

# **What Iowa County Landowners need to know about the Wisconsin Working Lands Initiative**

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**The questions we all need to be asking:**

- **What land in our town needs to be preserved for agriculture and agriculture-related uses?**
- **Where do we envision development in our townships?**
- **What criteria can be used in decision-making?**
- **How do I get involved?**

## **Q. WHAT IS THE WORKING LANDS INITIATIVE AND WHY SHOULD I CARE?**

**A.** The Wisconsin Working Lands Initiative was passed by the Wisconsin State Legislature in 2009 as part of the Budget Bill. It requires that the townships within every county develop a new long-range plan to determine which land in the township will be preserved for agriculture and agriculture-related uses and which parts of the township will be available for development and/or other uses.

## **Q. WHAT IS THE TIMELINE AND HOW DO I FIND OUT WHAT IS HAPPENING IN MY TOWNSHIP?**

**A.** Action is currently underway so it's important to contact your town officials now to find out when they are discussing the Working Lands Initiative. It should be within the coming months. Town boards are now determining the criteria they will use to make preservation decisions. If you want to have a voice in this discussion, attend the meetings or call your town officials. The key questions to be answered are: "What land in the township needs to be preserved for agriculture and agriculture-related uses?" "In what areas of the township do we envision development?" "What criteria can be used in decision-making?"

## **Q. WHY WAS THE WISCONSIN WORKING LANDS INITIATIVE PASSED?**

**A.** The Initiative (Chapter 91 of the Wisconsin State Statutes) has as its goals the long-term preservation of Wisconsin's working agriculture land, the promotion of nature-based recreation and tourism, and the protection of water resources. The law is an expansion and modernization of the state's existing farmland preservation program that was established in the 1980's. The Initiative comes as farm lands are increasingly threatened by urban and rural sprawl. Currently, about half of the state's 16 million acres of agricultural land are either under farmland preservation contracts or exclusive agriculture zoning such as A-1 Exclusive Agriculture District. In Iowa County, the purpose of this kind of designation is to "promote uses of a generally exclusive agricultural nature and to encourage the maintenance of historically productive and/or preserve productive agricultural lands."

## **Q. WHAT ABOUT CRP OR THE USE VALUE TAX?**

**A.** Neither will be affected by this Initiative.

## **Q. HAVE THERE BEEN MEETINGS IN IOWA COUNTY ABOUT THE INITIATIVE?**

**A.** Yes. Three public meetings were held on April 14 hosted by Iowa County Planning and Zoning, Land Conservation and the Iowa County UW-Ext office. Currently no additional public meetings are scheduled. The previous sessions represented the diversity of Iowa County. For example, the meeting in the eastern part of the county focused on balancing farmland

preservation with development. The meeting in Cobb focused on the soil and water conservation compliance standards and the required nutrient or manure management plans which are also important aspects of the Initiative. The Dodgeville meeting was a combination of the two concepts. In other words, officials in townships such as Brigham, Arena, Wyoming and Dodgeville which are already experiencing development pressure are expected to develop farm land preservation plans that look different from those in other townships in our county. The previously developed Smart Growth plan or existing local comprehensive plan for each town will serve as the basis for the current deliberation.

**Q. WHAT ARE THE FINANCIAL INCENTIVES TO ENCOURAGE LAND OWNERS TO PRESERVE FARM LAND UNDER THE TERMS OF THE INITIATIVE?**

**A.** One of the most appealing aspects of the Initiative is that income tax credits of \$5 per acre will become available if the property is under a farmland preservation agreement; \$7.50 per acre if located in a farmland preservation zoning district; and \$10 per acre if land is both under an agreement and zoning. To be eligible for these updated farmland preservation tax credits, the land owner must be a state of Wisconsin resident, have paid the property tax, be in compliance with existing soil and water conservation requirements, and have a gross farm revenue of at least \$6,000 per year or an average of at least \$18,000 over the past three years.

**Q. WHAT IS THE PURCHASE OF AGRICULTURE CONSERVATION EASEMENT (PACE) GRANT PROGRAM AND WHO SHOULD BE INTERESTED IN IT?**

**A.** PACE is a state program where a landowner can request the state to pay up to 50% of the difference in value between the land as farmland and its highest potential value. Either the local government or a non-profit organization must participate in the agreement as the enforcing entity and provide the remaining 50% of the funding. The goal of PACE is to compensate a farmer for restricting his/her land to only agriculture uses in perpetuity. Landowners who choose to continue to farm their agricultural land or choose not to farm the land but preserve its agricultural integrity can apply for the PACE program. The money earned through the Working Lands Initiative's Conversion Fee program (see below) has been designated to fund the PACE program.

PACE easements are permanent and are carried over to subsequent landowners if the property is sold or in an estate. With a PACE easement, a landowner continues to pay property taxes at the current designated rate and remains on the tax roll. The landowner continues to privately own and manage the land, may keep farming it, keeps the title to the property, and will be eligible for the farmland preservation income tax credit, if eligibility criteria are met.

One Iowa County resident has already applied for the PACE program. An application is necessary. For more information and an application form, contact Scott Godfrey at the Iowa County Planning and Development office. This project is a "work in process", however some have questioned if the state will have the money to fund the PACE program.

**Q. HOW WILL LOCAL ZONING LAWS BE AFFECTED?**

**A.** Townships are currently reviewing their Smart Growth Plans and developing criteria to determine which land blocks shall be defined as part of farmland preservation. One of the intents of the Initiative is to identify larger agricultural areas to try to avoid conflicts that often develop in areas of mixed use. Land that is not included in these farmland preservation protected areas will be available for other uses. Some townships will be looking at areas where you might put a housing development, or golf course with houses built around it. Once the decisions are made at the township level, they will be shared with the county planning and zoning committee and the county plan will be updated. All land designated for preservation

shall be identified. Land no longer intended to be preserved shall be placed in a different district or category.

**Q. DOES THE INITIATIVE ALLOW FOR RESIDENTIAL DEVELOPMENT ON FARM ACREAGE?**

**A.** If approved by the county, the Initiative allows for up to four additional residences on a "base farm tract." A "base farm tract" is defined as one or two or more contiguous parcels in a farmland preservation zoning district that are part of a single farm. The four additional residences are in addition to the farm residence itself for a total of five residences per tract. However, the four non-farm residences can collectively occupy no more than one acre for every 20 acres of farm land. In other words, a 100-acre farm could now include up to 5 homes with the four non-farm residences occupying a total of 5 acres. Local ordinances may be more restrictive but must meet minimum standards if landowners are to receive tax credits.

**Q. WHAT IS A "CONVERSION FEE" AND WHO HAS TO PAY IT?**

**A.** As an incentive to discourage property owners from re-zoning their farm land that is currently in a protected status, any property owner who requests to rezone land out of the A-1 Agricultural zoning district must pay a "conversion fee" of three times the Dept. of Revenue Grade 1 Cropland Value in their municipality. This provision went into effect on January 1, 2010. The per acre 2010 average conversion fee in Iowa County is \$854; the range is \$831-\$885 per acre. The revenues from these conversion fees will be used to fund the Purchase of Agricultural Conservation Easements (PACE) -- see above.

**Q. WHAT ARE THE ADVANTAGES OF AN AGRICULTURAL ENTERPRISE AREA AND HOW WOULD IT APPLY TO IOWA COUNTY?**

**A.** An "agricultural enterprise area (AEA)" is a set of touching land areas devoted primarily to agricultural use that the Department of Agriculture has designated as such in response to a local petition. Farmers located within an AEA may enter into farmland preservation agreements to receive the farmland preservation tax credits if they agree to keep land in agricultural use for at least 15 years.

**Q. WHERE CAN YOU GET MORE INFORMATION ABOUT THE WORKING LANDS INITIATIVE?**

**A.** The following websites provide additional information:

- [Iowa County website](#) (Click on Departments, Planning & Development, Information on Revised Farmland Preservation Programs)
- [State of Wisconsin website](#)
- [State Bar of Wisconsin website](#)

*This Q&A was prepared by Earl and Shirley Barnes, Grassroots Citizens of Wisconsin, to assist our members interested in the new Initiative.*