

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

**Ohio Department of Agriculture
Reynoldsburg, Ohio
November 18, 2015**

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 and Deputy Director, Ohio Department of Agriculture; Brian Williams, Vice-Chair; Alan Anderson; Dean LaRue; Joe Logan; Timothy Lynch; Thom Mazur (arrived at 10:14 a.m.); Jay Rausch (arrived at 10:21 a.m.); Roger Rhonemus; John Watkins; Bill Westbrook.

ODA Staff Members present: Howard Wise, Assistant Director, Ohio Department of Agriculture; Denise Franz King, Executive Director, Office of Farmland Preservation (OFP); Timothy G. Schirmer, ODA Senior Staff Legal Counsel; Amanda Bennett, OFP; Jody Bowen, OFP; Jake Parkinson, OFP.

Visitors: Amy Cameron; Jonathan Ferbrache, Larry Frimerman, Chet Murphy

Opening Remarks

The Meeting was called to order at 10:06 a.m. by John Schlichter, Chair and Deputy Director of the Ohio Department of Agriculture (ODA). John began by recognizing Denise Franz King for her service to ODA's Office of Farmland Preservation. Denise will be retiring at the end of this month. Howard Wise, Assistant Director of ODA, also shared his thanks and congratulations on behalf of the Department to Denise.

Travel Expense Reports

Jody Bowen reminded Advisory Board members about Travel Expense Reports.

Approval of June 3, 2015 Advisory Board Minutes

MOTION: to approve the June 3, 2015 Advisory Board meeting minutes as presented. Vote 8-0 (Thom Mazur and Jay Rausch not yet in attendance); motion carried.

Local Agricultural Easement Purchase Program (LAEPP) 2016 Local Sponsor Application for Certification Results

Denise Franz King shared the results of the Local Sponsor Certification Application period. Among a total 23 Local Sponsors, new organizations include Cardinal Land Conservancy (formerly Citizens' Land Conservancy of Hamilton County, Clinton County Open Lands, and

Southern Ohio Farmland Preservation Association); Delaware County Commissioners; Elizabeth Township/Miami Soil and Water Conservation District (SWCD), Belmont SWCD, and Marion SWCD. There are two “sets” of Local Sponsors (Philander Chase Corporation/Owl Creek Conservancy and Elizabeth Township/Miami SWCD) that will share an allocation since the organizations serve the same county.

Denise commented that every Local Sponsor that applied for funding in LAEPP 2016 will receive an allocation and that the OFP has not had to turn anyone down yet. That being said, the “slices of the pie” are becoming smaller per allocation as new Local Sponsors apply and are Certified; it is not unreasonable that in future years ODA may not be able to provide every Local Sponsor with an allocation – the primary reason being that ODA wants the allocation to be suitable enough to purchase an easement on an average size farm in that particular area.

Board Discussion and Recommendation Regarding Applicants for Certification and Funding Allocations for LAEPP 2016

Brian Williams asked for comment from other Board members about what they were seeing in the way of local (cash) contributions for farmland preservation in townships and counties. Alan Anderson said that he is not seeing much in the way of local contributions due to things like the cut in local government funding. He has heard dissatisfaction from a few citizens about perpetual easements in general. There are concerns regarding the restrictions placed on landowners at the time of the easement and those restrictions (or Conservation Plan components) being altered in the future by more radical monitors that impose further restrictions on landowners. Alan has heard calls for easements with lesser time periods (i.e., a 50 year easement as compared to a perpetual easement).

Discussion was also had regarding Conservation Plans in general – who prepares them (SWCDs and/or the Natural Resources Conservation Service (NRCS)), how they can or cannot be amended, and whether or not the Conservation Plans should change at all after the easement is placed. SWCD representatives present shared their knowledge about Conservation Plans – how these Plans are based on Best Management Practices (BMPs) at the time they are completed, and how those BMPs change over time, necessitating changes to the Plans as time and ownership changes the conditions of the farm. It was mentioned that Conservation Plans are agreements between NRCS and/or SWCDs and the landowners – they cannot be changed without agreement from both parties. Like Conservation Plans, Agricultural Easements are voluntary agreements in which a landowner is agreeing to practices on their farms, although Farm Service Agency does require a Conservation Plan if the landowner is involved in federal programs.

MOTION: Bill Westbrook moved to recommend to the Director approval of the Applications for Local Sponsor Certification and funding amounts for the 23 local sponsors (shown in Exhibit A). Tim Lynch seconded; Vote 10-0; motion carried.

Programs Update

Amanda Bennett provided an update on the OFP's pending easements:

Total closed LAEPP Easements since last Advisory Board meeting: 20 easements/3,062 acres.

LAEPP 2013

- Easements closed are in Seneca, Licking, Butler, Preble, and Montgomery Counties. That leaves approximately 9 pending agricultural easements. Seven of the remaining 9 have been through Controlling Board, and 3 of those are currently in escrow.

LAEPP 2014

- Easements closed are in Fairfield, Lake, Licking, Madison, Clark, Knox, Montgomery and Logan/Champaign Counties. There are 27 easements in pending status, but over half have completed the Controlling Board process.

LAEPP 2015

- At present, there are approximately 45 pending agricultural easements. We expect additional easements after Local Sponsors are able to work down their lists now that 9 of the easements will be matched with dollars from the Agricultural Conservation Easement Program – Agricultural Land Easement (ACEP-ALE).

2016 LAEPP Landowner Application

Amanda then highlighted the changes being made to the 2016 LAEPP landowner application. With the previous software having been developed outside of ODA in 2005, the system was becoming overly taxed and complex. ODA's Information Technology (IT) division has dedicated a staff member to developing a new, more user and OFP-friendly program for the landowner application. Changes include:

- Ability for OFP to directly update questions from year to year.
- Local Sponsors can have multiple user accounts under their larger organization accounts.
- Local Sponsors have more control over activating/deactivating accounts, as well as more abilities to name and sort their landowner applications.
- More functionality for multi-county farms.
- Pre-loaded soils information by county.
- Direct input by Local Sponsors of their localized questions.

Amanda said the application system should be ready for testing by Local Sponsors shortly after the December 2, 2015 Local Sponsor training at ODA.

Local Agricultural Easement Purchase Program (LAEPP) 2016 Policies and Guidelines

Amanda provided the Board with a summary of the minimal updates made to the 2016 Landowner Application Policies and Guidelines document –

- Bolding/underlining of key phrases to remind landowners of policies such as the no subdivision rule and homestead policies.
- Removal of the Adjusted Land Values information usually included in the Policies and Guidelines.

Denise explained that after the last Board meeting, she reached out to experts and asked them to review our current Points-Based Appraisal system, which included adjustments to purchase prices (0%, 7%, or 15%) determined by each county’s position in the triennial reappraisal process. ODA has determined that for the many reasons below, the OFP should not proceed with the Adjusted Land Value “bump” at this time:

- In recent years, landowners have been provided an estimate for their purchase price determined by ODA’s points-based appraisal, only to see that figure change because the land appraisal completed for that farm’s NRCS ACEP-ALE application determined the easement to be valued less than what ODA had determined it to be.
- This resulted in a credibility issue for some landowners – expectations had been set for a higher purchase price at the onset of their agricultural easement process, only to be dramatically reduced a year or two later as a result of the federal appraisal. It also resulted in ill-will toward local sponsors.
- Given today’s land values, there is no longer a justification for using state funds to pay 7% or 15% over the auditor’s value in the second and third years after re-appraisal.

As a result, Denise said, the OFP has determined the auditor’s triennial re-assessment value will be used to determine easement payments until the next re-assessment.

Board Discussion – LAEPP 2016 Policies and Guidelines

Alan discussed concerns about the contiguous acreage policy – that it may bind together more parcels than the landowner wants to sell easements on, and could result in large easements difficult to sell in the future. Denise explained that from the onset of the OFP, the goal has been to preserve large blocks of land to prevent carving-off and selling road frontage for development, leaving only land-locked areas for preservation.

Jody Bowen explained the OFP’s Large Farm Exception Policy, which helps landowners with large contiguous acreages to split the farm into multiple applications. Even with the policies as they are, the LAEPP may not be the program for everyone. The program remains oversubscribed. A Local Sponsor added that while there is a concern about being able to sell parcels bound together by an easement in the future, the contiguous acreage policy has helped him promote estate planning when having conversations with families about the LAEPP.

Brian Williams suggests that the Board bring in experts or guests at future meetings to discuss policy issues. John S. mentioned that the Farmland Preservation Summit used to provide a forum for those kinds of discussions and asked if there were any planning committees working on a

future Summit. Brian said there is an informal planning team looking at combining farmland preservation topics into other conferences and events.

Public Comments

None.

Other Business

Denise shared that the program is about to preserve its 60,000th acre in the coming months. She encourages the Board and the OFP to celebrate this milestone.

Adjournment

MOTION: Brian Williams moved to adjourn the Board meeting at 11:18 a.m. Joe Logan seconded; Vote 10-0; motion carried.