

# Agriculture Enterprise Area (AEA)

Department of Development and Land Services & Land Conservation

# WI Farmland Preservation Program

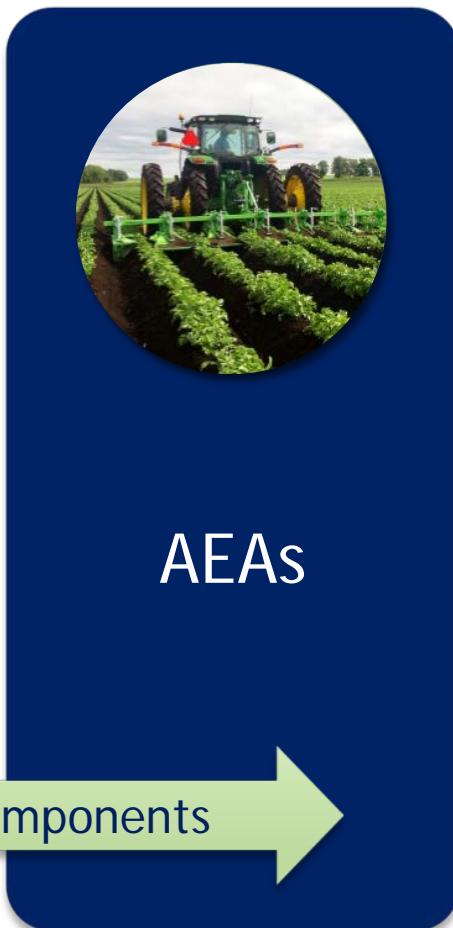
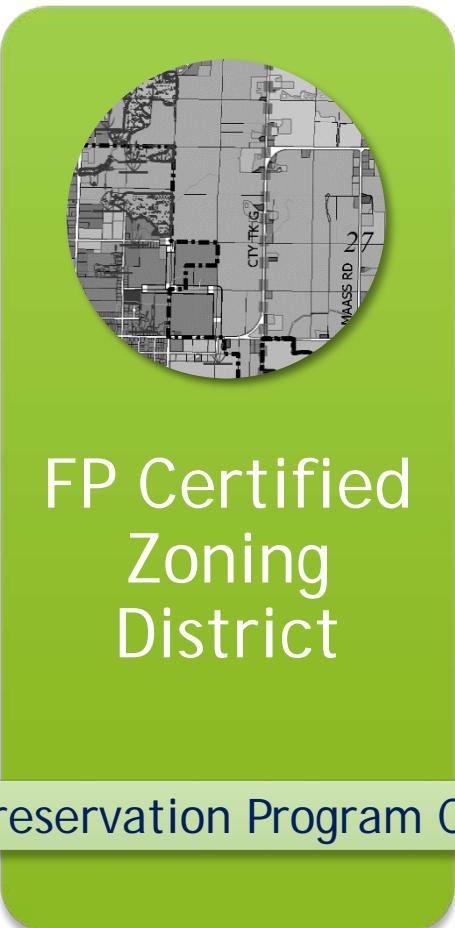


Image Source: Brian Sadler, Fairfield AEA

# What is an AEA?

- ▶ Agriculture Enterprise Area - “A designated area of contiguous land primarily in agricultural land use targeted for agricultural preservation and agricultural development.”

Source - DATCP

## What it is NOT.....

- ▶ A land use control
- ▶ Going to impose additional restrictions on land use

# What are the benefits of an AEA?

- ▶ Tool that can help communities meet local goals for preserving agricultural land and encouraging agricultural economic development. Can help promote investment in agriculture, agricultural infrastructure and agricultural-related businesses.
- ▶ **Tax Credits via Farmland Preservation Agreements**

# What is a Farmland Preservation Agreement?

- ▶ A voluntary agreement between an owner of land and the Department of Agriculture, Trade and Consumer Protection (DATCP) under which the owner agrees to restrict the use of land in return for tax credits.

# Details of a Farmland Preservation Agreement?

- ▶ Requirements
  - ▶ Land owners must keep their land in Agricultural use for 15 years AND meet state soil and water standards.
- ▶ State Soil and Water Standards
  - ▶ Chapter NR 151
  - ▶ Certificate of Compliance from Department of Land Conservation
- ▶ Releasing land from a Farmland Preservation Agreement?
  - ▶ Land owner consent
  - ▶ DATCP findings (will not impair or limit agricultural use of other protected farmland)
  - ▶ Conversion Fee: Pay DATCP three (3) times the per acre value for all land released

# Benefits of a Farmland Preservation Agreement?

- ▶ \$5/acre Tax Credit for land within an AEA and covered by a farmland preservation agreement.
  - ▶ AEA
  - ▶ Farmland Preservation Agreement
- ▶ \$10/acre Tax Credit for land within an AEA and covered by farmland preservation agreement and located within a certified farmland preservation zoning district.
  - ▶ AEA
  - ▶ Farmland Preservation Agreement
  - ▶ Exclusive Agriculture District (AED)

# Criteria to establish an AEA?

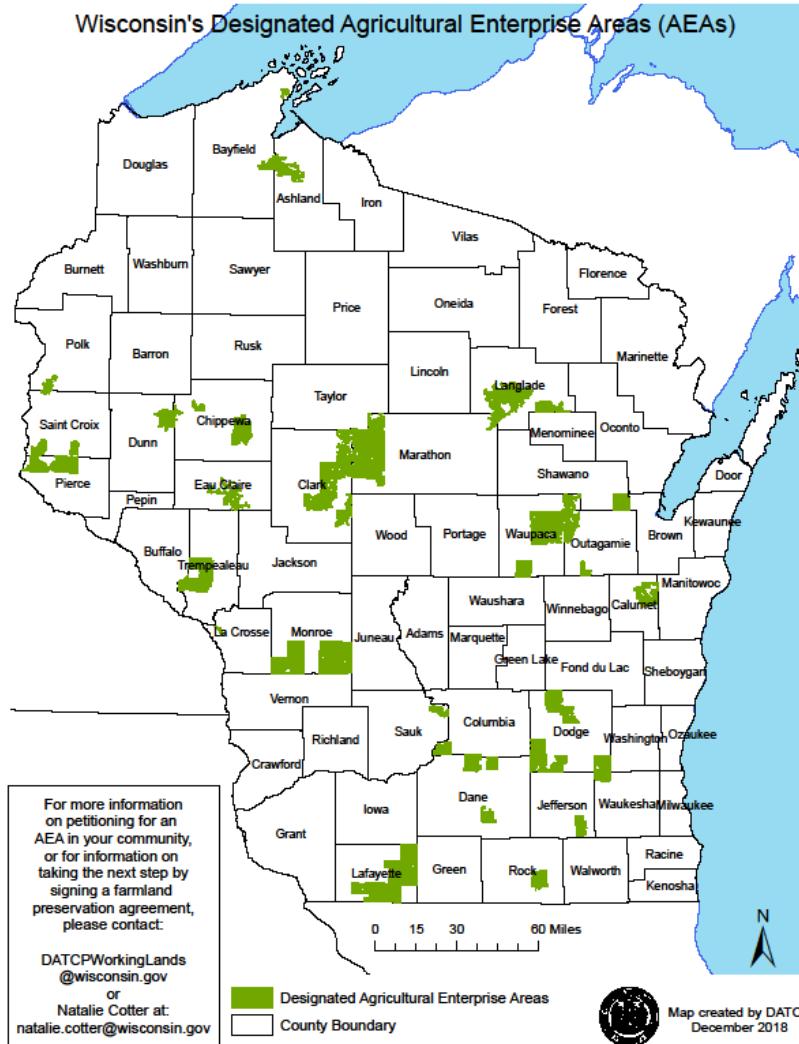
- ▶ Area shall be located within the designated “Farmland Preservation Area” identified in the Certified Farmland Preservation Plan (OC-FPP certified until 2022).
- ▶ Parcels in the area are contiguous; only separated by a lake, stream, or transportation or utility right-of-way.
  - ▶ DATCP preference given to areas  $\geq$  1,000 acres of land.
- ▶ The land in the area is primarily in agricultural use.
- ▶ Submit Petition requesting designation to DATCP.
  - ▶ Petitions are accepted November - June 21<sup>st</sup> of each year.

# Who submits the Petition?

- ▶ State statutes (91.86(2)) requires a joint filing from the following:
  - ▶ Each political subdivision (Township/County) in which any part of the proposed agricultural enterprise area is located.
    - ▶ County Conservationist sign in support of petition
  - ▶ Owners of at least five (5) eligible farms located in the area
    - ▶ More than five recommended by DATCP
- ▶ “Eligible Farm” means a farm that produced at least \$6,000 in gross farm revenues during the taxable year preceding the year in which a petition is filed or a total of at least \$18,000 in gross farm revenues during the 3 taxable years preceding the year in which a petition is filed.

# What happens after Petition submittal?

- ▶ DATCP works with an evaluation team to review all petition submittals
- ▶ Evaluation team recommends petition submittals to be selected for designation
- ▶ DATCP designates the AEA by order (a notice of the order is published in the official state newspaper)
- ▶ The designation takes effect on January 1<sup>st</sup> of the following year
- ▶ AEA designation remains in effect unless terminated by order of DATCP



2019 - Total 37 AEAs Statewide

# Existing AEAs in Wisconsin and Outagamie County



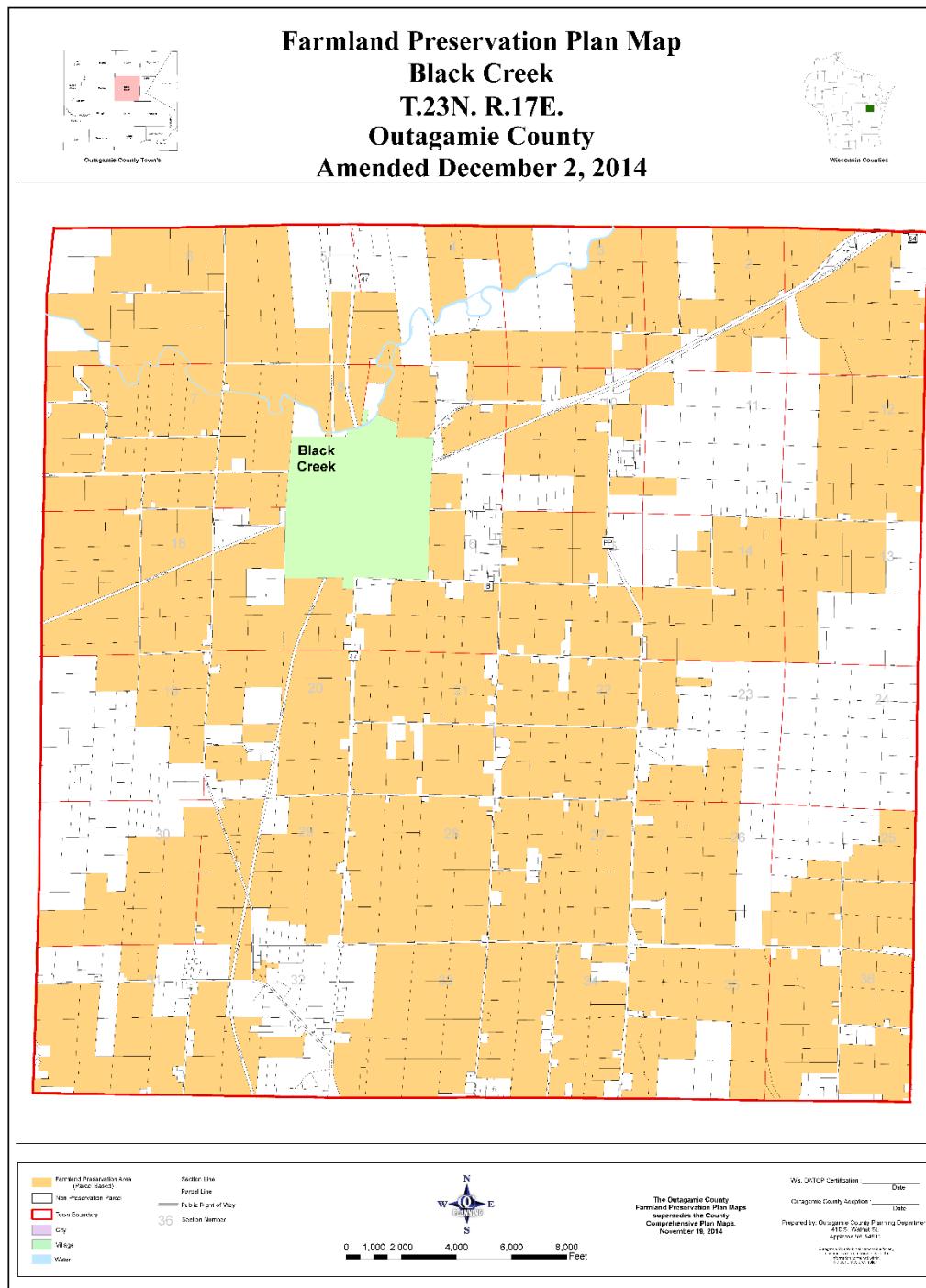
- ★ Three Rivers AEA - Waupaca & Outagamie County (111,186 Ac - Est. 2019)
- ★ Greenville Greenbelt AEA - Outagamie County (6,178 Ac - Est. 2015)

# Questions/Discussion

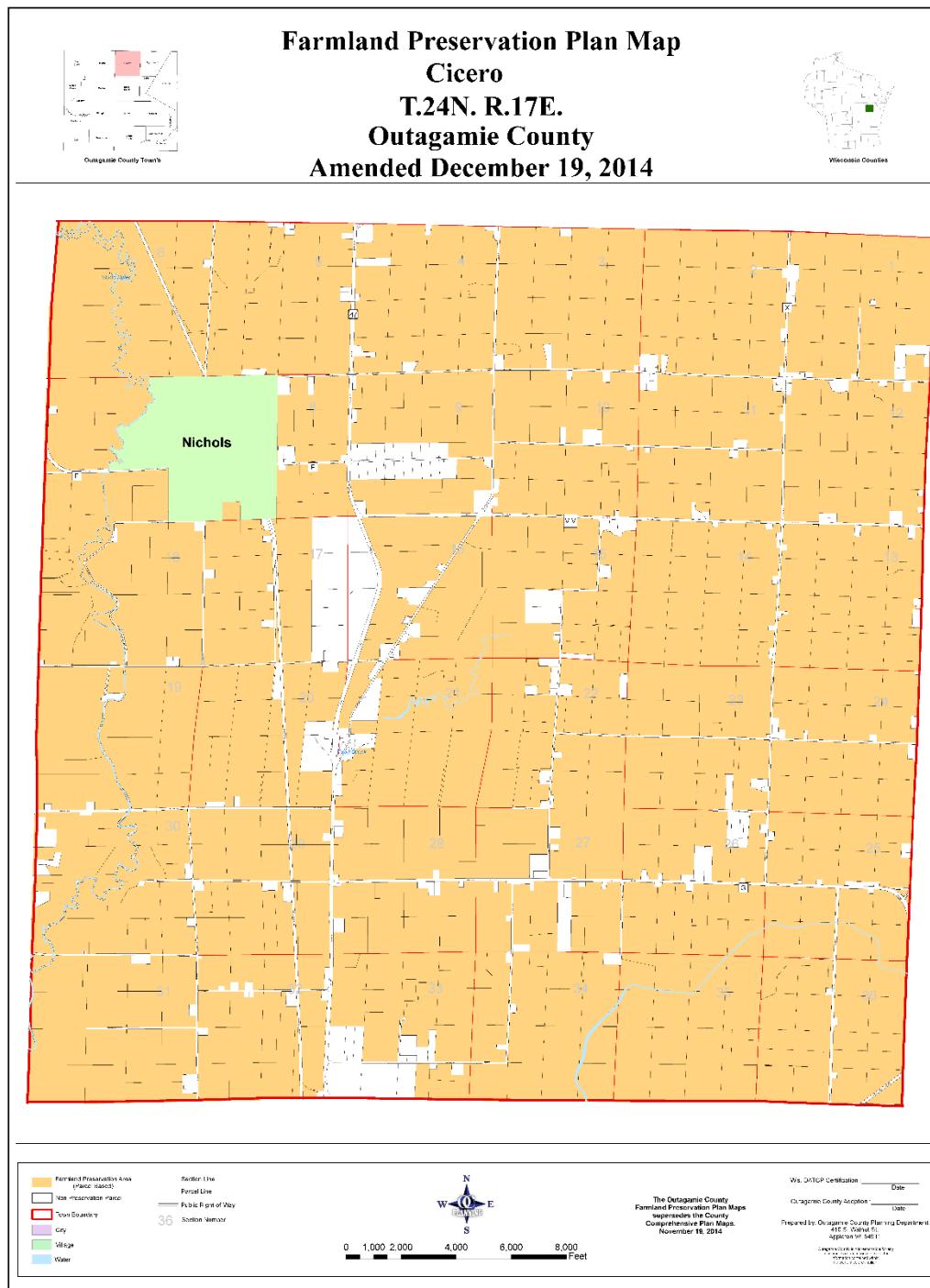
- ▶ Potential next steps?

# Helpful Links

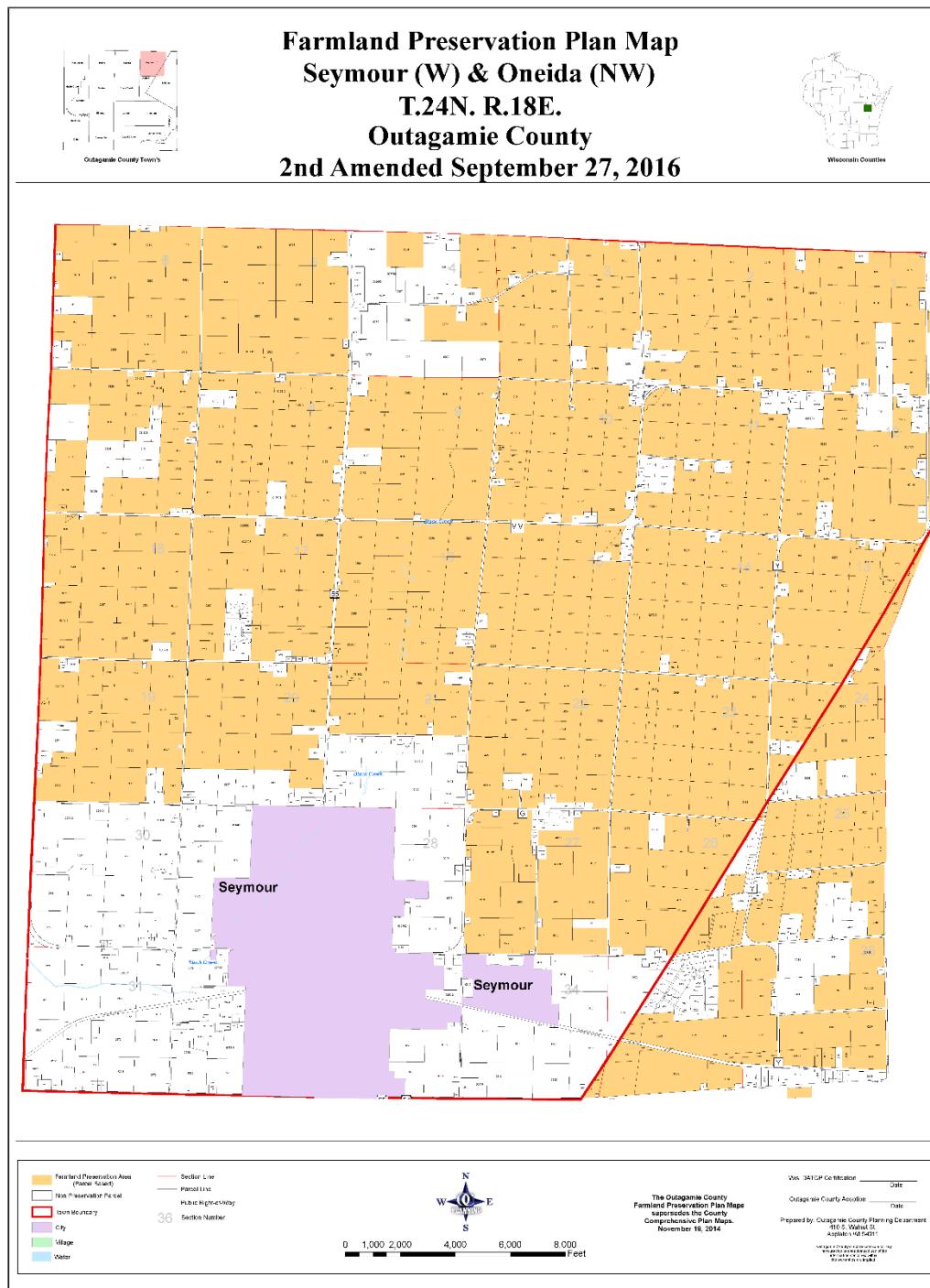
- ▶ DATCP Home
  - ▶ <https://datcp.wi.gov/Pages/Homepage.aspx>
- ▶ DATCP Designated AEAs
  - ▶ [https://datcp.wi.gov/Pages/Programs\\_Services/DesignatedAEAs.aspx](https://datcp.wi.gov/Pages/Programs_Services/DesignatedAEAs.aspx)
- ▶ DATCP Farmland Preservation Interactive Map
  - ▶ <https://datcpgis.wi.gov/maps/?viewer=fpp>



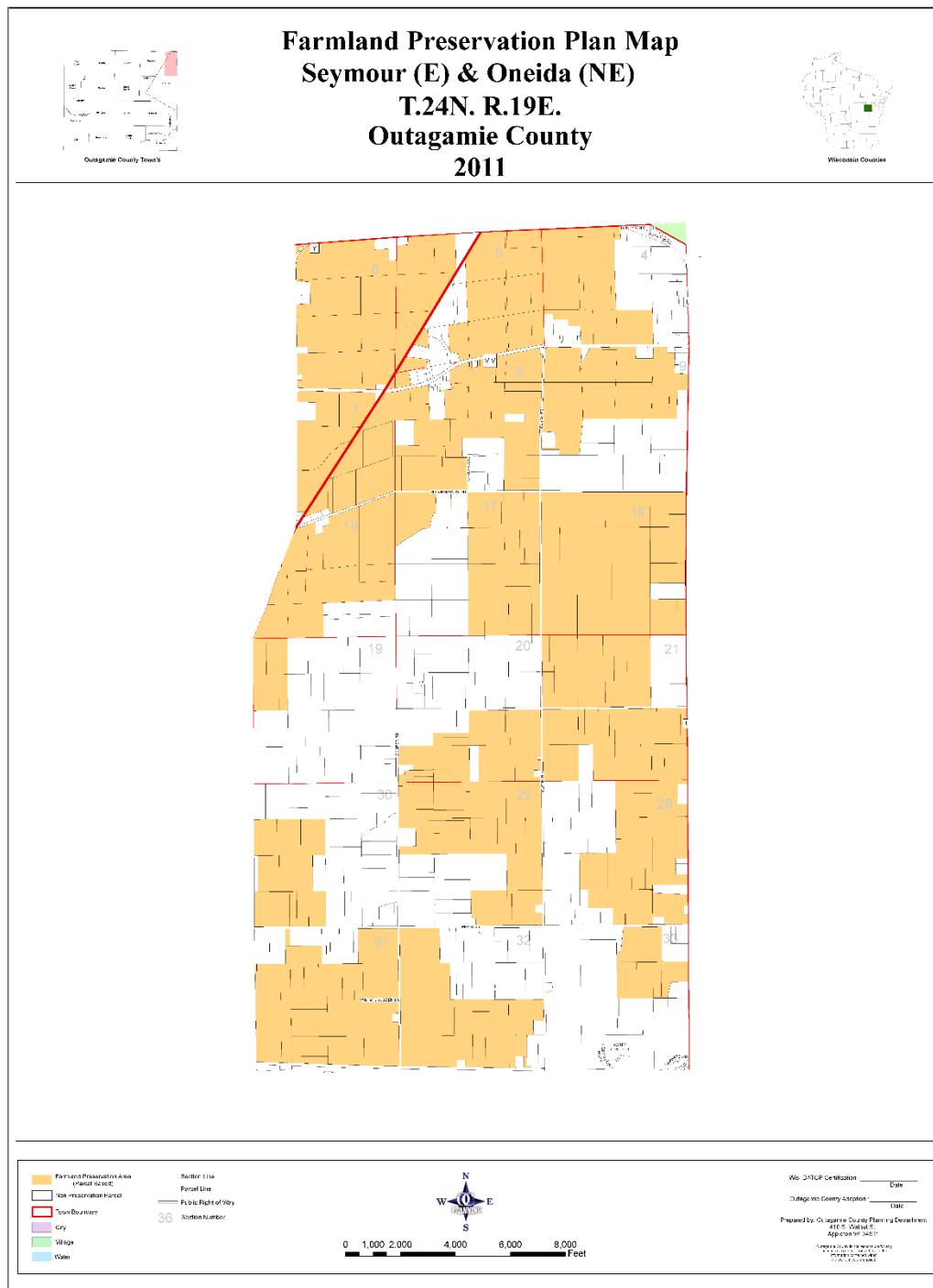
# Town of Black Creek



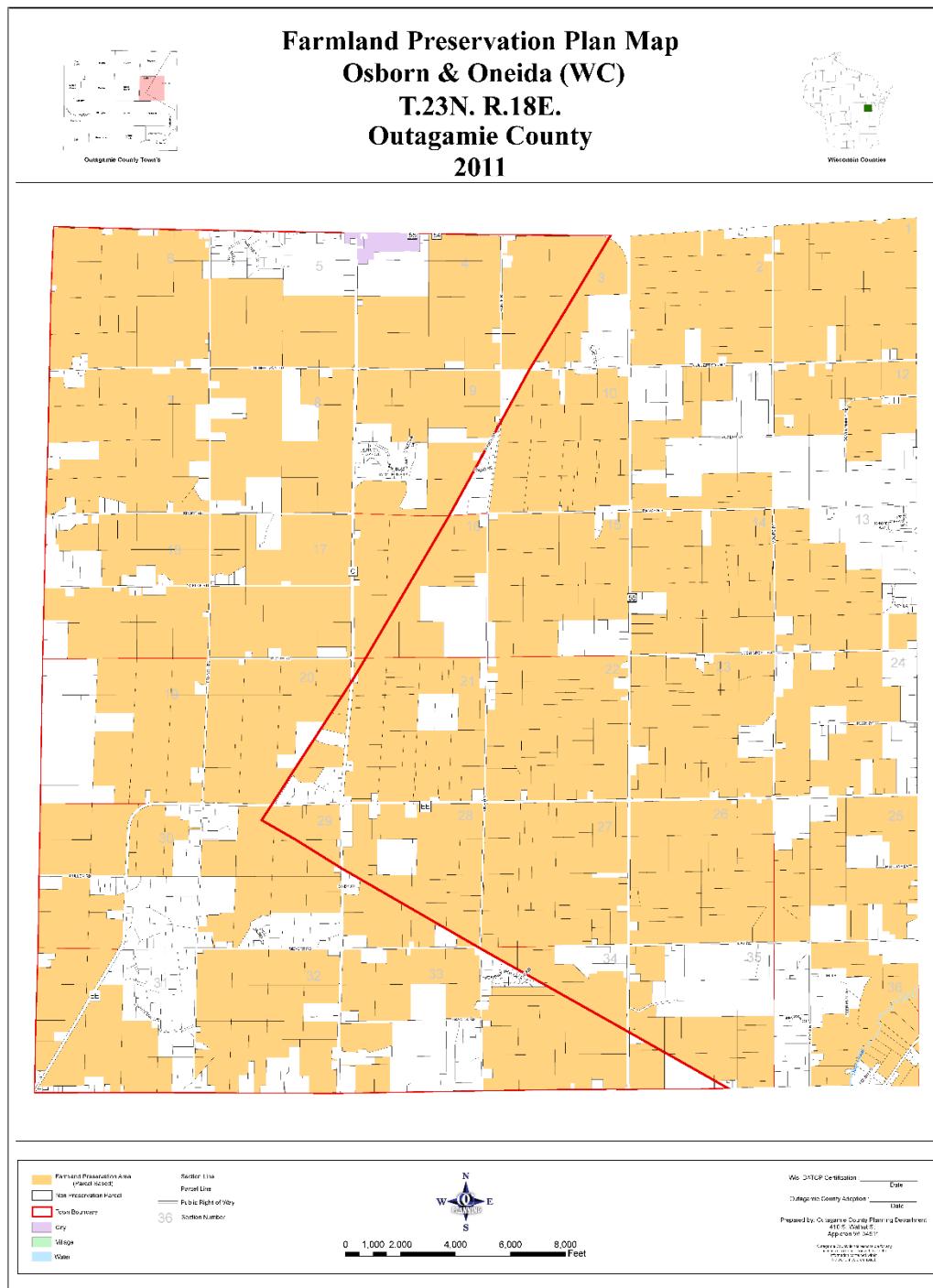
# Town of Cicero



# Town of Seymour & Oneida



# Town of Seymour & Oneida



# Town of Osborn & Oneida

# Petition requirements

## Sec. 91.86(3)(a)

- ▶ The correct legal name and principal address of each petitioner.
- ▶ A summary of the petition that includes the purpose and rationale for the petition.
- ▶ A map that clearly shows the boundaries of the proposed agricultural enterprise area so that a reader can easily determine whether a parcel of land is located within the proposed area.
- ▶ Information showing that the proposed agricultural enterprise area meets the requirements under 91.84(1)(e).
- ▶ A clear description of current land uses in the propose agricultural land use and development goals for the proposed agricultural enterprise area including proposed agricultural uses, agriculture-related uses, and relevant transportation, utility, energy, and communication uses.
- ▶ A plan for achieving the goals under subd. 6., including any planned investments, grants, development incentives, cooperative agreements, land or easement purchases, land donations, and promotion and public outreach activities.
- ▶ A description of any current or proposed land use controls in the proposed agricultural enterprise area, including farmland preservation agreements.