

**OHIO FARMLAND PRESERVATION ADVISORY BOARD
MINUTES OF BOARD MEETING**

**Ohio Department of Agriculture
Reynoldsburg, Ohio
December 5, 2013**

Minutes taken by Amanda Bennett

*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: John Schlichter, Chair; John Detrick; Peggy Kirk Hall; Dean LaRue; Timothy Lynch; Jay Rausch; John Watkins; Howard Wise.

ODA Staff Members present: Denise Franz King, Executive Director, Office of Farmland Preservation (OFP); Amanda Bennett, OFP; Jody Bowen, OFP; Julie Phillips, Assistant Chief Legal Counsel.

Visitors: Krista Magaw and Michele Burns, Tecumseh Land Trust.

Opening Remarks

The Meeting was called to order at 10:14 a.m. by John Schlichter, Chair and Deputy Director of the Ohio Department of Agriculture (ODA). John S. explained that there is a vacancy on the Board serving development interests. Director David T. Daniels has appointed Howard Wise to temporarily fill that position on the Board.

Travel Expense Reports

Jody Bowen reminded Advisory Board members about Travel Expense Reports.

2014 Local Agricultural Easement Purchase Program (LAEPP) Application for Local Sponsor Certification

Denise King presented to the Board the results of the application period for Local Sponsor Certification. Just as it did in the 2013 Application for Local Sponsor Certification, the form measured the following: local sponsor organizational capacity (staff, budget, number of easements managed, being a mentor or mentee to another organization); community support for farmland preservation (comprehensive plans, Agricultural Security Areas, and agricultural economic development plans); and service area statistics (has the county previously received AEPP funds, county development pressure, average farm size, and average farm value).

Seventeen applications were received to serve 46 counties (Exhibit B). Two applications came from county governments, 3 from soil and water conservation districts, and 12 from non-profits. Applications came mostly from repeat local sponsor applicants, with the exception of Southern

Ohio Farmland Preservation Association (declined to apply after receiving funding in 2013 LAEPP due to resources being stretched), and one new applicant for 2014 – Darke County Land Trust Alliance. Quadrant I (Northeast) is represented by 15 counties being served by 3 local sponsors; Quadrant II (Southeast) is represented by 10 counties being served by 6 local sponsors; Quadrant III (Southwest) is represented by 12 counties being served by 7 local sponsors; and Quadrant IV (Northwest) is represented by 9 counties being served by 4 local sponsors.

As it did in 2013, the funding formula recognizes and rewards experience, capacity for managing easements, and local support. It also recognizes that a minimum amount of funding is essential to operating a program and that the cost of purchasing an easement on an average farm is different in various counties. The formula not only seeks to encourage and leverage funding available through FRPP, but to encourage participation by new counties and to distribute funds to all quadrants of the state.

To recap, Denise explained that 2013 LAEPP utilized a \$75,000 base per county served, with \$25,000 more per county for additional counties served (up to four counties). After the base amounts were awarded, the remainder of funding would be distributed into three tiers (most experienced, middle, and least experienced local sponsors). These tiers were based on their application score, and the average market value and size of the farmland in the area they serve.

The Office of Farmland Preservation (OFP) used the same formula for 2014 LAEPP, with one change – an increase in base amount. With twice the money to distribute (almost \$3 million in 2013 in contrast to \$6 million in 2014), the base amounts became:

1 county = \$91,000; 2 counties = \$116,000; 3 counties = \$141,000; and 4 or more counties = \$166,000.

Denise noted that the \$91,000 base amount for one county is based on ODA's average easement cost and average easement size.

After the base amounts were calculated (\$1.972 million), the remaining \$4.028 million was divided using the same 2013 funding formula, as follows:

Average Market Value (AMV) x Average Farm Size (AFS) x .25 (match required at closing by FRPP)

Denise then shared with the Board the recommended funding amounts (see Exhibit A, Local Sponsor Certification Funding Summary). She asked for a recommendation by the Board for the Director. Once the Director considers and makes his final decision, announcements will be made, publically.

Approval of August 29, 2013 Advisory Board Minutes

Before discussing and voting on the Applications for Local Sponsor Certification, John S. asked the Board to consider the August 29, 2013 minutes.

MOTION: John Detrick moved to approve the August 29, 2013 Advisory Board meeting minutes as presented. Tim Lynch seconded; Vote 7-0; motion carried.

Board Discussion and Recommendations on 2014 LAEPP Local Sponsor Certification and Funding Amounts

Jay Rausch asks if there was any carryover funds from the 2013 LAEPP funding round. John S. explained that it was recently learned that when an appropriation for farmland preservation for \$12 million was made, that it included the \$3 million just awarded in 2013 LAEPP. That leaves the OFP with only \$9 million for two more funding rounds, but the 2014 LAEPP was announced as a \$6 million funding round. This could mean a smaller funding round in 2015, but that cannot yet be known.

Peggy Kirk Hall asked if all funding for 2013 LAEPP was utilized by local sponsors. No, it was not, replied John, but it has been carried forward. It does not stay assigned to a particular local sponsor.

John D. asked for clarification about how the funds are to be used. Jody explained that the amounts being considered today would be utilized by local sponsors after they conduct and rank landowner applications during the landowner application period, slated to begin January 15.

Dean LaRue asked about funding per quadrant. Denise explained that this information was not readily available at the meeting, but would be forwarded to the Board.

John Watkins asked if a statewide map showing total participation by county (not just in 2014 LAEPP) existed. Denise and Jody offered to send to him the Ohio Farmland Preservation Map currently on the OFP website.

Clarification was sought on the local sponsor in Champaign County. Jody explained that in the 2013 LAEPP, Champaign Land Preservation applied. For the 2014 LAEPP, the Champaign SWCD has decided to apply for Certification to serve that county's landowners.

Prior to making a recommendation to the Director of ODA, Amanda Bennett gave a presentation to the Board showing photos and highlights of the 2013 LAEPP landowner applications approved for funding at the August 2013 Board meetings.

MOTION: John Detrick moved to recommend to the Director approval of the Applications for Local Sponsor Certification and funding amounts for the 17 local sponsors (shown in Exhibit A). John Watkins seconded; Vote 7-0; motion carried.

2014 LAEPP Landowner Application

Amanda presented the Board with the changes being made to the landowner application, based on internal discussions and the 2013 Technical Committee.

While the concept of the application will remain the same (standard and nonstandard), the definition of eligible property size is being expanded. Under previous funding rounds, a farm was eligible if it was 40+ acres or at least 25 acres and adjacent to farmland already held under a permanent agricultural easement. For the 2014 LAEPP landowner application, a farm can also be eligible if it: a) is at least 25 acres and adjacent to protected land compatible with agriculture; or b) the farm has applied and been approved for a small farm exception.

Regarding option “a” (adjacent to protected land compatible with agriculture), those protected lands are defined in Steps 12A and B of the landowner application - natural resource, open space, or forested land protected by conservation easements, as well as wetlands, public parks/forests, airports, military bases, wildlife areas, natural preserves, prison farms, historic or archaeological sites, conservancy parks, reservoirs, well fields, battlefields, flood pools, publicly-owned agricultural research lands, and protected well heads.

Another change will be the addition of Attachment K, which will be a photo for use in the PowerPoint presented to the Board.

One change that came from the Technical Committee was the deletion of a stipulation in Step 12 (Proximity): “Only portions of land within 10,560 feet of the applicant property may receive points.”

2014 LAEPP Landowner Application Guidelines and Policies

Denise explained the proposed Small Farm Exception policy and requests Board discussion and a recommendation to the Director on the policy. Per the proposed policy, a landowner would request the exception prior to submitting their landowner application (as with the Large Farm Exception). To be eligible, the farm would have to be at least 10 acres and share a border with a permanently protected property compatible with agriculture (utilizing the compatible use list outlined above).

Peggy asked if the policy could still exclude urban or suburban farms because of having to share a border with a compatible use. Denise said that the policy proposed for Small Farm Exception is a small step designed to help smaller-acreage counties to bring in smaller, productive farms without creating agricultural “islands” in the process. By being next to already-protected land, we know there is already some protection for that landowner “built-in.”

Julie Phillips added that small farms alone in a suburb could be hard to defend in court, while Peggy said she hasn’t seen any cases in that vein, and that some small farms are located where they are because of the local food movement.

Howard mentioned that when legislators designed the program, very small farms were not the priority. Larger farms and building large viable blocks of farmland were the focus. Smaller farm easements are sometimes more expensive to purchase and administer, and another vehicle may be more appropriate. Jay asked how a small farm would be treated if applying under the Donation program? Jody explained that it would be considered, but that local buy-in would still have to occur (under the Donation program, ODA notifies the local governments of the pending donated agricultural easement).

John S. said that ODA sees the proposed Small Farm Exception as a first step. There could be more steps in the future, but it will depend on interest. The program is trying to accommodate counties with smaller farms (like Lake, for example), which have noted that they cannot compete with the 40 acre requirements. Peggy asked if it was known how many farms stand to apply for the exception. Denise indicated this is unknown until landowners apply. Tim added that the idea was to open up the program, and afford more opportunity. He has seen smaller acreages even in his part of the state.

Peggy wondered if a small farm that received the exception would even compete against other farms. Krista of Tecumseh Land Trust explained that while a small farm might not do well in their local funding round, a farm receiving a small farm exception in another area might do well if only competing against similar-sized farms. Krista also mentioned that her organization has utilized other funding sources (like FRPP) to preserve smaller farms. Denise added that parallel to the shore in Lake County, for example, there are unique soils and the county has targeted these areas to focus their farmland preservation efforts.

Peggy asked what parts of the request for a Small Farm Exception is at the Director's discretion, when the eligibility criterion are already in the policy. Denise said the intention is to make the exception parallel with the process for a Large Farm Exception. Howard said the Director would need a compelling reason to not approve a small farm that met the criteria. Peggy questioned the need for an exception at all, why not just change the eligibility of a small farm to 10-39 acres. It appears to be making a small farm go through an extra hoop in applying. Krista said that it is common for land trusts to have to garner county and township approval for farms looking to apply, so the exception process would mean knowing earlier if a farm will be eligible. It keeps the local sponsor and landowner from having to go through the entire application process only to find out the farm is not eligible after all.

Jody shared that a farm being eligible at less than 25 acres has not been on the table before. Perhaps it is a place to start. Howard added that the program is not locked in over time. This policy would only impact 2014 LAEPP. The usefulness of the exception could be revisited by the Board prior to the 2015 LAEPP funding round.

John S. noted that some are concerned with a policy's interpretation between administrations. The Director's discretion now might look different to the next Director and so on. The Board is only making a recommendation on this Small Farm Exception policy for this funding round (2014 LAEPP), under the current Director.

Peggy said that the policy needs to be clearer on what the Director's discretion is. From the landowner perspective, they may meet all of the criteria as outlined in the policy, but still be denied. A landowner needs to know why he may be disqualified, and she feels uncomfortable with a policy that makes a small farm apply before then applying under the landowner application as well.

MOTION: Howard moved to recommend that the Director approve the Small Farm Exception where the entity must show the Director that the farm shares a substantial border to a compatible protected use (i.e., those lands listed in Steps 12A and B of the landowner application) and that the Board review the policy after 2014 LAEPP funding round. Tim Lynch seconded; Vote 6-1; motion carried. Peggy voted "no."

John S. then asked the Board to revisit the rest of the proposed 2014 LAEPP Guidelines and Policies (all except the Small Farm Exception Policy).

MOTION: Tim Lynch moved to recommend that the Director approve the 2014 LAEPP Guidelines and Policies. Dean LaRue seconded; Vote 7-0; motion carried.

John S. noted his appreciation for all comments, suggestions, and overall input from the Board. The Board should revisit these policies again once the 2014 LAEPP funding round has completed.

Announcements

Denise announced the upcoming local sponsor training (for the local sponsors recommended for funding today) to be held at ODA on January 8, 2015. She then asked the Board to consider the best time to meet this summer to approve landowner applications. Due to the staggered closings of landowner application periods (some local sponsors are doing a 60-day landowner application period, some a 90-day application period), the Board must meet once in early May and once in early June. The Board agrees to tentative dates of Thursday, May 1, 2014 and Thursday, June 5, 2014, and tentative times of 10:00 a.m. to 12:30 p.m.

Denise also mentioned that the Director is looking to appoint a permanent position on the Board for development interests. There are currently three candidates under consideration, and the Director looks to have an appointee by the May Board meeting.

John Detrick noted that while the minutes for the previous meeting had already been approved, he would like it noted that he and Brian Williams arrived late to that meeting only due to a traffic accident. They were delayed due to traffic that built up around the accident.

Howard shared his appreciation for local sponsors that are mentoring other organizations (such as Tecumseh Land Trust, mentoring approximately five organizations this funding round).

Public Comments

Krista proposed adding a monitoring training for local sponsors. Jody agreed, adding that we are now experiencing new monitors who have inherited the responsibility from a predecessor. Denise noted that outreach is another topic that should be looked at for training.

Adjournment

MOTION: Jay Rausch moved to adjourn the Board meeting at 12:02 p.m. John Detrick seconded; Vote 7-0; motion carried.