

Local AEPP Technical Meeting August 31, 2012, Ohio Department of Agriculture (ODA), Bromfield Building

Notes by Amanda Bennett

Meeting began at 10:05am

ODA Staff Present: Assistant Director Howard Wise; Legal Counsel Howard Henry; Executive Director Denise Franz King; Jody Bowen; Amanda Bennett

Attendees: Andy McDowell, Bill Roshak, Charles Guarino, Dan Jackson, Jeff Thomas, Jim Spurgat, Jon Branstrator, Julia Cumming, Karen Richards, Katie Myers-Griffith, Larry Frimerman, Mark Watkins, Maurine Orndorff, Nikki Taylor, Pat Deering, Patrick Hornschemeier, Rob Krain, Steve Goodwin, Steve Fleegal, Janet Ward, Stacey Sark, Christy George.

Assistant Director Howard Wise welcomed everyone to the Technical Committee Meeting. He explained why we are here – working out the detail of a local program because local sponsors are ready. Director Zehringer asked him to make recommendations for the Office of Farmland Preservation, and he put together a report that outlines how to implement a decentralized, locally-run farmland preservation program. He submitted in June of 2011 to Director Zehringer, and a few weeks later to the Farmland Preservation Advisory Board, which approved it as well. The reason the program wasn't implemented earlier was because of funding. He also reminds everyone to read and distribute the Office of Farmland Preservation's Annual Report.

Denise Franz King, Executive Director of the Office of Farmland Preservation (OFP) thanked everyone for attending. She explained that the OFP will be providing draft revisions to the Ohio Administrative Code (OAC) to Advisory Board in September, and OFP would like to incorporate comments from local sponsors. She discussed housekeeping items, as well as ways in which local sponsors can participate throughout the meeting. Finally, Denise requested that local sponsors continue to provide OFP with pictures and stories of how landowners of AEPP farms utilize their purchase funds to reinvest in their farm operations and encouraged all to join the new Environmental Professionals network ([epn.osu.edu](http://epn.osu.edu)).

### **Local AEPP Process Review**

Denise began her presentation on what the Local Agricultural Easement Purchase Program (LAEPP) will look like.

Comments and questions from local sponsors:

- Determining how long we will need for the certification application depends on what ODA will need from us.
- Will we need to recertify each year?
- What about multiple certified local sponsors conducting competing applications in the same county or service area?

- Is the 90 day period for the local landowner application process a requirement (per Howard Henry of ODA Legal, it is in the law (Ohio Revised Code).
- I don't think you should say 45-60 days, some will need 90 days. It doesn't have to be the same for everyone (90 days). Some will need more time than others to conduct their local applications.
- If ODA has six million that has been recently appropriated, why only three million in the first funding round of this new program?
- The LAEPP offers some of us local sponsors with less chance of receiving funding under the centralized program a better chance of receiving funding under a decentralized program and so we will apply.
- Who will be responsible for ordering and obtaining the title examination (according to Amanda Bennett, subject to ODA Legal review, the plan is to have the local sponsors obtain title work which will be reviewed by ODA).
- Who manages the closing? Who does the escrow package? Can we assemble the escrow package and closing instructions even though ODA will have final review?

ODA comments:

- Training may break out to be specific to certification level.
- Localization largely comes in the ability to weight the points of the Tier 1 Evaluation to the needs of your local community or service area.
- You will know by the time you conduct your local applications what amount of funding you have to work with (per Certification process)
- Even though chances of funding may be less (only \$3 million in first year of LAEPP), we expect to continue to demonstrate the strong support of the program from local sponsors and landowners. All local sponsors are encouraged to apply for Certification although the "pie" is less.

**Draft OAC revisions for LAEPP**

General Local Sponsor comments/questions:

- Why option for points-based or market-based appraisal? Howard Wise explains that if points-based fails and the next funding round needs to utilize market-based, the option will be there for the Director. All farms in the same funding round would be appraised in the same way.
- Points-based appraisal has worked very well under the centralized program, but I see it becoming problematic if you have multiple local sponsors operating in the same county.
- I question the terms "expert" or "expertise." I prefer capability or capacity better. I feel there could be legal ramifications if ODA uses the term "expert."

- If ODA changes the word “expert” in one area of the OAC, remember to change it in all other instances throughout.
- There is the potential for problems with the same organization being applicant and judge.

ODA comments:

- The points-based appraisal will be evaluated after the first year of LAEPP to see if it worked well throughout the state.

Comments with regard to particular sections:

*901-2-04*

Local sponsor comments:

- We can’t ask landowners to provide all of the requirements in 901-2-04; those requirements need to be looked at in light of what the ODA-local sponsor cooperative agreement will require. Landowner does not do a lot of this stuff now, local sponsor does.
- Under (C)(2) – date and status of conservation plan – we’ve struggled with this – may be current but they do have them...is that just a check mark or does it matter if it is current? Should the rules reflect how current it should be?;
- We have some people following old 50 year plans and nothing has changed because nothing has needed to.

ODA comments:

- Under (C)(2) – the ranking system has 5-10 point range. It was up to SWCD/NRCS to make that determination under the centralized program’s application – and that’s why we are localizing – you get to figure out what will constitute 5 points, 7 points, etc., so it won’t require a rule change.

*901-2-06*

Local Sponsor comments:

- It says their application has been selected to proceed...to what?...may want to say “Phase Two of the Process.”

*901-2-07*

Local Sponsor comments:

- Tier 2 is helpful when there are ties. Who can come up with the best ideas?
- Good idea to have something in between a Tier 1 and the former Tier 2 in our applications to help in tie-breakers. Maybe one question about farm business plan.

ODA comments:

- There were previous discussions on local sponsors having a review board for tier 2 – of 3-5 people. Do you agree? If so, it will go into the rules. Some have suggested a “county exchange,” to go outside your region, etc. to bring down favoritism. Is Tier 2 even necessary?
- A “tie breaker” provision would be interesting in a Tier 1, we want to make sure to address it in our rules.

### **Criteria for Certification (handout)**

Denise explained the purpose of the criteria for certification, including determining what makes an expert local sponsor versus an experienced versus one with very little experience that perhaps could be mentored by a more experienced agency. Given current funding levels, OFP currently expects only 1 to 2 startups will be awarded funding each year.

Local Sponsor comments:

- I understand wanting to include what local sponsors hold AEPP-wise, but what about those that have a long track record of holding, monitoring easements that aren't from AEPP? We have easements from 10+ years ago, doing all of the monitoring and enforcement. I don't care what we're called, and we are not opposed to being partnered with other organizations, but we would not like the lack of having AEPP-easements to result in a lower ranking. As a start up, we'd be tickled to get even \$100,000.
- We are volunteer – no staff. To put infrastructure in place to be a recipient is going to take more than 90 days. Looks difficult to me to be a local sponsor depending on what the period of time is between things being announced and when applications have to be in. I feel this is a large process.
- We receive help from many other types of organizations – such as on campus, other government entities, etc. Will those be helpful in ranking criteria?
- ODA needs a rubric so local sponsors can see why they were determined to be at a certain status and why they were or weren't funded. It will help locals and state to defend the process. It has to be measurable and transparent.
- Some criteria under organizational capacity seem redundant – overlap is significant (# of staff members dedicated) not going to tell you everything you need to know.
- AEPP easements should not be the end all to what you hold – what about all other easements? At the same time, criteria to ensure that local sponsors have experience with grants processes, grant management is important too.

ODA comments:

- Perhaps we should add to the application a question such as, “Does your organization have mapping capabilities?”

## **Methods of distributing the funds**

Denise asked that depending on how many entities fall into the various categories (expert, experienced, start up), it becomes key as to how ODA allocates the funding and achieves regional balance. She asks that everyone think about it and provide suggestions.

Larry Frimerman shared a handout of a proposal he had and he explained in more detail. A consideration in his proposal was that experienced entities were broken out based on how many counties were in their service area. He feels his proposal allows 20 or more entities to receive funding.

Local Sponsor comments:

- I think you can say we have 9 counties but what if you can't manage it well? What if you manage your one county well? These local sponsors should not be penalized for that.
- If certified, does it guarantee you a grant?
- It is important to remember that we can utilize what we receive in LAEPP funding to leverage additional dollars through other programs, such as the Federal Farm and Ranch Lands Protection Program (FRPP).

ODA comments:

- All things being equal, if one entity covers more counties, perhaps it should be given additional consideration?
- Being certified does not guarantee a grant, simply due to funding. The amount of the grant needs to be meaningful (enough to purchase an easement).

Denise thanked everyone again for attending, and reiterates that we would like all additional comments by close of business Tuesday, September 4<sup>th</sup> in order to incorporate those comments into our revisions for the Farmland Preservation Advisory Board. If comments are received after that time, they will be considered but may not be included in what goes to the Board for review (due to timing).