consummate farmland protection efforts in the country.

Yet, Montgomery County agriculture is in trouble: The results of a 1994 survey show that 82% of the farmers no longer believe they will make sufficient farm income to support their families.

The survey was conducted at the request of the Montgomery County Executive and County Council as part of "a comprehensive study of the future of agriculture as an industry, a livelihood, and a land use." In addition, the county conducted a series of "issue specific fact finding workshops to investigate those issues deemed to have the greatest influence on the sustainability of agriculture in the county."

The results of the study are telling. The Future of Agriculture Study for Montgomery County, MD, published in 1995 by the county's Office of Economic Development, delineated these findings:

<sup>&</sup>quot;Without profitable agriculture, there will be no agriculture."

"Many current agricultural operations are unprofitable"

"Prospects for survival of traditional agriculture are not good."

"Survival of agriculture will be influenced substantially--perhaps decisively--by the cumulative effects of government regulations and attitudes"

## The study also notes that:

"Any agriculture operation engaged in for profit, e.g., grain farming, a nursery or roadside vegetable stand, exists because of an individual decision by a land owner. Local government has very limited power to influence the underlying economic factors, which are crucial to the private decision to engage in an agricultural-business. That decision is influenced by basic factors common to all entrepreneurial decision making:

- (1) "The estimated market for, and sale price of, the products or services to be produced...;
- (2) "All the costs of producing and distributing such products and services; and
- (3) "The extent and economic effect of governmental laws and regulations...

"With few exceptions, all entrepreneurial activity is based on the ability to realize a profit, to make a living and create wealth, i.e., the development of a profitable business which will provide jobs and capital for further growth and investment opportunity."

The 1998 National Audubon report "Status and Preservation of the Agricultural Industry in South Florida" affirms this concept on page 5-3:

"Bear in mind just because an easement is purchased does not mean that farming can or will continue on the land. Farming must be profitable regardless of whether or not an easement exists."

The Burlington County, New Jersey's publication "Planning for Transfer of Development Rights" sums up its consideration of PACE's with:

P. 01

"Purchase of agricultural conservation easement (PACE) can be a invaluable part of a comprehensive growth management program, it cannot by itself be expected to preserve agricultural lands and a viable agricultural industry in rural and urbanizing communities."

The Montgomery County study best describes the success of its application, for two decades, of PACE, PDR, TDR, zoning and other land use planning methodologies for its farmland protection efforts as follows:

"In summary, declarations by government of the legal status of private land as farmland really do very little to influence the decisional economic, and in some cases social, factors which are crucial to the actual use of the land, agriculture or non-agriculture. At best, policy statements and zoning, mandatory or permissive, can only temporarily ... delay abandonment of uneconomic or marginally economic use."

Thus, it becomes obvious that without a viable, economically profitable agricultural, no land use management tool will preserve agricultural lands. The issue of retaining agriculture as a viable land use is not only of concern in Broward County, but is found throughout the state. Broward County's physical limitations for development make s the challenge more daunting. We commend the Broward County Commission in its effort to preserve agricultural lands within the county and are available to provide assistance to the Commission as they consider their opinions.

Thank you again for the opportunity to comment on the feasibility study.

## Bar-B Ranch

Monday March 27, 2000

Joe Sesodia 115 S. Andrews Ave. Fort Lauderdale, Fl. 33301-1872

Re: PDR.

Dear Ms. Sesodia

The members of the Davie Agrarian Committee have expressed deep interest in <u>The Purchase of Development Rights in Broward County: A feasibility Study Draft</u>. This document was presented to us by a member of the Comprehensive and Neighborhood Planning Division at one of our monthly meetings with a follow up by Sam Fields an advocate for this issue.

My family owns and operates the Bar B Ranch, a horse farm in Davie that provides a service to the public. We were forced to move in 1997 and had to pay developers' prices to stay in business.bInitially we had inquired about a transfer of density with the Town of Davie, but that has been a dead end.

We would be extremely interested in the PDR program aand will be attending today's workshop.

Smcerely.

Arthur Hurley For the Hurley Family.

## **OAKRIDGE FARM**

3801 FLAMINGO ROAD, DAVIE, FL. 33330 (954) 473 1384/473 1684 FAX 474 8101

The Honorable Lori Nance Parrish 115 S. Andrews Avenue Fort Lauderdale, FI, 33301 April 3, 2000

Re: Purchase of Development Rights

Dear Commissioner Parrish,

Along with several other members of the Davie Agrarian Committee, I attended last Monday's public workshop regarding the bond issue for acquisition of open space lands. We do not understand why the proposed PDR program has become such a low priority that it seems to merit no consideration at all.

Upon a closer review of the PDR Feasibility Study, I feel the conclusion may have been skewed due to the research materials on which the study was based. The 1997 US Census of Agriculture was flawed and incomplete, since many farmers simply failed to respond. The Broward Farm Bureau has far more comprehensive information.

Much of this study - the number of farms, amount of acreage and types of agricultural use in the county - was based on figures given by the property appraiser's office. This does not represent a true picture of agriculture in Broward County, but only demonstrates the property appraiser's policy of granting the agricultural classification to developers and speculators, while denying the smaller, tegitimate farmers, especially those with horse farms.

The fact that the property appraiser has filed suit against the VAB over their decisions to grant these smaller farms, again largely horse farms, only serves to highlight the inequities stemming from that office. The property appraiser's information only shows which properties have been granted the agricultural classification, not the number of farms that may be entitled but are not receiving it.

The 1996 Broward County Agricultural Study painted quite a different picture, concluding that primarily horse farms and landscape nurseries "should continue to be important and viable within Broward County for the foreseeable future." In that study, figures given by the Broward County Agricultural Extension Office cited 6500 horses on some 250 farms in the county in 1996.

I believe the PDR Feasibility Study is targeting the wrong properties to determine the viability of the program. Several of the larger landowners listed as 'farmers' are, in fact, only historically farmers, now engaged in real estate speculation while maintaining agricultural use for tax purposes. A case in point: Continental Citrus, listed as one of the largest 'farmers' has just sold out for development. A simple questionnaire asking landowners if they would volunteer to sell their development rights at a fair price would quickly sort out the farmers from the speculators.

I would request that the county commissioners re-think the PDR program with more focus on the smaller farms, especially the horse farms and nurseries, where there is great interest in the program. Although we are smaller in size, we are more numerous. Preservation of agricultural lands as farms could be accomplished in a worthwhile manner if groupings of several smaller farms were brought into the program together or with moderate-sized single farms in prime locations, to act as buffers between existing ESL sites and future development.

Of the large farms, on which the study concentrated, few if any have particular features such as the scenic, historic, archaeological, wildlife, or unique environmental attributes discussed as an important aspect by the study. They are simply large. My farm, almost 20 acres, has all of these features and is adjacent to an ESL site, but it is not for sale. This is my home and I would resist eminent domain proceedings with all my might, but I would volunteer to sell my development rights at a fair price.

We small farmers are not real estate speculators. We farm because it's our vocation, our dream, our lifestyle. It wouldn't take a \$400 million bond issue to secure our land in agriculture forever. The county could make a good start with a tiny percentage of that amount.

I only ask that you reconsider the viability of the PDR program with the smaller farms in mind and apportion a small part of the bond issue towards this end.

Yours sincerely,

Julie Aitken





Department of Planning and Environmental Protection Comprehensive and Neighborhood Planning Division 115 South Andrews Avenue, Room 329K Fort Lauderdale, Florida 33301

> Phone: (954) 357-6612 FAX: (954) 357-8655

www.broward.org/cnpd