

Clean Ohio Local Agricultural Easement Purchase Program

2015 Policies and Guidelines for Landowner Application Through Certified and Funded Local Sponsor

Ohio Department of Agriculture (ODA)
Office of Farmland Preservation

The Ohio Department of Agriculture's Office of Farmland Preservation anticipates distributing \$7 million in this round of the Clean Ohio Local Agricultural Easement Purchase Program (LAEPP). The funds will be used to purchase agricultural easements from Ohio farmland owners.

In addition to reading through the following 2015 Policies which are listed below, please review the following documents and share them with the farmland owner:

- Sample Deed of Agricultural Easement
- Ohio Revised Code (ORC) § 901.22 and Ohio Administrative Code (OAC) § 901-2
- Clean Ohio LAEPP Application Handbook

Complete Application – Any application may be deemed incomplete and ineligible for funding if all required information and attachments are not submitted with the application as required by the Local Sponsor. Data must be accurate as of the day of electronic application submission. If changes occur, contact the Local Sponsor.

Note to Local Sponsors: Top-ranking applications submitted for approval for funding must include all required attachments and signatures as of the closing date of the Local Sponsor's landowner application period.

Farm – An application must consist of parcel(s) held by the same legal interest. Each applicant farm must be a minimum of 40 acres unless the land is located adjacent to property with an agricultural easement or is adjacent to **permanently protected** land compatible with agriculture, including natural resource, open space, or forested land protected by conservation easements, as well as wetlands, public parks, open spaces, forests, airports, military bases, wildlife areas, natural preserves, prison farms, historic or archaeological sites, conservancy parks, reservoirs, well fields, battlefields, flood pools and other normally undevelopable waterbodies, publicly-owned agricultural research lands, and well heads. In this case, the land may be a minimum of 25 acres. All contiguous parcels owned by the same legal interest must be submitted; no contiguous parcels under the same ownership can be withheld from the application. See OAC § 901-2-01 (GG) for "contiguous parcels" definition.

Eligibility and Scoring Criteria – An application property's enrollment in all eligibility criteria (e.g., "Agricultural District" § 929 of ORC, "Current Agricultural Use Valuation (CAUV)" § 5713.30 of ORC) must be in place by the application deadline as

set by the Local Sponsor. Furthermore, an application property's enrollment, designation, or other submitted data within the application (e.g., "Agricultural Security Area (ASA)" § 931 of ORC, ODA Century Farm, Historical Designation) must also be in place and documented accurately as of the closing date of the Local Sponsor's landowner application period.

No Subdividing Policy – All parcels that make up an application will be bound together by one permanent agricultural easement. In the future, if the land under easement is sold or transferred, all parcels must be conveyed as one unit and cannot be sold or transferred separately. The purpose of this policy is to preserve entire farms.

Farmstead/Homestead Policy – ODA's farmstead policy permits one homestead to be reserved if no housing currently exists on the applicant property. The reservation allows for one-single family home to be built in the future. If housing exists on the property at the time of application, then no additional residences may be built. Any future or existing house on the preserved farm may not be subdivided from the farm. The purpose of this policy is to promote farm families living on the land they work.

Large or Small Farm Exception Policy – A large or small farm exception allows the landowner to request one of the following exceptions based on the farm value or the farm size. The Director of ODA, at his discretion, shall determine whether to grant this exception. The Director's approval must be obtained prior to the submission of an application during the Local Sponsor's landowner application period and a copy of such approval shall be submitted with the other required attachments to the application.

To request a Large or Small Farm Exception, write to the Director of ODA and the Executive Director of Farmland Preservation. The letter may be submitted through mail or email (farmlandpres@agri.ohio.gov). The Local Sponsor conducting the local application process should be copied on the letter. The letter should indicate which exception is requested (Large (size or value) or Small), and include aerial or topographic maps distinguishing the property and associated parcel numbers.

Large Farm Exception: If an exception is granted, the landowner has the option to submit one or both halves of the farm as individual applications.

- Large Farm **Size** Exception: Farms comprised of no less than 400 acres may request the one-time option to apply the farm in two applications of approximately equal size.
- Large Farm **Value** Exception: If the applicant farm's points-based appraisal is greater than \$1 million, the landowner may request the one-time option to apply the farm in two applications of approximately equal size.

Small Farm Exception: If an exception is granted by the Director, the landowner has the ability to submit a farm of 10-24 acres so long as it shares a substantial border with permanently protected land compatible with agriculture, including natural resource,

open space, or forested land protected by conservation easements, as well as wetlands, public parks, open spaces, forests, airports, military bases, wildlife areas, natural preserves, prison farms, historic or archaeological sites, conservancy parks, reservoirs, well fields, battlefields, flood pools and other normally undevelopable waterbodies, publicly-owned agricultural research lands, and well heads.

Title Costs – If selected for funding, the Local Sponsor (on behalf of ODA) may initiate a title examination and purchase title insurance. The costs incurred for these services – along with escrow, closing, and recording services – will be deducted from the agricultural easement purchase payment at closing.

Funding Caps – The maximum dollar amount per acre is set at \$2,000 and the total dollar amount per farm is set at \$500,000. No individual may sell more than one easement in this round of funding. The Director also reserves the right to adopt additional guidelines according to OAC § 901-2-05 (D).

Multi-County Farm – If a landowner requests to apply a farm that is located within more than one county, the landowner must apply under the county with the majority of the farm's acreage. This majority-acreage county must be a part of the Local Sponsor's landowner application area. The applicant must answer landowner application questions based on the majority-acreage county. A multi-county farm will have a deed and Present Condition Report recorded in each county in which the applicant property is located. Note: Under the LAEPP, only one Local Sponsor may co-hold an easement with ODA.

The following additional steps for a multi-county farm need to be addressed before the farm is selected for funding:

- Local Sponsors that are political subdivisions: Obtain your own organization's resolution (per Attachment A) as well as resolutions supporting the agricultural easement from all other townships and counties in which the farm sits. (Example: Smith County SWCD is the Local Sponsor, submitting an application for a farm that sits in both Smith County (Roberts Township) and Jones County (Wilson Township). They must attach 1) Smith SWCD resolution, 2) Jones County resolution, and 3) Wilson Township resolution).
- Local Sponsors that are charitable organizations: Obtain resolutions supporting the agricultural easement from all counties and townships in which the farm sits (per Attachment H), along with your own organizational resolution (per Attachment A). (Example: Able Land Trust is the Local Sponsor, submitting an application for a farm that sits in both Smith County (Roberts Township) and Jones County (Wilson Township). They must attach 1) Able Land Trust resolution, 2) Smith County resolution, 3) Roberts Township resolution, 4) Jones County resolution, and 5) Wilson Township resolution)

Note: Only one Local Sponsor may co-hold an easement with ODA and be named on the Deed. Therefore, Resolutions from minority-acreage entities must include a reference that the funded Local Sponsor will be holding the easement with ODA.

The Adjusted Land Value may have different values for the multiple portions of the farm. If this is the case, Step 19 will need to be calculated by hand in order to recognize the different values of the land. A calculation worksheet and example is available online or contact ODA for assistance.

12-10-14