

# Agricultural Districts

## *What are the Benefits? Are There Any Disadvantages?*

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*Whether creating or reviewing an agricultural district, the question is always asked.*

*What are the tangible benefits or disadvantages of agricultural districts?*

*This brief presentation lists, in summary fashion, some of the more significant benefits which accrue to lands and farm operations found in agricultural districts certified by the State pursuant to Article 25AA of the Agriculture and Markets Law.*

### **Agriculture Assessment**

- Allows any owner of land used in agricultural production within an agricultural district to qualify for an agricultural assessment.
- Limits the power to impose benefit assessments, special ad valorem levies, or other rates or fees in certain improvement districts or benefit areas.
- Allows the governing body of a fire protection or ambulance district for which a benefit assessment or a special ad valorem levy is made, to adopt a resolution authorizing agricultural assessment to be used for the benefit assessment or a special ad valorem levy.

### **Limitation on Local Regulation**

- Prohibits local government from exercising its powers to enact local laws or ordinances within an agricultural district in a manner which would unreasonably restrict or regulate farm structures or farming practices unless such restrictions or regulations bear a direct relationship to public health or safety.
- Allows the Commissioner of Agriculture and Markets to initiate legal action against local governments which unreasonably restrict or regulate farm structures and farming practices.
- Requires local governments, when exercising their powers to enact and administer comprehensive plans and local land use laws, ordinances, rules or regulations, to do so in a manner which does not unreasonably restrict or regulate farm operation within agricultural districts unless it can be shown that public health and safety is threatened.

### **Right to Farm**

- Authorizes the Commissioner to issue, on request, opinions as to whether or not particular agricultural practices are sound.
- Requires that prior to sale, purchase or exchange of real property located partially or wholly within an agricultural district, the grantor provide the grantee with a disclosure statement.

### **Policy of State Agencies**

- Requires that the policies of all state agencies encourage the maintenance of viable farming in agricultural districts.

### **Limitation on the Exercise of Imminent Domain and Other Public Acquisitions**

- Requires any agency of the State, any public benefit corporation or any local government which intends to acquire land or any interest in land (more than one acre from any one actively operated farm or more than 10 acres in total), or which intends to construct, advance a grant, loan interest subsidy or other funds within an agricultural district to construct dwellings, commercial or industrial facilities, water or sewer facilities to serve nonfarm structures, to use all practicable means in undertaking such action to minimize or avoid adverse impacts on agriculture.
- Requires any agency, corporation or government proposing an action identified above to file a Preliminary Notice of Intent with the Commissioner of Agriculture and Markets for review and action.

### **Agricultural Data Statement**

- Requires application for certain zoning and planning actions to include an Agricultural Data Statement as part of the review process.

### **Converting Land to Non-Agricultural Use**

- Some feel this is a disadvantage, but conversion payback applies if you receive an agricultural exemption whether or not you are in the agricultural district. Actually, a landowner is penalized less if conversion occurs within an agricultural district. The consequence of a conversion is a payback payment based on five times the taxes saved in the most recent year of benefit. The payment also includes a 6% interest charge compounded annually for each year during the last five, in which the land received an agricultural assessment. An encumbrance runs with the land from the last time the parcel benefited for five years in an Agricultural District and for eight years outside the district. For land located outside an agricultural district, the obligation to make a payment for conversion creates a lien against the entire parcel, even if only a portion of the parcel benefited from the agricultural assessment.