

Agricultural/Horticultural Production Value Estimator Tool
For Special Occasion Event (SOE) Applications

Spreadsheet Tool Instructions

One requirement for holding SOEs on a preserved farm is the preserved farmland produces agricultural or horticultural products worth \$10,000 or more annually.

To help easement holders get a quick sense of how a farm's production (as described in an SOE application) matches up with the \$10,000 annual production requirement, the SADC developed a production estimator tool.

Step 1 – The applicant provides the following information:

- Size of the farm (acres) – e.g., 60 acres
- The agricultural or horticultural uses of the farm (general categories of production)
- How much of the farm is dedicated to each general category (acres) – e.g.:
 - o Vegetables – 5 acres
 - o Hay – 20 acres
 - o Field crops – 35 acres

Step 2 – The easement holder adds the acres information to the spreadsheet:

Step 3 – The spreadsheet tool – which comes programmed with estimated production values/acre for each general category – then does the multiplication (acres X production value/acre) to provide an estimated annual production value for what is produced on the preserved farm. E.g.:

General Category of Production	Estimated Gross Production Value/Acre	Acres	<u>Total</u> Estimated Gross Production Value
Vegetables	\$1,747.20	5	\$8,736.00
Hay	\$287.30	20	\$5,746.00
Field crops	\$294.40	35	\$10,304.00
Total Value of Annual Production			\$24,786.00

Notes – The estimated gross production value/acre is based on information from the National Agricultural Statistics Service (NASS). The estimator tool has two versions, a basic version that just needs the general categories (as described above) and a more detailed version that could be used if there is a need to enter specific crops within each category. See the spreadsheet's first two tabs for these versions:

- Tab 1 – Form (Simple)
- Tab 2 – Form (Detailed)

To keep the basic version (Tab 1) simple and easy to use, the estimator tool uses a minimum production value/acre for each general category of production. The minimum production value for a general category is equal to the smallest production value/acre for any given crop in that general category. For

instance, for Field Crops, the spreadsheet tool has NASS information for three specific types of field crops (Corn for Grain, Soybeans, and Winter Wheat), each of which has its own production value/acre. The value assigned to the general category of Field Crops (as “Miscellaneous Field Crops”) is the value for Winter Wheat, which has the smallest production value/acre.

General Category of Production	Specific Crop	Production Value/Acre (Per Year)
Field crops	Corn for grain	\$1,747.20
Field crops	Soybeans	\$395.25
Field crops	Winter wheat	\$294.40
Field crops	Miscellaneous field crops	\$294.40

If a more detailed calculation by actual specific crop (rather than “miscellaneous” specific crop) is necessary or desired, the more detailed version of the spreadsheet tool (Tab 2) could be used for that purpose. If the specific crops and their acres (which is something the applicant would have to supply) are known, you could enter the specific crops using Tab 2.

In most cases, using the general categories of production and the minimum production values/acre (Tab 1) would be sufficient. The overall goal of the tool is to help easement holders to be able to quickly see whether a farm’s production (as noted in the farm’s application, with general categories and acres) appears to meet the \$10,000 annual production requirement.

Other information – To assist with the easement holder’s review process, the sample application also asks applicants to attach a copy of the preserved farm’s most recently-filed Farmland Assessment forms (FA-1 and Supplemental Gross Sales forms). If an easement holder needs more information about a farm’s annual production, it could request additional documentation from the farm. It also could visit the farm to gather more information.