

OHIO FARMLAND PRESERVATION ADVISORY BOARD

MINUTES OF BOARD MEETING

Ohio Department of Agriculture
Reynoldsburg, Ohio

May 19, 2010

Minutes taken by Cindy Shy

*Disclaimer: Many individual opinions have been captured by the recorder but do not necessarily reflect the opinions of the entire Advisory Board.

Advisory Board members present: Kristen Jensen, Chair; Dr. Jill Clark, Vice-Chair; Glenn Myers; Jay Rausch; Joe Logan; Thomas Mazur; Lucille L. Hastings; Brian Schlatter; Kurt Updegraff; Brian Williams; Roger Rhonemus; and Dean LaRue.

ODA staff members present: Jessica Atleson, Ohio Attorney General's Office; Jody Fife; and Cindy Shy.

Visitors: Michele Burns, Tecumseh Land Preservation; Larry Frimerman, Three Valley Conservation Trust; Rob Krain, Black Swamp Conservancy; and Jonathan Ferbrache, Fairfield Soil and Water Conservation District.

Opening Remarks

- Kristen Jensen called the meeting to order at 10:20 a.m., in conference room 308 of ODA's Bromfield Administration Building.
- Introductions were made and Kristen welcomed the three new board members: Joe Logan, Brian Schlatter, and Dean LaRue.
- Kristen Jensen informed the staff that Amanda Bennett has accepted a position with the Office of Farmland Preservation and will begin her duties in early June.
- MOTION: Kurt Updegraff moved to accept the November 18, 2009 Advisory Board minutes. Lucille Hastings seconded; motion carried.

Public Comments

Larry Frimerman commented on the recent legislation for the second Farmland Preservation program. He suggested that the Board should look at how adding FRPP funds fit in with others that have cooperative agreements. He suggested looking at the legislation more closely for fine-tuning, including potential benefits for riparian areas; organic vs. other niche markets; intermediate vs. immediate development pressure; look for ways to provide incentives/stimulus for production of locally grown foods; be careful to avoid creation of agriculture islands that are not sustainable.

Rob Krain urged the Board to consider AEPP funding distribution. He indicated that NW Ohio has 40% of the state's land in farms (USDA 2007 Census of Agriculture), 46% of market value production, and the most applications of the AEPP quadrants.

Kristen Jensen clarified that Larry Frimerman was discussing the amendment placed on H.B. 483 AgLink Financing, which concerns a second farmland preservation program and ranking system.

Food Policy Council Update

ODA Sr. Program Manager Amalie Lipstreu gave an update on the Food Policy Council, see Exhibit A attached. Discussion items included the history of the council, the different focuses of state and local councils, healthy food access, farm viability, gaps in assessing markets, the Ohio Neighborhood Harvest program, and the Specialty Crop Block Grant. Kristen Jensen will serve on the Food Policy Council's Agriculture Viability Task Force. Joe Logan and Brian Williams are on the Council and Jill Clark is involved with the Healthy Food Access Task Force.

News and Office Updates

- Donation Program - Kristen Jensen explained that interest has dropped in the Donation Program since the enhanced federal tax incentives have not been reinstated. Jill Clark asked if we let the landowners know about the opportunity to donate easements to land trusts. Kristen explained that we did. Cindy Shy informed the Board that we are working on donations on the Hunter farms in Richland County, involving about 300 acres.
- 2008 AEPP – all the 2008 farms have closed.
- 2009 AEPP – seven of the 37 farms have had funds approved through the state's Controlling Board, and will be the first of the 2009 easements to close. The Board suggested that a checklist be written that will shed light on potential issues for the landowner when considering an easement. Common issues should be highlighted, with a disclaimer that issues may arise between the offer and closing.

Kristen explained that Clean Ohio funds are to be spent as follows:

10% within six months; 40% within 12 months; 75% within 18 months; and all within 2 years. In a previous funding round, funds were held in arbitrage two years, and ODA had to pay ~\$100,000. The goal is to stay in debt capacity.

- Kaizen Process – During the week of June 21, the Farmland Preservation Office will undergo this event to see where improvements can be made to improve efficiency and effectiveness. The Advisory Board, local sponsors, and other key players have been invited to participate.
- Budget – Due to low interest rates and overhead costs, it is expected that the Farmland Preservation Office will deplete its reserve of interest from Clean Ohio funds this year. The office is now receiving GRF funds, but there is an estimated shortfall of \$170-200,000. MOTION: Jill Clark moved that the Board recommend and support that the Office of Farmland Preservation can use a maximum of 3.5% of the principal to the annual bond allocation in Fiscal year 2011 for better efficiency to meet constitutional requirements, better assist constituents, remain within the debt schedule, and for better operations. Brian Williams seconded; motion carried.
- Deed information – The draft federal deed was reviewed with the Board. Changes include:
 1. Federal government will no longer co-hold easements.
 2. Section 4.10 Motorized Vehicle Use, is new.
 3. Section 4.11 Signage, spells out which signs are allowed.
 4. Section 5.5 Customary Rural Enterprises; it was decided to remove the last sentence of this section.

5. Section 5.8 Agricultural Structures and Improvements; this section does not address migrant housing, but the Board will support exploration of migrant housing in the future. Prior written approval must be obtained for permanent housing proposals. The Board will review each proposal that will include a description of the area, impact on the land, and a scaled drawing, and make its recommendation to the Director of ODA.
 6. Section 5.9 Recreational Structures/Activities; outside the homestead area would require permission from ODA.
 7. Section 5.13 Oil and Gas Exploration and Extraction; one well per 320 acres will be allowed, per FRPP current rules.
 8. Section 5.14 Pond Creation and Wetland Restoration; wording will be separated to distinguish between ponds and wetland areas. Ponds will be allowed for the reasons as outlined.
 9. 5.16 Forest Management and Timber Management; wording will be changed to make this section consistent with CAUV.
- Long Term Recommendations – The current focus remains on what appears to be a viable option politically for the program, the Second Farmland Preservation Program. In relation to the Long Term Recommendations, last week an opportunity was provided to promote this new program and was included as an amendment in H.B. 483. The program has now been suggested as a stand-alone bill. Jill Clark suggested that interested parties should organize quickly to discuss the program. A conference call is now scheduled for Friday, May 21, 1-3 p.m. It was felt that the second program should not focus on urban areas, but on agricultural lands.
 - OAC Review – The rules that define the Revised Code have not been reviewed in five years but are currently under review, and comments will be incorporated into the JCARR process. Six partners have responded with comments, and Board members were encouraged to submit suggestions.

2010 Clean Ohio AEPP Application Overview

For the 2010 funding round, 203 applications were received. Staff is currently reviewing the applications. A list of issues was discussed, including: incomplete or missing resolutions; missing landowner signatures; letter of support versus resolution; missing Ag District documentation; erroneous CAUV values; and homestead soils not claimed as zero productivity. In the instance where the homestead (6 acres) wasn't included in an ASA application, the Board recommended that ASA points not be deducted.

Consideration of Funding Round Policies

The 2010 applications are unequally distributed among the quads. Funding distribution options may include by number of apps, number of acres, or number of proposed easement dollars. Board members discussed pros and cons of various funding options, and whether a farm within one quadrant should directly compete against a farm in other quadrant for funding. Interest was shown in looking at economic output as a basis for defining quadrants. For 2011, staff will explore quad outlines based on economic output/production. Partners will be asked if they want to know quad outlines before or after application deadline.

MOTION: Kurt Updegraff moved that funds are allocated equally among the quads for 2010. Glenn Myers seconded; motion carried with Jill Clark abstaining.

For the next board meeting, discussion will be held on whether there should be a scoring cutoff point for applications eligible for funding. County results of Tier I and II will be available at the next Board meeting. Ideas to improve applications included exploring opportunity for new local sponsors to mentor with successful local sponsors in a different quad; a letter to lowest Tier II scores on behalf of the Board offering tips and examples.

Next Board Meeting is scheduled for August 18, 2010, 10am-3pm.

Annual Summit is November 18, 2010.

MOTION: Motion for adjournment by Jill Clark; seconded by Roger Rhonemus. Motion carried.