

Agriculture Support Document
A Comprehensive Plan for Washtenaw County

Table of Contents

Actors68

Agricultural Trends in Washtenaw County 71

Products, Commodities and Markets.....74

Available Preservation Tools.....78

Purchase of Development Rights 78

Transfer of Development Rights 79

Zoning80

Land Trusts 81

Conservation Subdivision Design 82

Tax Programs..... 82

Resources.....83

Actors

Key organizations involved with planning, maintaining and improving agriculture in Washtenaw County.

Commodity Credit Corporation

The Commodity Credit Corporation (CCC) is a Government-owned organization created to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities, including food products, feeds, and fibers; and to help in an orderly distribution of these commodities.

Community Supported Agriculture

CSA is a partnership of mutual commitment between a farm and a community of supporters which provides a direct link between the production and consumption of food. Supporters cover a farm's yearly operating budget by purchasing a share of the season's harvest. CSA members make a commitment to support the farm throughout the season, and assume the costs, risks and bounty of growing food along with the farmer or grower. Members help pay for seeds, fertilizer, water, equipment maintenance, labor, etc. In return, the farm provides, to the best of its ability, a healthy supply of seasonal fresh produce throughout the growing season. Becoming a member creates a responsible relationship between people and the food they eat, the land on which it is grown and those who grow it. There are a few Community-Supported Agricultural Organizations in Washtenaw County.

Farmers Markets

A direct marketing outlet, a place where farmers come together to sell produce directly to the consumer. They also serve as a form of entertainment for consumers, where people meet and shop. Farmers markets can include many products including fresh vegetables and fruit, fish, poultry, dairy and meats. Wholesale trade could also be a part of a farmers market, where brokers sell to each other. Crafts and flea markets are also a part of the farmers market vending. They provide farmers with a profitable venue for selling goods and crops while cutting out the intermediary and farmers are more accessible to the consumer for quality goods. A number of farmers markets exist in Washtenaw County, including Ann Arbor, Ypsilanti, and Chelsea, among others.

Greenstone Farm Credit Services

GreenStone FCS provides financial services to the agricultural industry - including short, intermediate and long-term loans, equipment and building leases, life and crop insurance and appraisal services. GreenStone Capital Markets provides lending services to commercial producers and agribusiness. An office of GreenStone FCS is located in Washtenaw County.

Land Trusts

Washtenaw County currently has three land trusts in Washtenaw County. All of these land trusts work with land owners with the goal of preserving open space, natural areas and farmland:

- Washtenaw Land Trust works to protect land for its natural, scenic, recreational, historic and agricultural values. Its mission is to protect farmland, natural areas and open space in and around Washtenaw County, Michigan, and to educate members, local officials and the public on land use issues.
- Raisin Valley Land Trust is a local, private, non-profit, corporation dedicated to the preservation of natural areas and farmland in the River Raisin watershed, in southern portions of Washtenaw County.
- Superior Land Conservancy is a non-profit, volunteer organization and is dedicated to preserving the natural and rural character of Superior Township, in Washtenaw County. The Superior Land Conservancy is affiliated with the Southeast Michigan Land Conservancy.

Local Jurisdictions

Cities, Townships, and Villages can play a role in the viability of agriculture in Washtenaw County. Currently, Ann Arbor Township and the City of Ann Arbor both have funded farmland and open space preservation programs through the purchasing of development rights. Eight other townships have approved purchase of development rights ordinances. Townships can also implement zoning ordinance provisions which help to maintain the viability of agricultural land through maintaining large pieces of land that remain in agriculture. Two townships in Washtenaw County implement a sliding-scale zoning mechanism in their agricultural districts that helps maintain larger pieces of land in agriculture.

Michigan Coalition of Black Farmers

The Michigan Coalition of Black Farmers is a member of the Federation of Southern Land Cooperators, which is a national network of minority farm organizations. The Coalition is united by a vision for a thriving, healthy community centered on a bustling farmers market in Detroit, particularly the Chene-Ferry Market on the east side of Detroit. Its part of an effort to maintain food security in the City of Detroit, particularly in areas that lack a full-service grocery store. The effort also aims to connect urban youth with how food is grown and produced in the field.

Michigan Department of Agriculture (MDA)

The Michigan Department of Agriculture's Farmland and Open Space Preservation program implements two programs. They include the Farmland Development Rights Agreement, or commonly known as PA 116. The MDA also implements the state's Purchase of Development Rights program and provides staff support to the Michigan Agricultural Preservation Fund Board, which makes decisions on farmland preservation funding applications in the State of Michigan.

Michigan Farm Bureau

The mission of the Michigan Farm Bureau is to represent, protect, and enhance the business, economic, social and educational interests of its members. The Michigan Farm Bureau and the Washtenaw County chapter advocate for their members on different issues that impact members' interests.

MSU Extension Washtenaw County

Extension's goal is to provide practical, timely, research-based information and educational programs to help residents meet local needs in Agriculture and Natural Resources, Children, Youth and Families, 4-H Youth Development, and Community and Economic Development. Extension programs are guided by experienced faculty and staff members in Washtenaw County and at Michigan State University, the designated Morrill Act of 1862 Land Grant Institution for the State of Michigan.

Organic Growers of Michigan (Southeast Michigan Chapter)

A non-profit USDA accredited certifying organization of more than 200 organic farmers, gardeners and friends who are interested in organic practices and organically raised food. This means that the organic food is produced without the use of artificial fertilizers, chemical pesticides, antibiotics, hormones or any synthetic substance. The organization is also a member of the Michigan Chamber of Commerce and the Michigan Organic Farm and Food Alliance. Washtenaw County is served by the Southeast Michigan Chapter of this organization.

Slow Food

Slow Food U.S.A. is a non-profit educational organization dedicated to supporting and celebrating the food traditions of North America. It is an educational organization dedicated to stewardship of the land and ecologically sound food production; to the revival of the kitchen and the table as centers of pleasure, culture, and community; to the invigoration and proliferation of regional, seasonal culinary traditions; and to living a slower and more harmonious rhythm of life. A local chapter of Slow Food serves Washtenaw County.

US Department of Agriculture – Natural Resource Conservation Service (USDA-NRCS)

The Natural Resources Conservation Service provides leadership in a partnership effort to help people conserve, maintain, and improve our natural resources and environment. They manage a number of agricultural and natural resource programs, including conservation programs to help farmers protect agricultural land. This agency works with the Commodity Credit Corporation to implement the Federal Farmland and Ranch Protection Program.

Washtenaw County

Washtenaw County has adopted a Purchase of Development Rights Ordinance. However, there is currently no available funding for purchasing development rights easements. The PDR ordinance can be used for applications to the state of Michigan's Purchase of Development Rights program. Washtenaw County can serve as a partner to promote the viability of the agricultural sector in Washtenaw County.

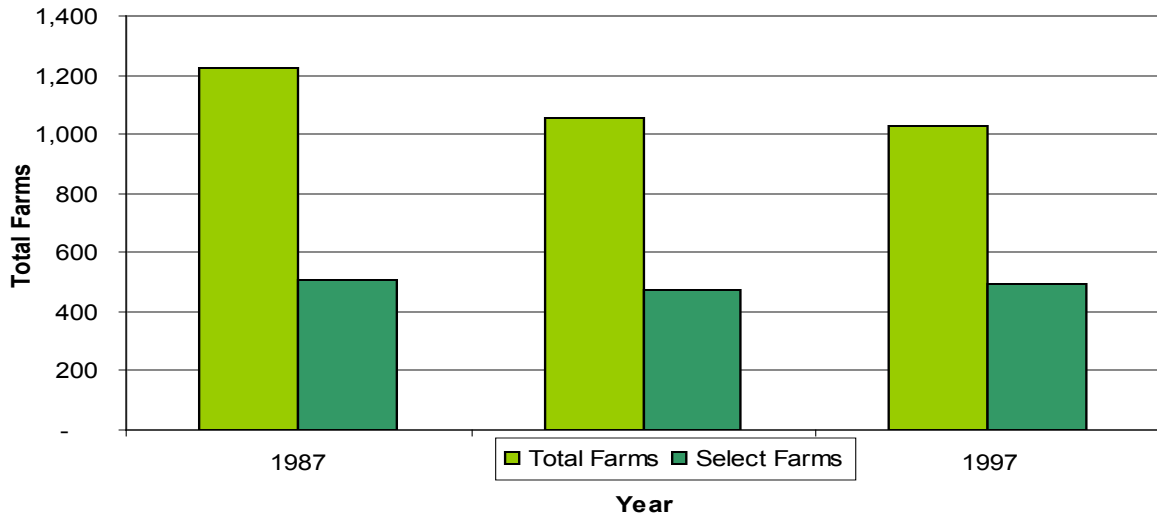
Agricultural Trends in Washtenaw County

Agriculture is changing throughout the United States and Washtenaw County is no exception. This section outlines the nature of the changes experienced in agriculture in recent years in Washtenaw County.

Farm acreage declined between 1987 and 1997, falling by nearly 12% or approximately 24,000 acres according to the U.S. Census of Agriculture. This represents a loss of 2,400 acres per year. The 1997 numbers reveal that there is currently about 180,000 acres of farmland in Washtenaw County. The decline in farmland acreage in Washtenaw County was about 3 times that of the State as a whole and about 4 times that of the national average.

As far as the farmland acres in select farms, during this same 10-year period, Washtenaw County lost 5%, or 8,700 acres, in combined acres of those farms that gross \$10,000 or more in market value of agricultural products sold annually. Currently there is approximately 153,000 acres of select farmland.

Total Number of Farms -- Washtenaw County 1987 - 1997

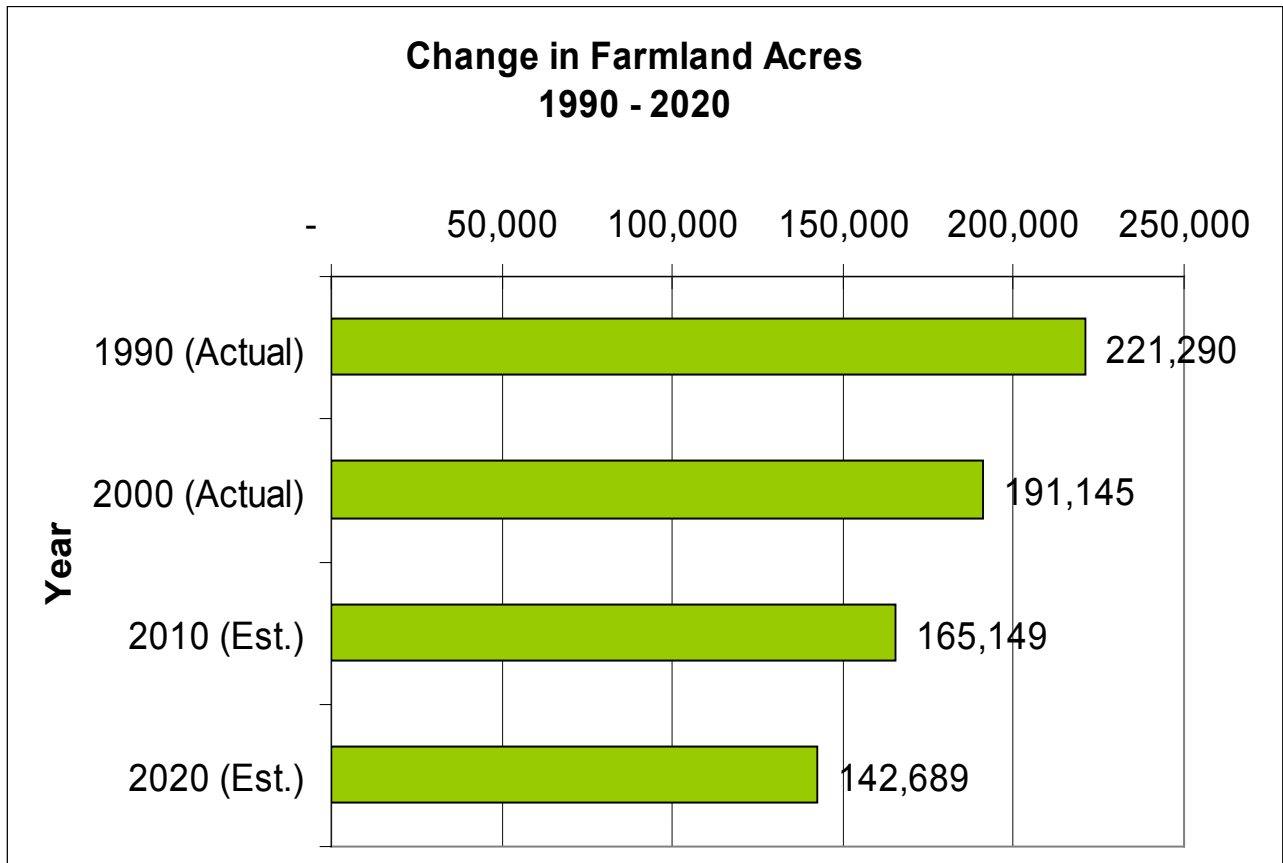


Agricultural Trends

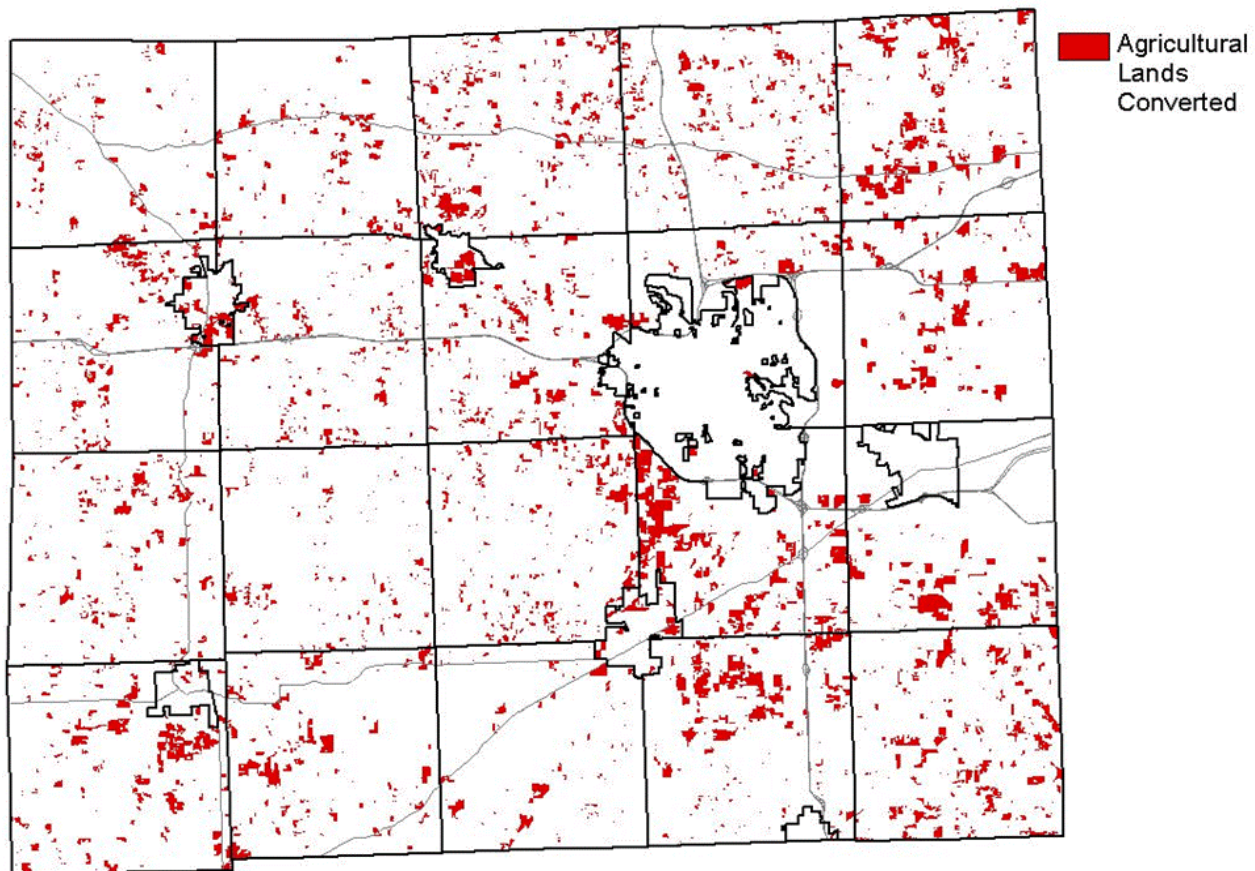
The following graph represents the trend of total farmland acres in Washtenaw County from 1990 to 2000, and also projects the total amount of farmland acres through 2020. Please note that these farmland acreage totals are from a different source than the previous discussion. These figures are from the Southeast Michigan Council of Governments (SEMCOG) land use inventories and the methodology for this data collection is different from the U.S. Census of Agriculture. The SEMCOG figures are based on aerial photo interpretation of land use and the U.S. Census of Agriculture is based on responses given by farming operators on U.S. Census of Agriculture forms.

According to these trends and projections, Washtenaw County will have approximately 140,000 acres of farmland, nearly double the 75,000 acre minimum for a “critical mass” of farmland – maintaining more than the threshold for a viable farming economy according to Tom Daniels.

The map that follows the chart illustrates that agricultural lands have been converted to non-agricultural uses throughout the County. Larger pieces of land converted from agricultural to non-agricultural uses exist near the areas of the County, and throughout the northern tier of Townships, as well as Augusta Township.



Agricultural Lands Converted



Agricultural Trends

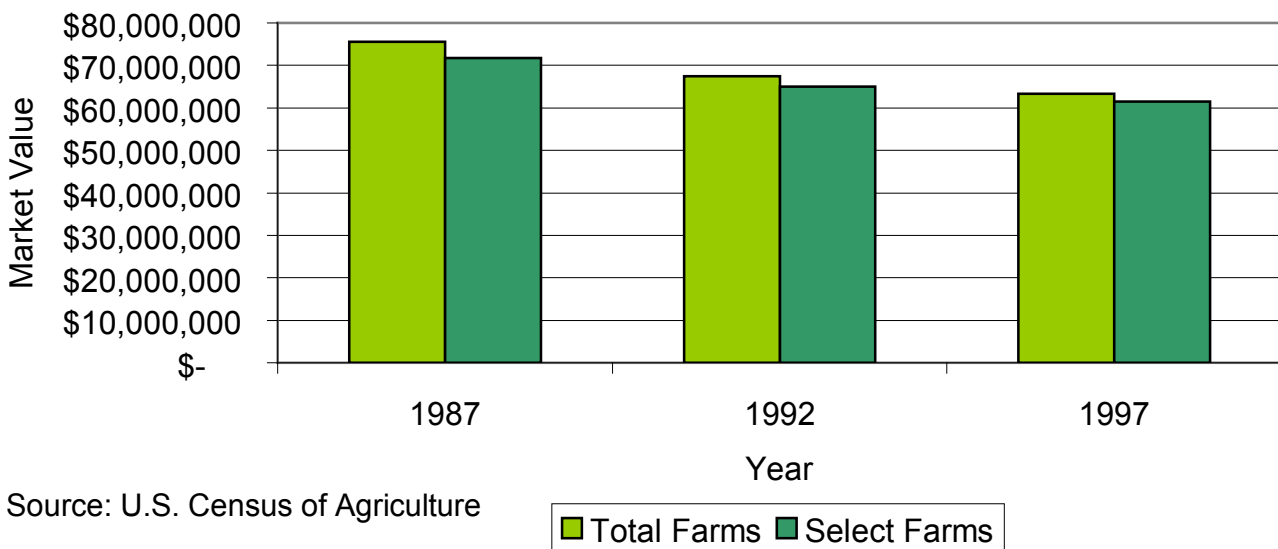
Products, Commodities and Markets

In 1997, total agricultural commodity sales amounted to \$56.5 million dollars in Washtenaw County. When looking at the trend with the actual agricultural census numbers, there has been a slight increase in this number. In 1987, there was a total of \$47.7 million dollars of market value of agricultural products sold. Between 1987 and 1997, this represents an increase of 19%. For select farms, the increase was very similar – a 21% increase during this 10 year period.

However, when adjusting all three of the Census of Agriculture years (1987, 1992, and 1997) for inflation – to 2002 dollars, the trend reflects that these numbers are slightly decreasing. Between 1987 and 1997, when adjusting these figures to 2002 dollars, the market value of agricultural products sold in Washtenaw County decreased from \$75.5 million to \$63.3 million – a 16% decrease. During this same 10 year period, the market value of agricultural products sold in all of the U.S. increased by 2.4% when adjusting the value to 2002 dollars. The State of Michigan, however, lost approximately 1% of the value of agricultural products sold throughout all of the state. The 16% decrease in Washtenaw County is a greater declining rate when compared to the nation and the state.

The market value of agricultural products sold from select farms experienced a similar trend. During this same 10 year period, the market value of agricultural products sold decreased from \$71.7 million to \$61.5 million – a 14% decrease when adjusted to 2002 dollars. Even with this decline Washtenaw County, with its \$60+ million farm economy, far exceeds the minimum \$40 million farm economy for a “viable farm economy,” according to Tom Daniels.

Market Value of Agricultural Products Sold Adjusted for Inflation (2002 \$)
-- Washtenaw County 1987-1997



The following table illustrates the various products and commodities that make up the farm economy in Washtenaw County.

Total Market Value of Agricultural Products Sold by Product and Commodity Washtenaw County 1987-1997						
Product/Commodity	1987		1997		Change	
	Total Market Value	%	Total Market Value	%	\$	%
Dairy	\$12,299,000	25.8%	\$9,737,000	17.2%	(\$2,562,000)	-20.8%
Cattle	8,962,000	18.8%	6,169,000	10.9%	(\$2,793,000)	-31.2%
Corn (grain)	6,418,000	13.5%	8,670,000	15.3%	\$2,252,000	35.1%
Hogs and Pigs	4,603,000	9.7%	3,271,000	5.8%	(\$1,332,000)	-28.9%
Fruits and Vegetables	3,994,000	8.4%	4,219,000	7.5%	\$225,000	5.6%
Nursery	3,430,000	7.2%	8,128,000	14.4%	\$4,698,000	137.0%
Soybeans	2,838,000	6.0%	8,318,000	14.7%	\$5,480,000	193.1%
Wheat	1,442,000	3.0%	2,883,000	5.1%	\$1,441,000	99.9%
Hay	1,359,000	2.8%	2,160,000	3.8%	\$801,000	58.9%
Sheep	1,156,000	2.4%	1,587,000	2.8%	\$431,000	37.3%
Other Livestock	869,000	1.8%	1,240,000	2.2%	\$371,000	42.7%
Other Grains	327,000	0.7%	139,000	0.2%	(\$188,000)	-57.5%

Source: National Agricultural Statistical Service, USDA

Please note: The 1997 Census of Agriculture (National Agricultural Statistical Service, U.S. Department of Agriculture) is the most recent available agricultural census. The 2002 Census of Agriculture is currently being compiled by the NASS of the USDA

Currently (1997), the product/commodity that has the highest percentage of market value of products sold are dairy products with 17% of the market value of all agricultural products sold that are produced in Washtenaw County. This is followed by Corn for grain with 15% of the total County market value, and Soybeans with 15% of the total market value, Nursery and Greenhouse products with 14%, and Cattle with 11%. Dairy continues to be the top agricultural product/commodity, however, its share has dropped between 1987 to 1997. Between these two census years, the share of Dairy has dropped from 26% in 1987 to the 17% in 1997.

Cattle also experienced a large decrease in its share, dropping from 19% in 1987 to 11% in 1997. Soybeans experienced the largest gains in its market share, increasing from 6% in 1987 to 15% in 1997. Nursery products also increased significantly, from 7% in 1987 to 14% in 1997. The nursery products reflect the probable increase in demand for these products in a county, such as Washtenaw County, which is continuing to urbanize, thus a greater demand exists for these products in urbanizing areas.

The following table illustrates the various agricultural support businesses in Washtenaw County and the five surrounding counties of Ingham, Jackson, Lenawee, Livingston and Monroe. The purpose of this table is to illustrate the total agricultural support businesses that are available to Washtenaw County farmers and to illustrate how the number of businesses have changed between 1990 and 2003.

Agricultural Trends

Farm economies, like all sectors of an economy, do not cease at county boundaries. Goods and services, and those seeking goods and services commonly cross county boundaries to conduct business. For this reason, not only were agricultural support businesses for Washtenaw County totaled, but so were agricultural support businesses that existed in 5 neighboring counties in which a substantial agricultural and rural base still exists (note

Agricultural Support Businesses Listed in Telephone Books in Washtenaw County and 5 Surrounding Counties				
Business Category	Washtenaw County		All 6 Counties*	
	1990	2002	1990	2002/2003
Agricultural Consultants	0	0	1	6
Farm Equipment Dealers and Repair	9	4	34	23
Farm Management Service	0	0	1	1
Farm Supplies	4	2	18	8
Farming Service	0	0	1	2
Feed Dealers	12	7	40	32
Fertilizers	5	3	10	6
Grain Elevators	2	2	17	12
Irrigation Consultants	0	0	2	1
Irrigation Systems/Equip	6	2	21	21
Livestock Auction Markets	1	1	4	3
Livestock Breeders	0	0	2	3
Livestock Buyers	0	1	2	1
Livestock Equipment/Supplies	1	0	1	1
Livestock Trucking	0	0	1	0
Seed Dealers	0	0	6	2
Tractor Dealers/Equip/Repair	7	3	29	18
Veternarians (Large Animal estimate)	6	3	26	22
<p>* The 6 Counties include Washtenaw County and the 5 neighboring counties of Ingham, Jackson, Lenawee, Livingston, and Monroe.</p> <p>Source: SBC/Ameritech Telephone Books for Jackson County, Lansing, Lenawee County, Livingston County, Monroe County, and Ann Arbor/Ypsilanti</p>				

Oakland and Wayne Counties were not included as they are predominantly urban counties). Local telephone directories were consulted for these 6 counties for the years 1990, and 2002 or 2003 (depending on the current edition available). If an agricultural support business was listed in a telephone directory it was included in the total. Please note that this may not include all possible agricultural support businesses as some may be listed under another category within the Yellow Pages than those identified above, however, this table gives a general overview of the availability of agricultural support businesses within close proximity to Washtenaw County farmers.

As the table illustrates, all the categories decreased in the number of businesses listed in each of these Yellow Page categories, except for Agricultural Consultants for the 6-County region, which increased from 1 to 6, Farming Service, which increased from 1 to 2 for the 6-County region, Livestock Breeders, which increased

from 2 to 3 for the 6-County region, and Irrigation Systems/Equipment which stayed the same for the 6-County region.

Within Washtenaw County, although Washtenaw County decreased in every business category (2 categories stayed the same), only 1 category that was listed in 1990 no longer has a business in that category in 2002 – Livestock.

Beyond the six county region that surrounds Washtenaw County (Ingham, Jackson, Lenawee, Livingston, and Monroe Counties), other agricultural support businesses and markets exist that provide a service to Washtenaw County farmers. The most important service to the grain producers are the port grain elevators located nearby in Toledo, OH. This includes the Anderson Grain Buyers elevator, Mid-States Terminals, and Cargill and ADM elevators. These elevators serve as a major hub for receiving grain within the region, including Southeast Michigan and Washtenaw County. These elevators are still operational and provide this service to the agricultural sector.

More specifically within the Six County region that includes and surrounds Washtenaw County, there are a few grain elevators that serve Washtenaw County farmers directly. Examples of these include the MAC elevator in Blissfield (Lenawee County), Chelsea Grain elevator in Lima Township on Dexter-Chelsea Road and John Marion in both Washtenaw County and Lenawee County.

Additionally, Washtenaw County grain producers will also have the availability of selling their products in the future to a planned ethanol plant located in nearby Lenawee County. According to MSU Extension, it is projected that approximately 25% of all the combined grain production in the 5 southeastern and south-central Michigan counties of Washtenaw, Monroe, Lenawee, Jackson, and Hillsdale will be sold to this newly planned ethanol plant, providing an economic development opportunity to the agricultural sector throughout this 5-County region for grain products.

Two livestock buying companies exist nearby for Washtenaw County livestock producers. This includes the United Producers, Inc. located north of Manchester Village in Sharon Township on M-52 and Napoleon Livestock exchange located in eastern Jackson County. According to MSU Extension, these two livestock buyers are both a major delivery point for delivering sheep from producer to market. These two businesses, according to MSU Extension, are also a moderate delivery point for cattle.

MSU Extension also mentioned an expansion of producers being able to sell farm products more directly to consumers. An example of this are livestock producers in Washtenaw County selling meat directly to grocery stores within the County, after the livestock was sent to a USDA approved meat packing company and then delivered back to the producer to be sold to the consumer. A number of these opportunities are being made available by word-of-mouth marketing. This direct producer-to-consumer delivery minimizes costs for both the producer and the consumer, and increases profits for the producer.

As the above discussion illustrates, the agricultural support businesses, markets, and market value of agricultural products sold (when adjusted for inflation) have changed for the Washtenaw County agricultural sector. Some of these numbers reflect declining trends. While these declining trends exist, there still remains support structures and markets available to Washtenaw County agricultural producers, and the potential for new ones to emerge (such as the new ethanol plant in Lenawee County). Despite declining trends, the possibility of new agricultural economic development opportunities reinforces the importance of the agricultural sector to Washtenaw County. The preservation of farmland will further reinforce the importance of the agricultural sector for Washtenaw County.

Available Preservation Tools

Purchase of Development Rights

Purchase of Development Rights (PDR) programs use public money to purchase development rights from privately owned land. PDR programs are generally seen as a permanent approach to preserving agricultural lands and open space. In such a program, a landowner is paid the difference between the value of the land based on its development potential and the value of the land in agriculture. Funding for PDR programs varies between jurisdictions, with many communities using bonding or tax millages to raise money for PDR.

To be successful, lands must be ranked and objectives clearly defined so that limited funds can be used to derive the greatest benefit. In light of small budgets, PDR offers a way for local governments to preserve lands in perpetuity without incurring the cost of purchasing the lands outright. PDR programs are voluntary, and they offer compensation to a landowner placing restrictions on his/her land. Most jurisdictions with successful PDR programs around the country believe that having a supportive farm community with a desire to continue farming is crucial. It is generally recognized that a critical mass of land is needed to maintain a viable agricultural economy.

PDR programs work most effectively when other tools are used. This includes utilizing a property tax system that taxes farmland based on its current use and not potential use, tools that maintain farmland in large agricultural blocks such as agricultural security areas, agricultural zoning, cluster zoning, planned urban sewer and water service areas, land trusts, and local and county master plans.

The advantages to the land owner who sells their development rights are:

- Receive cash payment for the development rights.
- Retain the ownership of the land and can continue to farm the land.
- Typically property taxes and estate taxes will be reduced because the development rights, which add value to the property's assessment, are held by the public and can no longer be used.
- Public access is not granted to the property.
- Farmland is preserved for future generations.

The advantages to the public for preserving farmland, which can include PDR as a tool, are the following:

- Productive farmland is not lost and helps to maintain the local farming economy.
- Open space is preserved permanently through a more affordable method than purchasing the property outright.
- Prevents the cost of public services provided within a local community from rising.
- Helps support other land preservation efforts, such as open space preservation, and protects land from fragmentation – which can impact habitats and water quality.

Transfer of Development Rights

Transfer of development rights (TDR) programs allow landowners to transfer the right to develop one parcel of land to a different parcel of land.

- TDR is used to shift development from agricultural areas to designated growth zones closer to urban services.
- TDR programs are based on the concept that property owners have a bundle of different rights, which includes the development rights.
- The parcel of land where the rights originate is called the “sending parcel”.
- The parcel of land to which the rights are transferred is called the “receiving parcel”.
- When the rights are transferred from a sending parcel, the land is restricted with a permanent conservation easement.
- The private developer buys these rights to permit them to build at a higher density than ordinarily permitted by the base zoning on the receiving parcel.

Advantages:

- TDR protects farmland permanently, regardless of who owns it.
- Participation in TDR programs is voluntary in the sense that landowners are never required to sell their development rights.
- TDR promotes orderly growth by concentrating development in areas with adequate public services.
- TDR programs allow landowners in agricultural protection zones to retain their equity without developing their land.
- TDR is a market driven technique.

Disadvantages:

- TDR programs are technically complicated and require a significant investment of time and staff resources to implement.
- TDR is an unfamiliar concept. A lengthy and extensive public education campaign is generally required to explain TDR to citizens.
- The pace of transactions depends on the private market for development rights.

Limitations:

- Works effectively when there are large tracts of agricultural land and urban areas are adjacent to the jurisdiction.
- Requires changing zoning ordinance to protect sending zones and allow for greater densities in receiving zones.

Resources:

Legal counsel and professional planner to develop ordinances and administration.

Preservation Tools

Zoning

Zoning is the traditional method for municipalities to influence development in rural areas. Increasingly, zoning efforts have become more innovative with schemes such as sliding scale and agricultural security areas. The application of zoning tools can also be an effective way to minimize the impact of development on significant natural or unique features of the land. Local jurisdictions which create zoning districts with the intent to preserve open space are more apt to preserve large areas of land, hence, preserve larger ecosystems.

The following are a number of zoning techniques that can be used by local municipalities:

Agricultural Security Areas – help protect blocks of agricultural land, are initiated by landowners, require a large minimum lot size, and must be kept in agricultural use for the length of the agreement. In exchange, the community agrees to minimize the impact of adjacent development on agriculture. Usually, an agricultural security area must be created by enabling legislation at the state level.

Quarter/Quarter Zoning – entitles each landowner to one developable non-farm lot per 40 acres (one quarter of a one-quarter section of land) within the parcel. Quarter/Quarter zoning is most effective when used with tracts of land that are large and not already split.

Sliding Scale Zoning – allows further lot splits for landowners but limits the amount of lot splits allowed in Agricultural Areas for residential uses. The number of divisions allowed depends on the size of the original parcel. The larger the original parcel the higher the number of splits allowed. Requirements are placed on new splits to prevent the creation of inefficient or undesirable parcels. Requirements may include: Division of land that is not well suited for agriculture or forestry; maximum lot sizes (usually one to two acres); lot width-to-depth ratios (to prevent excessively long, narrow lots); requirements that the lots have approved access to a public road (to prevent proliferation of substandard private roads). Some communities prohibit private roads in agricultural districts.

Performance Standards/Zoning – zones are based on permissible impacts rather than on permissible uses. The zoning would involve a review of the impacts of a proposed development and would encourage innovative site plans with the intent of reducing negative impacts upon natural and unique features of the land. Factors considered may include local growth rate, infrastructure, municipal services, design and natural resources. Performance zoning can target either single or multiple impacts and can supplement or replace traditional zoning regulations.

Planned Unit Developments (PUD's) – allow for more flexible development practices while continuing to meet overall density and land use goals. Development within the PUD may be of mixed use, massed, or clustered so that the individual lots are small and open space is preserved. Communities can also require that PUD's set aside a portion of the development for recreation and/or natural areas. Local jurisdictions may create a PUD zoning district or permit a PUD in a conventional district if it meets all zoning requirements.

Open Space Districts – a zoning district created to protect the natural and/or unique features within an identified area. An open space district usually imposes density limitations and other development restrictions intended to protect the natural or unique feature.

Overlay Districts – can be used for areas containing one or more natural or unique feature worthy of protection. Overlay districts involve superimposing an additional district boundary (i.e. floodplain district) over the current zoning. The overlay district creates a supplementary set of regulations intended to protect the specific feature of the land.

Limited Development – often called creative or conservation development, it is intended to limit development to a small portion of a parcel to help protect natural or unique features located on the property. If the plan adheres to local ordinances, limited development effectively becomes a private approach to cluster zoning. A limited development may be combined with the donation or sale of conservation easements.

Land Trusts

These are non-profit organizations, which advise and assist landowners in negotiating land transactions. Factors that have contributed to the success of land trusts include public support, donations, and partnership approaches between landowners and management organizations. Land trusts utilize several methods to preserve open space.

The tool they assist landowners with the most are *conservation easements*. Conservation easements are legally binding agreements in which a landowner retains ownership of his or her private property yet donates the development rights to a non-profit land trust. The agreement (easement) may provide significant property and federal income tax benefits to the landowner while permanently protecting natural, agricultural, and unique areas from development.

Land trusts also employ or encourage the use of other preservation techniques. These include land donations, remainder interests and reserved life estates (where a landowner retains the right to live on and use the land during their lifetime, but then after they are deceased their land is donated), stewardship agreements (temporary or permanent donation of certain property rights), verbal easements (property owner owns the land but provides certain rights of their property to the public), land swaps (exchange of land between a government agency and a private landowner), and notification, recognition and non-binding agreement programs (making landowners aware of important resources on their property so they may become interested in protecting those resources).

In Washtenaw County there are 3 active land trusts that assist property owners in the preservation of their land. These 3 include the Washtenaw Land Trust, the Superior Land Conservancy (Southeast Michigan Land Conservancy), and the Raisin Valley Land Trust.

Conservation Subdivision Design

Conservation Subdivision Design is a preservation tool intended to allow residences to be grouped on a portion of a development site to preserve the remaining open space, agricultural land or an unique natural features (wetlands, woodlands, wildlife habitat). Design standards or guidelines are sometimes used with conservation subdivision design in order to maintain a particular style or character of architecture as well as protecting certain natural or visual characteristics of the community. This fosters a more cost-effective development pattern that enables local governments and developers to incur savings on public services. Because conservation subdivision design maintains the prescribed density (and often offers bonuses), there is a greater compromise between the developer looking for economic return and the local jurisdiction seeking land preservation.

Tax Programs

The most common tax programs to promote agriculture are those that attempt to give farmers a tax incentive by reducing the assessed value of the farm property or by providing tax credits.

- Public Act 116 – Landowners that participate in Public Act 116 voluntarily sign an agreement to not develop their property for at least 10 years. In exchange for restricting development on their land, the owner receives tax credits and exemption from special assessments that do not benefit the property, such as sewer and water lines. The benefits of Public Act 116 are often seen in communities with similar interests and concerns. Hence, the program works best if it's done in blocks. Public Act 116 has lost much of its effectiveness since the adoption of Proposal A, which amended the state constitution in 1994 and significantly reduced school property taxes. The tax benefits realized by enrolling in Public Act 116 are no longer as significant because of the general reduction of property taxes.
- Use Value Taxation – Involves tax assessments based on the land's current use rather than its development potential. Although the program would offer a tremendous tax break to farmers who own large tracts of land, it may encourage the rezoning of lands to a higher value use to regain the taxbase. The program would also require regulations to avoid misuse and to ensure proper administration. Michigan is one of only a very few states in the nation that does not have a use value system for taxing land.

RESOURCES

American Farmland Trust, *Saving American Farmland: What Works*. American Farmland Trust, 1997.

Planning and Zoning for Farmland Protection: A Community Based Approach. January 1997.

Arendt, Randall. "Open Space Zoning: An Effective Way to Retain Rural Character", *Michigan Planning*. Vol. 3, No. 1: pp. 1-8, January/February 1990.

Cantrell, Patty and Jim Lively. *The New Entrepreneurial Agriculture*. Special Report, Michigan Land Use Institute, April 2002.

Chown, Glen A. "Protecting Natural Land and Community Character with Conservation Easements", *Planning and Zoning News*, April 1996.

Coughlin, Robert E. "Formulating and Evaluating Agricultural Zoning Programs", *Journal of the American Planning Association*. Vol. 57, No. 2. Spring 1991.

Daniels, Thomas L. and Deborah Bowers. *Holding Our Ground; Protecting America's Farms and Farmland*, Island Press, Washington, D.C., 1997.

Daniels, Thomas L. "The Purchase of Development Rights: Preserving Agricultural Land and Open Space", *Journal of the American Planning Association*. Vol. 57, No. 4: pp. 421-431. Autumn 1991.

Henneberry, David M. and Richard L. Barrows. "Capitalization of Exclusive Agricultural Zoning into Farmland Prices", *Land Economics*. Vol. 66, No. 3: pp. 249-258. August 1990.

Interview with Michael Score, Washtenaw County Michigan State University Extension Agricultural Agent, December 2003.

Interview with Robert Bricault, Washtenaw County Michigan State University Extension Horticulture Agent, January 2004.

Natural Agricultural Lands Study (NALS). *Final Report*, 1981.

Roddewig, Richard J. and Cheryl Inghram. "Transferable Development Rights Programs", American Planning Association, Planning Advisory Service Report Number 401.

Skjaerlund, David. "Farmland Preservation: Protecting the Future Growth of Michigan Agriculture", *Planning and Zoning News*. April 1996.

Resources

SBC/Ameritech Telephone Books for Jackson County, Lansing, Lenawee County, Livingston County, Monroe County, and Ann Arbor/Ypsilanti. 1990 and 2002 and 2003.

Southeast Michigan Council of Governments (SEMCOG). “Tools and Techniques for Protecting Agricultural and Environmental Resources” in *Land Use Tools and Techniques*. Pp 98-125. February 1994.

SEMCOG Land Use Inventory, 1990 and 2000.

Tustian, Richard E. “Preserving Farming Through Transferable Development Rights”, *American Land Forum Magazine*, Summer 1983.

U.S. Department of Commerce, Bureau of the Census, *1987 Census of Agriculture, Volume 1 Geographic Area Series, Part 22 Michigan State and County Data*.

U.S. Department of Agriculture, National Agricultural Statistics Services. *1997 Census of Agriculture, Volume 1, Geographic Area Series, Michigan State and County Data*.