

Ohio's Agricultural Easement Purchase Program -A Survey of AEPP Participants- *Executive Summary*

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“Ohio’s Agricultural Easement Purchase Program: From Pilot to Permanent Presence” is a survey commissioned by the Ohio Department of Agriculture (ODA).

The Clean Ohio Agricultural Easement Purchase Program (AEPP) compensates farmland owners to place an agricultural easement upon their farm with the express goal of preserving Ohio’s valuable farmland for future generations. An agricultural easement is a deed restriction that prohibits any future non-agricultural development. The easement allows for agricultural development and the land itself stays under private ownership. Currently the AEPP is funded at \$6.25 million per year. More information about ODA’s AEPP can be found at the Office of Farmland Preservation’s website: <http://www.agri.ohio.gov/farmland>.

As the AEPP transitioned from the initial pilot program to a regular component of Ohio’s conservation efforts, ODA wanted to look back over the seven years the program has operated to:

- 1.) Gauge satisfaction and explore improvements for the Agricultural Easement Purchase Program (AEPP)
- 2.) Understand the impact of funds dispersed.

The Ohio State University’s Center for Farmland Policy Innovation conducted the survey during the summer and fall of 2009. The following are selected highlights:

- Very high **response rate**. Of the 101 participants that were surveyed, 79 responded, translating to a **response rate of 78.2%**.
- **Corn and soybean growers dominate** AEPP. Ninety-two percent of respondents reported growing corn and 82% grow soybeans, rates over double the state averages.
- AEPP participant farm operations are larger. The average AEPP participant’s entire farm operation is larger than the state average, 662 acres and 184 acres respectively.
- AEPP participants are generally more **active farmers**. 70.5% reporting that more than half the household income comes from farming (26.5% reporting that *all* their household income is from farming).
- An overwhelming majority of AEPP participants (85.5%) **operate and manage their own farms** that are protected by easement.
- The top reasons listed by respondents as motivating their participation in AEPP are **preserving farmland and preventing development**. These reasons mirror the goals of AEPP. Financial interests came in a distant second.
- Regarding AEPP’s ability to assist communities in preserving Ohio’s farmland (which is a stated program goal), 70% of respondents agree that AEPP achieves this goal.

- **AEPP participants are overwhelmingly satisfied with the program.** A combined 91.7% of respondents stated they are satisfied with the program.
- Most common calls for improvement of AEPP were to **speed up the process** and to make the application less confusing. Part of the frustration over the delay in easement process could be associated with the matching of the federal Farm and Ranch Lands Protection Program to AEPP funds, which has been known to slow down the process.
- **Improved communication** between participants and AEPP is desired. While not cited frequently as a way to improve the program, another question indicates that landowners would like improved levels communications with ODA about their easements. Given the program design, ODA is not the primary communicant (the local sponsor is), and therefore would need to work with the local sponsor to improve communication.
- Funds participants receive for participating in AEPP are mostly used for **investments and saving**. Seventy-seven percent of respondents reported using the funds for investments and savings where approximately 10.3 million dollars, or 52%, of reported funds were expended. Within this category, buying more land was the single largest expenditure at 16% of the total funds recorded, or \$3.3 million.
- Paying off household debts is the single largest sub-category for funds expended, accounting for 32% of the funds or approximately \$6.4 million.
- **Securing a loan after placing an easement on the farm does not impact the process.** Twenty-nine respondents reported applying for a loan after the easement was placed on their property. Only two respondents reported that the easement negatively impacted their loan experience.
- **AEPP results in the implementation of on-farm conservation measures.** Over half of the respondents indicated that since receiving AEPP funds, they already have and/or are planning to establish new conservation practices on their farms.
- **AEPP expands the farm business.** Twenty-three respondents have and/or are planning to diversify. Seventeen respondents have and/or are planning to establish new or additional farm businesses.

The AEPP program should be considered an investment in Ohio's future. This survey provides the framework to understand the benefit of the program, and participants' overwhelming satisfaction with it. Further, it describes how farmers are using funds to expand and support Ohio agriculture. And finally, it offers insight into how the program can be improved for future iterations.

- ODA and the Farmland Preservation Advisory Board can make program improvements by addressing issues raised in the survey (in particular, selection and easement process issues) and further building on successes (both business and conservation oriented impacts) documented in this survey. The AEPP technical advisory group may also provide assistance, particularly as strategies relate to local sponsors.
- The selection process attracts active farmers, which is a positive sign for the continuation of the business. However, farm selection appears to favor larger row crop farms. An opportunity exists to revisit what types of farms are in the program, and perhaps more importantly, which types are not.
- Utilize this benchmark. ODA's Office of Farmland Preservation now has a benchmark for AEPP. It would be most useful to conduct regular surveys every few years with not only previous applicants, but new entrants and new owners.