



Brown County Working Lands Process

Town of Green Bay
January 26, 2010

Background

- Working Lands Initiative (WLI) signed into law through 2009-2011 state budget.
- Next generation of the former Farmland Preservation Program.
- Farmers receive tax credits for keeping lands zoned “agricultural” in agricultural production.

Background (continued)

- In 2008, 34 Town of Green Bay farmers claimed the credits on 5,295 acres totaling \$20,475. The minimum credit was \$23, maximum credit was \$3,062, and the mean average was \$602.
- Under the WLI the total claimed credits would be \$39,713 and the mean average credit would be \$1,168 based on the above numbers.

WLI Tax Credits

- \$7.50 per acre if located within a certified farmland preservation zoning district.
- \$10.00 per acre if also located in an “agricultural enterprise area” and under a farmland preservation agreement.
- Also must:
 - Earn at least \$6,000/year in gross farm revenue (or a total of \$18,000 over a 3 year period).
 - Be in compliance with Agricultural Performance Standards in NR 151.
 - Have paid property taxes.
- If land is rented, the gross value of the crop produced on the land may be counted toward the property owner’s income criteria. Rental fees may not.

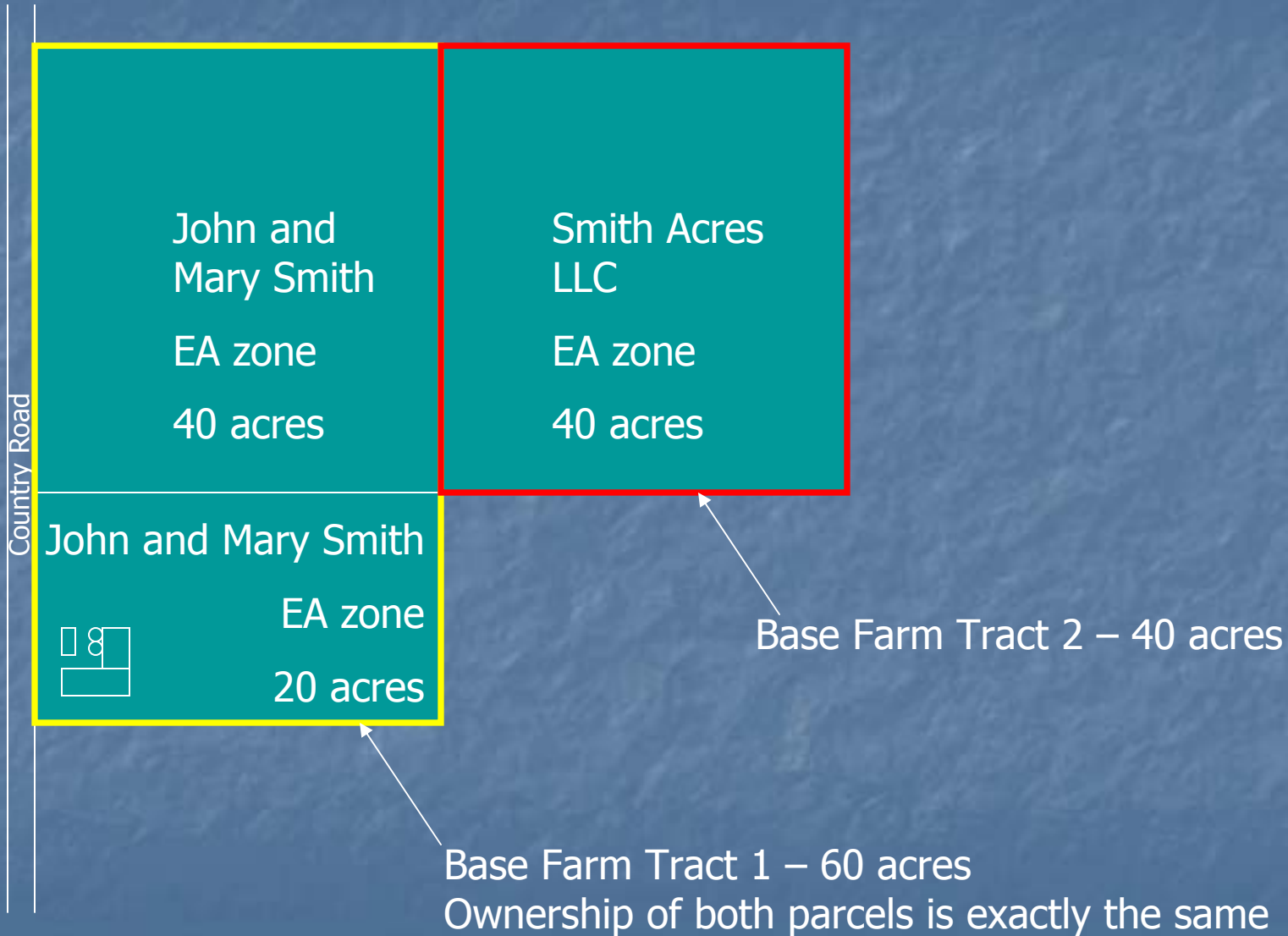
Conversion Fees

- Penalty for rezoning lands out of certified agricultural zone starting 1/1/2010:
 - Three times the Dept. of Revenue Grade 1 cropland value.
 - Example: 2010 Town of Green Bay Grade 1 assessment value is \$214 per acre. Value changes yearly
 - $\$214/\text{acre} \times 3 = \$642/\text{acre}$
 - Therefore, rezoning 10 acres out of a certified exclusive agriculture zone in Green Bay will result in a \$6,420 conversion fee.
- Conversion fee is collected by local unit of government at time of rezoning.
- Per DATCP, If land is zoned out of a certified agricultural zone as part of a town-wide comprehensive rezone, there is no conversion fee.
- Fees must be sent to DOR by March 1 every year to fund the purchase of agricultural conservation easements (PACE).

Base Farm Tract Option

- Limited non-farm residential development is allowable without a conversion fee based upon the size of the initial “base farm tract”, provided a conditional use permit (CUP) is approved.
- Base Farm Tract is defined in Chapter 91 as:
 - All land, whether one parcel or 2 or more contiguous parcels, that is in a farmland preservation zoning district and that is part of a single farm on the date that DATCP first certifies the farmland preservation zoning ordinance covering the land, regardless of any subsequent changes in the size of the farm.
 - For contiguous parcels to be considered as part of the base farm tract, ownership must be exactly the same.

Examples – Base Farm Tract



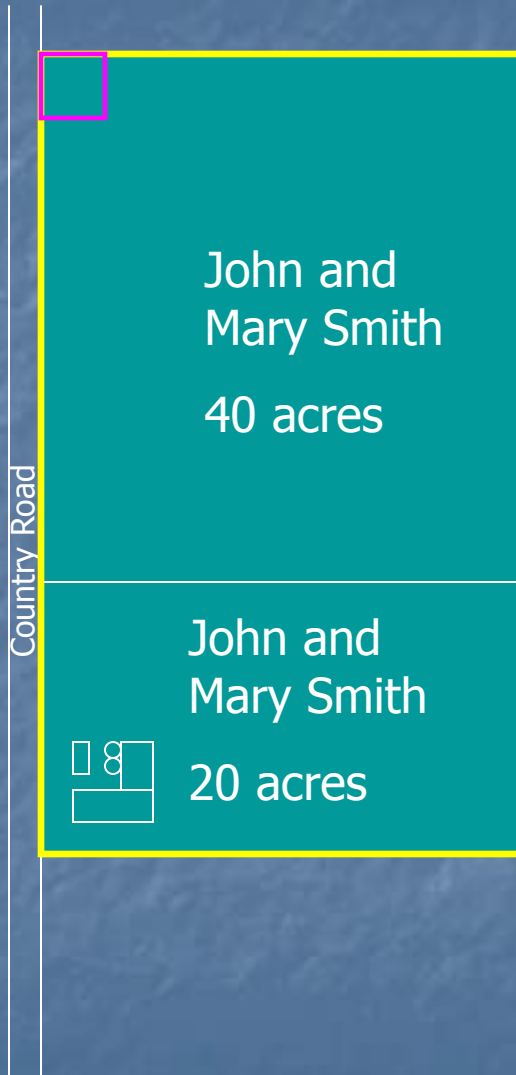
Examples – Base Farm Tract Purchased Land



Base Farm Tract Option (cont'd)

- Individual non-farm residences are allowable by conditional use permit in Exclusive Ag zone without rezoning or conversion fee if:
 - Ratio of non-farm residential acreage to base farm acreage is less than 1 to 20 (0.05).
 - There will be no more than 4 non-farm dwelling units on a base farm tract or 5 dwelling units total (includes "farm" residence units). A duplex counts as 2 dwelling units.
 - Proposed non-farm residential parcel or non-farm residence will not:
 - Convert prime farmland from agricultural use, unless there is no reasonable alternative location.
 - Convert land previously used as cropland (other than a woodlot) from agricultural use, unless there is no reasonable alternative location.
 - Significantly impair or limit the current or future agricultural use of other protected farmland.
 - A zoning ordinance may allow for the issuance of a single conditional use permit for non-farm residential "clusters" provided ratio does not exceed 1 to 20 and all other preceding criteria are met.

Example Scenario



60 acres total "base farm tract"
1 existing "farm residence"

How many 2 acre non-farm residences are potentially allowable by conditional use permit?

Ratio of non-farm residential acreage to farm acreage may not exceed 1 to 20 (0.05)

One 2 acre (or two 1 acre) non-farm residence(s) = $2 / 58 = 0.034$

Two 2 acre non-farm residences = $4 / 56 = 0.071$.

Exceeds allowable density standard of 0.05 and is therefore not permissible.

Permittable by CUP if residence also does not convert prime soils or cropland or impair/limit future agricultural use of other protected farmland

Purchase of Agricultural Conservation Easements (PACE)

- Pays a farmer the difference in value between his/her land as agricultural land versus potential development value.
- State provides 50% of funding toward PACE from conversion fees.
- Example:
 - Agricultural land is appraised at \$1,000/acre,
 - If the land was to be sold for development, the appraised value is \$10,000/acre,
 - The farmer would receive \$9,000/acre (\$4,500 in state funds) to place a perpetual easement on the deed removing his/her future right to develop.
 - The land remains on the tax roles as agricultural lands.
 - There is no public access requirement.
 - The land can be sold, but only as agricultural land.

Agricultural Enterprise Areas

- (AEA) is a contiguous land area devoted primarily to agricultural use and locally targeted for agricultural preservation and agricultural development.
- If land is in an AEA and zoned in a certified agricultural zone, the tax credit is \$10/acre
- An AEA may be designated if an application (petition) is submitted by five or more eligible farms, the local government, and approved by DATCP.
- An AEA must be:
 - Located in a County Farmland Preservation Plan identified farmland preservation area
 - A contiguous land area
 - Primarily in agricultural use

Agricultural Enterprise Areas, cont'd

- Petition deadline is February 26, 2010 with DATCP designation by June 11, 2010.
- There is a cap of 15 AEAs and combined area of up to 200,000 acres statewide between now and 1/1/2012.
- After 1/1/2012, the cap increases to 1 million acres statewide.
- Interested parties should contact Coreen Fallat at coreen.fallat@wisconsin.gov or (608) 224-4625 prior to submitting a petition.
- The petition form is located on the DATCP website www.datcp.state.wi.us/workinglands/pdf/PetitionARM-LWR-456.doc

Timelines

- Brown County's Farmland Preservation Plan (adopted 1985) expires 12/31/2011.
- A new County Farmland Preservation Plan must be adopted prior to that date to continue availability of tax credits.
- Local exclusive agriculture zoning districts and maps all expire 12/31/2012.
- Local zoning ordinances and maps must be revised and "substantially consistent" with County Farmland Preservation Plan by this date to continue availability of tax credits.

How do we meet these timelines?

■ Partnerships

- Each local community has their own general purpose zoning ordinance and map.
- Each local community will continue to administer their own general purpose zoning ordinance and map.
- To meet these timelines, we have to work together.

Phase I - Planning Process

- Brown County Planning and Land Services (PALS) Department printed out display parcel maps of each local community and provided them to the local communities in December 2009.
- Each local community identifies on the map where their agricultural preservation (EA) areas are expected be over the next 15 years and provides to Brown County PALS by August 30, 2010.
- In the meantime Brown County PALS is working on developing the farmland preservation document.

Phase I - Planning Process

- In identifying the planned agricultural areas the following criteria should be used:
 - The land is not planned for development over the next 15 years based on
 - Comprehensive plan
 - Soils
 - Utility and Transportation plans
 - Population growth
 - Other pertinent information
 - Per DATCP, the planned areas cannot simply identify those farmers that want to participate, and remove those that don't.
 - Also per DATCP, the planned areas cannot be "swiss cheese".

Phase I - Planning Process

- Brown County PALS combines the locally-identified farmland preservation areas and identifies any potential conflicts on local boundaries.
- Brown County PALS works with the communities to resolve any potential farmland preservation conflict areas.
- Brown County PALS with support from Land Conservation compiles the draft farmland preservation plan and brings it through the County adoption process (BCPC, PD&T – public hearing, County Board) by the end of 2010 / early 2011.
- Brown County amends the Brown County Comprehensive Plan Future Land Use Map to reflect the farmland preservation plan in early 2011.
- Local communities amend their comprehensive plans to show agricultural preservation areas on future land use map, if not already shown.

Phase II – Local Zoning Process

- To be eligible for Working Lands tax credits, each local zoning ordinance and map must meet state standards and be certified by DATCP.
- Each local zoning ordinance and map must be “substantially consistent” with the Working Lands requirements, including mapped farmland preservation areas.
- Brown County PALS will work with DATCP to develop a model exclusive agriculture zoning district for local communities.
- Local ordinances and maps must be adopted and DATCP certified by 12/31/2012 for farmers in community to capture tax credits.
 - Properties removed from a certified agricultural zone as part of a comprehensive town-wide rezone, consistent with the farmland preservation plan are not subject to a conversion fee.
 - BC PALS staff recommends communities go through the planning process and then comprehensively rezone areas not expected to remain in agricultural use over the next 15 years, consistent with the plan.

Other Program Details

- There is no requirement for a 35-acre minimum lot size, however density standard for “a base farm tract” CUP is 1:20.
- Rezoning out of exclusive agriculture require a findings of fact as stated in Chapter 91 State Statutes and be “substantially consistent” with county farmland preservation plan.
- Only rezonings require conversion fee payment and DATCP notification. Sale of land with no rezoning is not subject to fee.
- If a property owner does not collect a tax credit, but the property is within a certified agricultural preservation district, a rezoning is still subject to the conversion fee.

A photograph of a farm scene. In the background, there is a large red barn with a white roof. To the left of the barn are two tall, cylindrical silos, one white and one blue. The silos have "EQUIPMENT HARTSTORBE" written on them. In the foreground, there is a paved road that curves to the right. To the left of the road is a grassy area with yellow wildflowers and a small pond. The sky is clear and blue.

Questions?
Contact either:
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