

Voluntary Incentives for Farmland Preservation in Central Ohio: What Do Farmers Think?

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There's a few things there's easy answers for. Farm use planning, there isn't any. – McLean farmer

I. Introduction

Most farmland preservation tools in this country are voluntary. This means that the success of farmland preservation programs is in part dependent on the receptivity of farmers to the methods for protecting their land. Given the diversity of farmers throughout the country, these attitudes are likely to vary from place to place. In order to design successful programs and fine-tune their implementation, it is important to understand farmers' perceptions of preservation tools. This study examines the opinions of farmers in one township in central Ohio on recently proposed measures to protect farmland in the state.

As in many regions of the country, urban and suburban growth in Ohio is rapidly converting farmland from agricultural to residential and other kinds of development. Between 1982 and 1992, 17,000 acres of central Ohio farmland were converted into urban areas (Williams et al., 1996).¹ The loss of farmland has gained public attention over the last few years, resulting in the appointment in August 1996 of the Ohio Farmland Preservation Task Force (Executive Order #96-65V, August 7, 1997). The FPTF's 21 members, representing diverse interests and expertise, were charged with studying past trends in agricultural conversion, "identifying voluntary methods and incentives for preserving and maintaining land for agricultural production," and reporting its recommendations to the governor by June 1, 1997. During its research, the FPTF investigated the causes of farmland conversion in Ohio, researched preservation tools used elsewhere, and held numerous meetings and hearings to get public input. The FPTF's final report recommends several measures to preserve farmland throughout Ohio.

Although the FPTF's recommendations are well-researched and have been proven elsewhere, there is little information about how successful they are likely to be in different parts of Ohio. This research is based on the assumption that the effectiveness of any tools for agricultural preservation depends on how the tools influence individual landowners' decisions about how to manage their land and farming operations. The link between such individual decision-making and local or regional tools for preserving farmland is therefore a central concern. This paper explores the reactions of farmers in McKean Township in central Ohio to several of the proposed tools. Key questions addressed are:

1. How much do farmers know about the proposed tools for farmland preservation?
2. What are their primary concerns, positive comments and questions about these tools?
3. What are the implications of these attitudes for implementing farmland preservation proposals?

II. Why Preserve Farmland in Ohio

Whether due to the increased visibility of urban sprawl, the rise in food prices, or the media attention given to the issue, farmland preservation recently has risen on the public's agenda in Ohio. The first question that inevitably arises when people begin to address this complex issue is why society should preserve farmland at all. After all, according to many economic analyses, we have too much farmland (McConnel, 1989). In Ohio, this question has many different answers, and multiple reasons for preserving farmland have been discussed. From these diverse arguments there emerge three main categories of reasons to preserve farmland: economic, social and environmental.

There are certainly economic reasons to preserve farmland in Ohio. Agriculture is the state's largest

industry, and it produces jobs and income for many residents of the state. When combined with various other industries including food processing, packaging and sales, agriculture-related jobs are held by one in six Ohioans and add \$56.2 billion a year to the economy (Ohio Department of Agriculture, 1996). In addition, agriculture has low infrastructure requirements relative to residential and commercial development. For every dollar generated in tax revenue, these developments cost as much as \$1.67 in services, while for every dollar farmland generates in taxes, it costs as little as 21 cents in services (American Farmland Trust, 1997). Food and crop production are also important economic arguments for farmland preservation. While Ohio's current production is small on a national scale, future changes in population, energy costs, climate, etc. could increase the importance of Ohio's agricultural resources for long-term economic stability and growth of the region.²

The next category of arguments to preserve farmland relates to the social values of community and rural character. Residents of McKean Township cite the quiet atmosphere, lack of traffic congestion, lack of crime, closeness to nature and close relationships with neighbors as reasons they like living in the country (Licking County Planning Commission, 1997). With the expansion of suburban development into the surrounding rural communities, these qualities are often lost. Traffic congestion, overcrowded schools, deterioration of the inner cities, increased stresses on government services and many other negative effects can result (Williams et al. 1996). It is widely argued that the way to preserve the rural character of such areas and avoid the negative effects of urbanization is to preserve farmland and farming as a way of life in those communities.

Finally, there are environmental reasons for preserving farmland, such as the preservation of wildlife habitat, soil productivity and air and water quality. While conventional farming has some negative environmental impacts, traditional agricultural land uses are generally considered less detrimental than residential, commercial, or industrial development. In terms of long-term sustainability, keeping land in agriculture is one way to ensure that it will be available for a variety of uses in the uncertain future. Even if farmland preservation tools succeed in preserving only open space, not farming, this open space allows for more flexibility in the future and can some day be returned to production, whereas residentially and commercially developed land is permanently unproductive.³ In addition, increased use of sustainable agriculture techniques may maximize the environmental benefits of protecting agricultural land. Thus, farmland preservation is a complex issue with many causes and consequences in the state of Ohio.

III. Tools for Preserving Farmland

In the debate over farmland preservation in Ohio, many approaches have been proposed. These range from raising food prices, to rebuilding inner cities, to buying farms for preservation purposes. It is acknowledged that a combination of approaches would be the best way to attack this difficult problem, and it is also agreed that past efforts to preserve farmland in the state have not been sufficient.

The most recent attempt to protect farmland in Ohio was undertaken by the FPTF. The FPTF's mission, as set forth by the governor, was to provide recommendations for the protection of the state's agricultural land and future economic development (Ohio FPTF, 1997). The 21-member task force included representatives from the Ohio Senate and House of Representatives, businesses, city chambers of commerce, Ohio State University, The Nature Conservancy, farmers among other groups. The final report of the FPTF, which was released in June 1997, includes findings on the causes of farmland loss in Ohio as well as a series of recommendations for farmland preservation. These include voluntary programs such as the Purchase of Development Rights, Lease of Development Rights, Transfer of Development Rights and a 30-year Land Use Tax Credit Program. The report also proposed the creation of a state Office of Farmland Preservation. Other suggestions generally addressed statewide planning, infrastructure, economic development and urban revitalization.

Because of Ohio's emphasis on voluntary incentive programs for farmland protection, the farmer's perspective on these programs will be critical to their success. This study takes a close look at the farmers of McKean Township in order to assess their reactions to several proposed farmland preservation programs. The appropriate farmland preservation tools and the farmers' reaction to those tools are likely to vary from place to place. Nonetheless, to the extent that the concerns of McKean Township are representative of central Ohio, lessons may be extracted for farmland preservation

efforts throughout the state.

IV. Approach and Methodology

Much of the literature on farmland preservation uses surveys to establish the attitudes of citizens toward farmland preservation programs (Kline and Wichelns, 1996; Variyam et al., 1990; Furuseth, 1987). While there have been fewer studies of farmers' attitudes, farmers' attitudes do not necessarily predict their behavior (Pfeffer and Lapping, 1995; Molnar, 1985). The purpose of this study was not to try to predict behavior, but rather to discover what aspects of the proposed farmland preservation tools were attractive or unappealing to farmers, what kinds of questions they had about the program and what other dimensions of the issue needed to be explored in order to better design the implementation of these programs.

In order to explore these issues, a case–study approach was chosen. Case studies are often advocated for exploring complex phenomena, affording a holistic view, examining change over time and generating theory (Feagin, 1991). This approach was useful because the proposed farmland protection tools are a current issue, because farming and farmers in central Ohio are diverse, and because the relevant variables were not yet well– established. Previous research and literature on similar studies in other areas formed a basis for this case study, as did participation in the comprehensive planning process for the study township and contacts made throughout that process.

Introduction to McKean Township⁴

McKean Township lies in north–central Licking County, Ohio. McKean exhibits the diversity of land uses and conflicts between agriculture and development that are of concern in this region. It is a mainly undeveloped and rural community with a population density of approximately 36 residents per square mile. Agriculture is the leading industry in McKean, with around 50 percent of the total land area being occupied by active farmland. Of the 9,500 acres in agricultural use, 7,700 acres are utilized for the production of row crops including corn, hay, soybeans and wheat. The other agricultural land is used mainly as pasture for livestock. Nearly all of McKean Township is zoned "agricultural,@ with a five acre minimum lot size and a minimum of 250 feet of road frontage. The other zoning districts (General Residential and General Business) are used only in the two small villages in the township.

Non–agricultural businesses in the township are few in number. They include a service station and a convenience store lying within the two unincorporated villages of Fredonia and Highwater. While agriculture dominates the landscape of McKean Township, the majority of the township's residents do not work in agriculture–related fields. Many commute to work in Columbus, a rapidly expanding metropolitan area. McKean Township is located in close proximity to several state and U.S. highways. Six major thoroughfares lie within a 10 mile radius of the township. Columbus, the state's capital, is only 35 miles from McKean Township, which translates into an easy 45–minute commute.

As evidenced from this description, McKean Township is vulnerable to the conversion of farmland to development because of its proximity to Columbus and several major highways. The newly created comprehensive plan for McKean Township is beginning to deal with some of these issues and plan for the future growth of the township. As part of this process, McKean Township is currently considering amending their zoning laws to allow cluster development in hopes of preserving open space.

Description of Sample

In order to gain diverse perspectives on the proposed farmland preservation tools, the researchers compiled a list of all the farm families and large landowners in McKean. These farm families and large landowners were interviewed using either an in–depth or a shorter interview format.

The goal was to include every family that lives and farms in McKean Township, or lives elsewhere but rents or owns a significant amount of land in McKean Township. The term "farm families" is used because several family members often worked on the farm, and about half of the farms studied (including the five largest farm operations) have been in the family for at least two generations. In addition to all of the full–time farmers, several McKean residents were selected for in–depth interviews to explore the perspective of different kinds of farmers, retired farmers, part–time farmers and non–farming landowners.

The list of farm families was compiled by consulting several sources. The *Farmers' Market Guide for Licking County* listed two families, while calls to the Farm Bureau resulted in the names of eight more. An additional five farm families were identified by studying tax maps to find the largest landowners in the township and checking with McKean Township officials to verify that they were employed as farmers. The list was also revised and expanded by residents of the township as they suggested other farmers to interview. The result was a list of 21 farm families in McKean Township.⁵

The lists final sample includes all of the full-time farmers in the township, as well as several part-time farmers and large landowners. It was verified as representative of the farming population by several sources including a township trustee, the township clerk and several of the farmers interviewed. Table 1 characterizes the sample used in this study.

While the farm family sample is diverse and complete according to numerous sources, the number of farm families identified is less than the 41 people that identified themselves as full- or part-time farmers in a survey of McKean Township conducted by the Licking County Planning Commission (Licking County Planning Commission, 1997). This discrepancy can be explained by several factors. It is quite possible that retired farmers still identified themselves as farmers in the survey, or that spouses counted themselves as two separate farmers instead of one household. The list used for this study did not include all retired farmers and treated each household as a single entity for study.

Table 1. A characterization of the sample of farm families and landowners studied.

<i>Acres owned or rented in McKean</i>	<i># of interviewees</i>
0-50	4
50-100	4
100-200	3
200+	5

<i>Type of farming operation</i>	<i># of interviewees</i>
grain	3
dairy/cattle	5
hogs	2
misc./trees/produce/etc.	6

<i>Age of primary farmer</i>	<i># of interviewees</i>
Under 30	1
30-45	5
45-60	6
60+	4

Data Collection

The next step in this project was to send a letter to every person we planned to interview. The letter, which briefly introduced the two researchers and described the project, is included in Appendix A. Once they received the letter, appointments were made to conduct either an in-depth or a short interview. All interviews were conducted in June and July 1997. Interviews were completed with 17 of the 21 farm families on the list within the study period.⁶

The in-depth interviews were specifically tailored to each of the subjects and were more open-ended than the semi-structured interviews. Five subjects were chosen to represent the diverse population of farmers and landowners in McKean. One was a landowner planning to build a clustered subdivision that would require a revision in township zoning. Another was the largest row crop farmer in McKean who was also a former township trustee. The third in-depth interview was an ex-farmer from McKean who recently sold off his farm and took a town job. The fourth interview was with the head of a large Christmas tree and greenhouse operation, a unique business in McKean Township. The fifth was a landowner who used to rent out his land for farming but no longer does so. These interviews explored the motivations for their recent land-use decisions, their plans for the future and the attitudes toward development of these five different cases.

The remaining 12 landowners were interviewed using a semi-structured interview guide in order to get feedback on three proposed farmland preservation programs. The interview guide was pre-tested on a member of the McKean Township Comprehensive Planning Committee and revised accordingly. A copy of the final interview guide is included in Appendix B. These interviewees are referred to interchangeably as "interviewees" or "farmers" in the text.

At the start of each interview, farmers received a letter regarding confidentiality and were told to switch off the tape recorder at any time if they felt it necessary. The interviews included questions on the history and nature of the farming operation and then progressed to the discussion of the three proposed farmland preservation tools. These tools were Purchase of Development Rights, the 30-year Land Use Tax Credit program and the proposed cluster zoning district being considered in McKean Township.

The first two tools were chosen because they are recommended in the report of the FPTF as voluntary incentive programs (Ohio FPTF, 1997). Being voluntary, these programs rely on farmers' understanding and acceptance. PDR is a common program in other states, but does not yet exist in Ohio (Daniels, 1991). PDR was described to each interviewee as a program in which a landowner voluntarily sells the rights to develop his/her land in exchange for monetary compensation. Putting such a conservation easement on the land is not the same as selling the land outright. The landowner would still be able to farm on the land and could even build farm-related structures such as barns or silos. The conservation easement would only prohibit the residential or commercial development of the land, and the organization holding the development rights to the land would be responsible for enforcing this restriction.

The compensation for giving up development rights through a PDR program is the difference between the value of the land in agriculture and its potential value for development. Interviewees were given the example that if a farmer can sell his/her land to another farmer for \$1,000 an acre, but a developer would offer \$3,000 an acre, the PDR program would pay the difference of \$2,000 an acre for the development rights. In addition, the farmer could still farm the land and receive profits from farming, and he/she could also sell the land to another farmer at the agricultural value and make up the remaining money. The only stipulation would be that the land could never be developed.

Similarly, the LUTC program is not currently in place in Ohio, but was proposed by the FPTF. It was chosen for this research because it is a new idea in Ohio, and it is different from PDR in several ways that might affect its acceptability to farmers. It is comparable to PDR in that it employs a conservation easement, but differs in the time period: the easement is temporary. This program involves a 30-year lease of the development rights and the compensation comes in the form of a tax freeze and a reduction of property taxes. The property tax freeze would apply to all land and buildings on the land, and it would go into effect when the land was entered into the easement program. Although this option has not been formalized, the FPTF proposal was based on the idea that property taxes would be frozen at the level they were at the time the land entered into easement for a period of 30 years. In addition, the landowner would receive a tax credit for approximately 50 percent of these taxes (Litt, personal communication, 1997). So, if a landowner's property taxes were currently \$1,000, under this program, they would be held at a cost of \$500 for the next 30 years in exchange for the restriction that no developments could be put on the land. Each year the landowner would be saving more and more money, providing an incentive to stay in the program and to even renew the easement when the 30-year time period ended. In addition, penalties would be assessed for early withdrawal from the program. The interviewees were also told that if they wished to sell the land within the 30-year time period, the new buyers would have to continue the easement or pay penalties in the amount of back taxes.

The third tool described to interviewees is a cluster zoning option currently being proposed in McKean Township.⁷ Although this particular proposal is not included in the FPTF report, conservation/cluster zoning is mentioned widely in the farmland preservation literature as a primary method for preserving farmland in areas of weak to moderate agricultural use (Daniels, 1997). Because it does not involve a state agency or government funding, this local program provided an interesting counterpoint to the other two proposals. This cluster zoning proposal was described to the interviewees as a new zoning option that allows landowners to put residential developments on some of their land but still preserve some of it as open space. It would be available as an option for all those

landowners with over 50 acres of land who are in the Current Agricultural Use Value program. It allows residential developments at the same density as the current agricultural zoning, one house for every five acres. In other words, under current zoning, up to 20 houses could currently be built on five acre lots subdivided from a 100 acre parcel of land. In a clustered development, the lot sizes for these houses would be smaller than the current zoning allows, between 1.7 acres and 3 acres. Thus, the same number of houses could be put on the land, but they would be clustered into a smaller area with the rest of the land preserved as either farmland or open space. The easement on the remaining preserved land, at least 50 percent of the total acreage, would be held in common by the homeowner's association or by some other group such as a land trust.

After explaining these programs, the researchers asked interviewees to comment generally on their reactions to each. Interviews concluded with a brief discussion of the interviewee's perception of ideal and realistic scenarios for the future of his or her land. These semi-structured interviews usually lasted from 30 minutes to 45 minutes.

At the conclusion of the interview, three pamphlets were distributed to each subject: a description of the FPTF and its members, an American Farmland Trust brochure and a flier made describing various farmland preservation tools and their potential role in farmland preservation in McKean Township. This exchange of information created a dual role of the interviewer as information-gatherer and educator.

Most interviews were tape recorded, with the permission of the interviewee, and all notes and confidential recordings were later transcribed. The interviewees were given identification numbers that accompanied the transcripts, and their names, along with the names of any family members mentioned in the interview, were excluded from the transcript to insure confidentiality of the subjects.

Once completed, the transcripts were then coded and analyzed for common trends in the attitudes of the farmers about farmland preservation as well as their attitudes towards, concerns with, and misunderstanding about the three farmland preservation programs. These results were sent out to several key informants to confirm the findings and solicit feedback and suggestions. A brief summary of results was also sent to each interviewee.

V. Results

As described above, three options for farmland preservation were discussed with the interviewees: Purchase of Development Rights, a Land Use Tax Credit, and a cluster zoning option. Although the interviewees were not asked to rank the programs, nearly all of them made their preference ordering clear. Below, the positive and negative reactions to each of the three programs are summarized. In addition, the most significant comments, concerns and questions about each of the options are discussed with respect to their relevance for implementation.

Purchase of Development Rights

The FPTF recommends that the state promote a PDR program that would allow private or governmental bodies to purchase the development rights of agricultural land. Of the twelve interviews in which PDR was discussed, only four interviewees had not heard of the program. Even those interviewees who had not heard of this program before quickly grasped the concept and formed an opinion about its effectiveness. Equal numbers of the farmers interviewed ranked PDR as either their most or least preferred of the three programs discussed; only one rated it between LUTC and cluster zoning. Nonetheless, most of the interviewees felt PDR was generally a good idea and that other McKean farmers would participate, although only one stated that he himself would be likely to participate. Several farmers said they might be interested in the program, but had many questions that needed to be answered first.

The primary positive comment about PDR was that a farmer could get his or her money out of the land while continuing to farm. As one farmer noted: "This way, you're being paid that price difference up front. It sounds almost lucrative to me." PDR was seen as especially appealing for older farmers who were counting on their land for retirement funds. As one farmer said, "We've got a mile and a half of road frontage, and the town keeps getting closer...I figure that's a pretty good retirement. I'd like to sell it by the square foot." Two interviewees noted that the reduced land value would reduce estate taxes, helping their children hold onto the land if they so desired. In addition, PDR was seen as

a good way to make farms more affordable for young farmers to buy. This would also help families pass a farm from one generation to another, since the younger generation could buy the land at its agricultural value.

The negative comments about PDR primarily had to do with the permanence of the program. Farmers are acutely aware of how much farming practices, profitability and markets can change over several decades, and are hesitant to commit to a permanent restriction on their land. Several farmers noted specifically that they did not wish to limit their children's choices of what to do with the land after they die. For example:

"If you couldn't find a buyer who wanted to farm it and it got inherited in the family, someone could be stuck paying the taxes on a piece of property that was not earning any income."

"Basically (if we enrolled in PDR), when our children inherit the farm, we've saddled them with what we felt it was to be."

Finally, several interviewees doubted the permanence of a PDR easement, suggesting that eventually it could be overridden through changes in society or law.⁸ Another negative comment about PDR is that, while the program may preserve individual farms, it does not by itself prevent the encroachment of residential development and associated complaints about farming practices by the new neighbors. That is, they perceived that PDR would preserve individual farms in patches, which does not solve the problem of incompatible residential and agricultural land uses.⁹

Although most interviewees supported the idea of a PDR program, the concerns about the permanence and potential patchiness of the preserved lands are significant. In addition, many interviewees had unanswered questions about PDR that might affect the program's acceptability. First, the most common questions had to do with the costs of PDR. Interviewees noted that if the purchaser had to match the best offer of a developer, this program would be very expensive. Although farmers would benefit from the program, several interviewees took a broader perspective, asking where the money would come from and whether it was beneficial to society to preserve the moderately productive ground of McKean Township.

The second set of questions related to particulars of the PDR easement. Three interviewees at first misunderstood the program and asked if the holder of development rights would develop the property after the current landowner died. Related to this, others wanted to know the specifics of who would hold the development rights and how the easement would be enforced. Several farmers emphasized that they would be very uncomfortable with the government holding any kind of rights to their land.

"It sounds to me like you're basically selling the state or the federal government the right to control, not necessarily, your land, but down the road it seems to me that the government then has control of private lands... I mean, it's okay for today, but down the road it seems to me that you're giving the government too much leeway."

When it was noted that a non-profit group like the AFT might hold the easement, several interviewees expressed skepticism about the involvement of the AFT in the FPTF process:

"Any time you get another group in there that's trying to make up the difference, it makes you wonder what their motive might be down the line. You know? Things change so much."

"A concern I have is just that non-profits have agendas too, so their being involved in the whole thing would tend to steer it a certain way...I'm just concerned that it's not necessarily the best solution and it's driven by other forces besides the pure motive of preserving farmland."

"My main concern is the controlling body and how they would control that and would they abuse their power or use power to make financial gains to themselves."

The interviews made it clear that a PDR program that is government-sponsored will have to contend with the skepticism many farmers seem to have about government programs. For this reason, PDR may be more acceptable if land trusts or other private entities hold the development rights. If it is possible to form local or county agricultural trusts in all areas, it is likely that these would be better received than the AFT, which is a national group. Local land trusts that can put landowners in contact with other local landowners who have participated in PDR may also address some of the doubts about the logistics and permanence of these easements.

Third, several specific questions about the terms of PDR were raised. Related to the conditions of the easement, several farmers asked whether new farm buildings could be constructed on PDR land and whether factory farming would be allowed.¹⁰ Another question that arose was the relationship between PDR programs and mineral rights. One family interviewed leases its mineral rights and wondered if a conflict would arise if the development rights were sold and the mineral rights owner wanted to drill for natural gas.

The basic concept of PDR is straightforward. However, the questions raised by the interviewees made it clear that they would need more details before firmly supporting or participating in such a program. As one farmer noted: "Yes, it sounds attractive...I'd guess maybe I'd be a little skeptical at this point in time. If someone was going to give me that monetary difference I would expect to find more restrictions maybe on what I could do with the property, who I could sell it to, at what point, or what would happen if it was part of an estate." Thus, it is particularly important that the specific legal provisions and mechanisms for holding the development rights be provided to potential sellers of development rights.

Land Use Tax Credit

As described above, the Land Use Tax Credit program proposed in the FPTF report involves a 30 year lease of development rights in exchange for a substantial reduction in property taxes. Responses to the LUTC option were divided based on opinions about current taxes, the 30 year contract period, and cost of the program. Overall, only three of the interviewees clearly preferred this program to the PDR program. Interviewees who preferred the LUTC tended to be those who were most concerned with property rights, permanence and restricting their future options and less concerned about their near-term financial situation.

The first question considered in the interviews was whether or not the LUTC provides enough incentive to keep the land in farming. Responses to this question seemed to depend on how the interviewee perceived their current tax burden. The majority of interviewees thought that taxes on farmland are low enough already that a tax break would not be a significant incentive. In fact, several of the smaller farmers either never bothered to enroll or did not know if their land was in Ohio's Current Agricultural Use Value program which provides for lower property tax rates on farmland. As with CAUV, they thought it would be easy for a developer to offer enough to offset the penalty for taking the land out of the program early. Those who favored the LUTC proposal noted that taxes are always a problem for farmers, so tax relief was likely to be effective. As one interviewee said, "That (high taxes causing farm failure) seems like what's happening to a lot of farms. They want to keep farming everything. It's been in the family for years and years. But they can't farm because the taxes are so high that they've been pushed out that way." Thus, despite CAUV, some interviewees thought that taxes are a significant burden. One of the appealing features of the LUTC program as proposed by the FPTF was that it would apply to land and buildings, whereas the current CAUV program applies only to farmland.

The 30 year period for the program also received mixed responses. Several noted that 30 years was appropriate because that was about the working lifetime of a young farmer. Thus, landowners who planned on farming for a long period of time might find this an attractive program. However, the majority of farmers in McKean are older, so they perceived 30 year contract as a burden on their heirs. One farmer noted that the LUTC would place his heirs in "double jeopardy," since they would have to pay inheritance taxes as well as the penalty for taking the land out of agriculture if they had to sell.

Several interviewees noted that the LUTC would cost society less than PDR. However, the cost of the LUTC appears in lost local tax revenues, which seemed to be of greater concern than a statewide tax

because of school funding. The FPTF proposal for a LUTC intended that the losses in tax revenue would be replaced by the state (Litt, personal communication, 1997). This is an example of how the complexity of this program may work against its acceptability.

One farmer's response sums up these reactions to the LUTC proposal: "Either it doesn't have teeth or it restricts me too much for too long." It was hard for farmers to imagine an acceptable penalty for withdrawing from the program that could not be compensated by a developers' offer.¹¹ While this argument may make LUTC unattractive for farmers who are looking at the bottom line, there may be situations in which landowners are more likely to resist offers of development if they are not losing money on their land because of taxes. A significant tax break on land and buildings such as the proposed CAUV may be attractive to a subset of landowners who wish to keep their land in agriculture but dislike the permanence of PDR.

Cluster zoning

The reactions to the Rural Hamlet Overlay District currently being proposed in McKean Township (referred to here as cluster zoning) were much more neutral than were opinions about the other two programs. Perhaps this was because few of the interviewees had plans to develop their land – so having the option to cluster houses on part of the land was irrelevant to their decision making. Those who did plan to sell their land expected to sell to the highest bidder. Therefore, how subsequent development occurred was not of great interest to them.

Nonetheless, all but one of the interviewees felt that the option of cluster development was better than the existing five-acre minimum lot size. Several interviewees noted that it seemed like a sensible approach, in that it gave flexibility without costing anyone extra money. Others called it a "good compromise," allowing a farmer to keep farming but still get his or her money out of the land. As one interviewee noted, "if it's (development) going to happen, I'd rather see it like that than consume the whole place." Another said, "we're not going to stop the growing so that might be a good way to go." The cluster option was seen as a particularly attractive option for older farmers. "I can see a couple of guys (who) would be interested in something like that because they're going to want to farm until they can't walk."

On the other hand, several interviewees doubted that there was any incentive to do a cluster development. Not having had direct experience with open space development, they were concerned that it would not be profitable, that people would not want to live close together in a place like McKean Township, or that the homes would be of lower value than those on five acre lots. As one interviewee said, "To me, I would think it would be more attractive to sell the five acre lots than it would be to put the houses close together and tell the people living there that you're going to have 50 acres across the road that someone's going to grow corn on and you can't use it, but it's going to be sitting there and it'll never have houses on it. Big deal. It doesn't sound any more attractive to me than what we can presently do." Interviewees who held such opinions did not object to cluster zoning as long it is not mandatory. However, they were dubious about the economic viability of open-space designs.

The negative comments about the cluster option primarily had to do with potential conflicts between cluster developments and adjacent farms. Many McKean farmers fear nuisance suits arising from complaints about spraying, noise, or odors from their farming operations. As one farmer said, "We've got 50 acres of woods back there. I'd love to develop that if I had any way to develop it. Cluster housing would be great. But there again, when I do that I better be ready for those people to start complaining about the spraying I do and that sort of thing." Along the same lines, interviewees also noted that having houses on 1.7 to 3 acre lots posed more of a threat to groundwater supplies and of septic system failure than the current five acre zoning.¹²

As with PDR, there were several questions about who would manage the open space and whether they would restrict the farmer's operations. While most interviewees preferred that development rights be held by a private organization such as a land trust or homeowners association, rather than the government, they still had doubts about the permanence of such an arrangement. Such complexities as who would hold the development rights, enforce the no-build restriction and mediate any conflicts with the new neighbors were central to forming an opinion about cluster zoning. One interviewee acknowledged that many of these details would have to be worked out in the planning of each

development, but questioned whether McKean Township had the administrative capacity to carry out such intensive scrutiny of development plans. According to one interviewee, there are three main questions landowners need to have answered about cluster zoning proposals: 1) is it an option or a requirement; 2) can I get more houses on my land with a cluster development; and 3) will I get more money with a clustered development? Uncertainties about such issues have complicated the passage of a cluster zoning ordinance in McKean Township.

Summary of Responses

None of the three tools explored in these interviews was a clear-cut winner or loser. In fact, one of the most interesting characteristics of these responses to the three farmland preservation tools is their diversity. Although many of the interviewees expected that their neighbors would react similarly to these programs, others emphasized the individuality and independence of farmers. The variety of farming operations, family situations and values in this small group of farmers from one township was evidenced by their diverse reactions to the proposed programs. As one interviewee noted, "there is no easy solution. If there was, we'd be doing it." This diversity of responses confirms the idea that no one tool is going to be effective at preserving farmland in central Ohio. It does seem that voluntary farmland preservation tools are unlikely to persuade people who want to develop their land. However, such programs may make it more possible for those who want to preserve their land to do so.

VI. Common Themes

One of the reasons that semi-structured interviews were chosen for this research was to explore the explanations for farmers' reactions to the preservation tools. Several themes that emerged from the responses have implications for implementation of farmland preservation programs. These themes include the conflict between society's needs and individual landowners' rights (the us-them paradox), whether farming is perceived as a business or a way of life, the importance of intergenerational issues, differing beliefs about the future development of McKean, and the impact of education, information and role models on farmers' decision-making.

Us-Them Paradox

The central conflict of farmland preservation is the perceived societal need for a long-term base of agricultural land versus private landowners' rights to decide how their land is used. Many of the farmers interviewed in this study recognized this paradox, expressing the view that "something should be done" to preserve farmland from overdevelopment. The primary reason given was food production, although several farmers mentioned the environmental benefits of farmland over residential development. They suggested a variety of solutions, including: urban growth boundaries, urban infill programs, designating prime farmland as unbuildable and raising food prices. Except for the last option, these solutions all involve substantial restriction of someone's property rights and were acknowledged by interviewees to be politically unfeasible on these grounds. The voluntary incentives proposed by the FPTF are far more modest. Nonetheless, these farmers made it clear that voluntary farmland preservation programs should not involve financial cost to or restriction of choice of the current land owner. The language used by farmers reflects the idea that "someone" should do something to protect farmland, but that nothing should interfere with the "individual's" rights. Given the robust coexistence of these apparently contradictory points of view, it is clear that attempts to educate and persuade farmers further about the societal need for farmland is not likely to change their attitudes toward proposed preservation measures.

Farming as a Business Versus Farming as a "Way of Life"

"Today there are two groups. You either farm as a business or a hobby." – McKean Farmer

Discussions of farming frequently distinguish farmers for whom agriculture is a business versus those for whom it is a "way of life." The interview transcripts were coded for attitudes toward farming to explore the hypothesis that those who are most committed to the lifestyle choice of farming might be more willing to make sacrifices to preserve their land in farming. In fact, there was a spectrum representing these attitudes toward farming. For example, one farmer said the way to farm is "buy a computer and watch the market," while another said, "I've farmed all my life, so what else are you going to do? I don't know what else I'd do." However, most farmers expressed both views of farming. That is, even one of the most business-oriented agricultural operators said that "everybody's out here

because they like it being out in the country. I think if they sit down and think about it or you get them to give you their honest thoughts, they'd like to see it stay the way it is." Conversely, even the self-identified "hobby" farmers noted that they would have to look at the numbers carefully before considering accepting an offer of PDR.

Similarly, there did not seem to be a correlation between the size of the farm and the desire that the land be preserved. The difference may be that the larger, more business-oriented farms have already incorporated or taken other measures to keep their farm together after they retire or die, whereas smaller farmers had not generally considered such measures. This issue is discussed further in the section on intergenerational issues.

Although even the most idealistic farmers did not claim that they were willing to sacrifice financially to keep their land in agriculture, several of them have in fact done so. That is, much of the land in McKean is already more valuable as residential property than for agricultural uses. Several interviewees reported turning down offers from developers. This implies that farmland preservation programs should be clear about whether they are trying to make it more financially attractive to preserve than develop or if they are simply making it possible for those committed to preserving their land to do so. For example, PDR programs usually target large tracts of land. However, as mentioned above, more business-oriented, larger farmers may already have taken steps to keep their farms intact without government subsidies or restrictions. These issues should be explored further to help project whether farmland preservation programs are being aimed at groups of farmers that really need them.

Intergenerational Issues

The choices farm families make as land is handed from one generation to the next are critical to farmland preservation (Small, 1992). This is a significant issue in McKean because so many of the farmers and landowners are older. Numerous comments in the interviews reflected how the demographics of the township are determining its development:

"I think in McKean, more than a few people you're going to talk to will say they don't buy green bananas because they don't know if they're going to be around tomorrow."

"Last year we had 6 burials and this year we've had 11 already."

"I'll tell you, a lot of older guys, I know several who have died. Their kids just come in like vultures and rip the place up and start throwing lots on it. It kind of makes me sick, but people are paying good money for it, and they have no interest in farming."

Several of the interviewees had already established a business partnership with the next generation, but even those who had no concrete plans talked a lot about giving their land to their children. In fact, it seemed that the desire to keep the land in the family was stronger than the desire to keep it agricultural. As one farmer said, "if my kids want to farm or come back, I can see us expanding quite a bit and buying quite a bit more ground...You know, if the kids don't come back or want the farm, don't want to raise hogs, or whatever, my goal upon retirement is to sell it by the square foot."

Despite this focus on inheritance issues, very few of the farmers have well-developed strategies for passing their land to their children. Various reasons were given for this lack of planning:

"We raised our kids right, so I know it will be farmed."

"Well, we're (worried) enough that we talk about it and we've done some things. We've got to get more estate planning done. I think that's important. (My husband) doesn't think it's as important as I do."

"Probably (I will) procrastinate to the point where I fall over and it gets willed to somebody. That's probably the most realistic but maybe not the most practical."

"My personal opinion, I'll probably keep this here until I'm dead. My kids can worry about it."

Thus, there seems to be a gap between the awareness of how inheritance taxes can work against a landowner's desires and taking action to avoid these problems. This observation does not bode well for voluntary programs that require additional planning, proactive decision-making and commitments by farmers. Nonetheless, the high awareness of intergenerational issues may mean that provisions in farmland preservation programs that help pass land from one generation to the next may enhance their attractiveness. As one farmer suggested, "as a matter of fact, if you ask me what one thing should be included in any of these programs for the preservation of farmland, that might be it, the inheritance tax aspect." This also suggests that efforts to educate landowners about farmland protection programs should emphasize how they will affect inheritance scenarios.

Beliefs about future development of McKean

As the transcripts were analyzed, it became apparent that interviewees had diverse expectations about the future development of McKean Township. One group of interviewees acknowledged that McKean is already feeling development pressure and that it is likely to increase soon. One interviewee noted that a lot more land will come on the market soon because of the aging population of current landowners. As noted above, several McKean farmers had already received and rejected offers from developers. One hog farmer noted that development on land he was currently renting to grow feed might soon mean that he would have to truck in grain.

This group tended to dislike five-acre lot agricultural zoning. Some reported having experienced this development pattern elsewhere and noted that five-acre zoning does not in fact protect agriculture. Others noted that it takes almost as much machinery to keep up five acres as 50 and that many of the new residents are unprepared for the amount of effort it takes to maintain that much ground. As a result, some of these new residents "put the house on a quarter of an acre and the four and three-quarters goes to pot."

A second group of interviewees did not think McKean is facing imminent development pressure and that existing regulations were sufficient to protect farmland. As one interviewee said, "I don't foresee them wanting to develop clear out here anyway." This group seemed to base their vision of the township's future on the existing road frontage. Because of the five acre, 250 feet of frontage minimum lot size restriction, there are limited places left in the township where new lots can be created without constructing new roads for developments. As one interviewee said, "If you develop the road frontage and the back is left for other uses, then maybe that solves the problem as best we can solve it. It may not be as nice as we like it, driving up and down the roads and seeing houses, houses, houses, but the ground behind it is open, and we do have a little bit of open areas left." Thus, this group seemed to be basing their perception of a realistic "build out" for McKean on the assumption that no new roads would be built to open up the back of existing parcels for development. Some of these people added that development in McKean would not be of great concern in any case because the farmland is not as productive in other areas. Others noted that encroaching residential developments are good for some kinds of agricultural operations, such as fruit stands and Christmas tree farms.

With the small sample of farmers interviewed, there was no clear correlation between perception of development pressure and support for PDR and LUTC; this would be an interesting question to explore in future research. However, it was clear that those who had experienced suburban development elsewhere and had moved to McKean Township to escape it were more proactive in their attitudes toward protecting farmland. These fundamentally different beliefs about future development in McKean did seem to influence interviewees' attitudes toward the cluster zoning proposal. Several interviewees noted that overall support for zoning has increased enormously since it was introduced 10 years ago. The gradual acceptance of past zoning proposals implies that further education, successful examples of cluster housing, and more evidence of imminent development in McKean would all increase support for cluster zoning.

Education, information and role models

This study found a wide range of levels of education about proposed farmland protection efforts. When asked about where farmers get most of their information, interviewees mentioned the Ohio Farmer magazine, newspapers (the *Granville Sentinel*, the *Advocate* and the *Columbus Dispatch*) and the Farm Bureau. While these sources reach many farmers, the level of information provided is not sufficient for them to judge whether or not they would want to enroll in the programs being

proposed. It was clear that the single most important and persuasive source of information is other farmers with similar operations. Seeing other farmers or landowners use innovations seems to be important for increasing farmers' acceptance of new ideas. Unfortunately, in a farming community as diverse as that in McKean, where there is no "critical mass" of similar kinds of farms, the traditional network of farmers cannot be counted on to widely distribute information.

This gap in information sources implies a critical educational role for the sponsors of farmland preservation programs. The interviews revealed several features that will be important to any educational strategy. First, farmers demanded a very fine level of detail about the programs, such as how they related to existing agreements about mineral rights, what precise penalties for early withdrawal would be, and who would hold and enforce development rights. They were unwilling to form judgments about the overall concept without having such details. This implies that all of the details and sources of information must be carefully worked out before farmland preservation proponents go into the community to build support for these programs. This also indicates that it will be important to have specialists with the time and resources to work with individual farmers. Second, many of the proposed farmland preservation programs have no local precedent. It is hard for farmers to picture a cluster development working well when all they have read and heard about implies that there might be conflicts with their new neighbors. Collecting and disseminating local examples of farmers who have participated in these types of programs may be very useful in persuading others to adopt such voluntary measures. It may be worth sponsoring pilot cases as examples of how these programs can work for landowners in different situations.

Third, the widely expressed distrust of government has implications for who could most effectively promote voluntary farmland preservation programs. An independent group like AFT is one option; however, several of the interviewees expressed distrust of the AFT and its extensive involvement with the Ohio FPTF. Perhaps the ideal vehicle for education about farmland preservation options is the farming community itself. Our research has shown that defining a "farming community" in a developing township is a challenge, however. The larger farmers only count other full-time large farm businesses as farmers. Even among the larger farmers, those with different kinds of operations (grain, dairy, tree farms, etc.) did not seem to communicate extensively. In addition, hobby farmers, part-time farmers and large landowners who rent farm ground are also important to farmland preservation. Many of the people in these categories interviewed for this study did not belong to the Farm Bureau or other agricultural organizations. All of these factors should be taken into account in designing a strategy to promote the voluntary incentives for farmland preservation. The kind of educational forum that is most effective is also important. For example, we felt that much more two-way learning occurred during the in-depth interviews with farmers than during public workshops and group meetings.

VII. Future research: Information for Implementation

This research suggests several future studies to inform farmland preservation efforts in McKean Township, in Ohio, and beyond. Below, several ideas are discussed for future studies on McKean Township, farmland conversion in Ohio, how the proposed programs could be promoted and evaluation of the progress of these programs. This information would be invaluable to designing an effective educational strategy for promoting voluntary incentives for farmland preservation.

McKean Township

The unfolding of farmland protection programs in a single township or county is certainly unique. However, examining the political, social and educational dynamics that operate at this scale is invaluable for predicting and evaluating the implementation of farmland protection. With this in mind, there are several further areas of study that should be pursued in McKean Township. First, a detailed case history of the effort to adopt a Rural Hamlet Overlay District (cluster zoning) would document the potential misconceptions and concerns about land use planning changes. Second, it would be useful to examine the assumptions about future development of the township discovered through the interviews. For example, an analysis of potential buildout based on both existing road frontage and assuming that new roads are built might help residents envision the possible futures of their township. Similarly, it would be useful to know whether in fact development has been occurring on prime farmland or on less desirable lands. This question might be addressed through a spatial analysis of recently developed lands in the township. It might also be useful to examine the widely-held belief that new owners of five acre rural lots are soon overwhelmed by maintenance

issues through a survey of new residents. And, third, to set this case in context and to judge how relevant it is to regional planning efforts, it would be useful to have a comparison of the farming, economic and cultural characteristics of McKean Township with surrounding areas. These studies on McKean would be useful to developing a model educational/promotional program for farmland preservation in townships in central Ohio.

Additional Information on Farmland Conversion in Ohio

While this detailed information on McKean Township would be useful for understanding perceptions of farmland preservation strategies, this research also indicates the need for answers to several questions on a statewide basis. Interviewees had direct or implied questions about precedent, legality and practical experience with several of the proposed measures. These questions included:

1. What is needed to establish a local farmland trust? What is their long-term success rate in the state? How could the state facilitate the development of farmland trusts in rural areas?
2. What is the history of nuisance suits/complaints about farmers? Do they increase with new neighbors? Are they correlated with cluster development?
3. Have there been constitutional or private property-based challenges to upzoning or cluster zoning programs in the state?
4. Are there cases of deed restrictions or easements to preserve agricultural land in the state?
How has this easement worked from the farmer's perspective in the long run?

As suggested above, compiling these answers and experiences is essential background for an educational strategy to promote farmland preservation.

Informing an Educational Strategy

In addition to the background information suggested above, there are several other kinds of information that would help design education to promote farmland protection programs. First, before promoting farmland protection programs, it is important to thoroughly define and understand the implications of each program. While this may seem like an obvious statement, we found that the level of detail requested by farmers and the complexities they proposed were beyond what we had anticipated. For example, under the LUTC program, how would renovations or additions to existing buildings be taken into account? The most crucial questions about the three programs we investigated are reported above in the results section.

Second, it is important to fully understand the perceptions and realities of estate planning. It would be interesting to further explore the idea that it is more important to many landowners to keep the land in the family than in farming. Some related questions include:

1. Is there a correlation between landowners' desire to keep the land in agriculture and their estate planning?
2. Is there a basis for the perception that much of the land conversion in this area occurs when a farmer retires or dies?
3. Are conversions necessary because of inheritance taxes or the preference of the owners?
4. What are the perceptions and desires of the children's generation compared to the current owners?
5. In what percentage of cases would sound estate planning really make a difference for protecting the landowner's wishes?

Depending on the answers to these questions, a significant portion of a farmland preservation program might be devoted to providing resources and support for estate planning.

Third, a better understanding of the characteristics of diverse Ohio farmers and their perceptions of these programs would be useful. It might be useful to quantify the characteristics of farmers who support the different options for farmland preservation. Especially in the rapidly changing agricultural

communities near metropolitan areas, a better understanding of the information networks that different kinds of farmers rely on would also be important for designing an educational program.

Evaluation of Farmland Preservation Programs

In planning the implementation of farmland preservation programs, it is helpful to look forward to how these programs might be evaluated. Based on our research, these are the most interesting questions to investigate:

1. Who in fact enters various kinds of voluntary farmland protection programs and what are their motivations? What characterizes the preserved land in terms of economic productivity, scenic/community value and environmental impact?
2. Is it possible to model the diffusion of protection measures such as conservation easements? What is the importance of various sources of information in this diffusion, including state agencies, non-profit organizations, farm organizations and local role models?
3. What is the fate of land that is "protected" by a conservation easement? Is it actively farmed? If so, are there any changes in the kind of farming that takes place?
4. What are the implications for environmental sustainability? In the short term, is there a tendency to adopt more environmentally sustainable practices, and if so why? For example, does the proximity of new neighbors and the potential of health risks reduce pesticide use? In the long term, is farmland preserved in large enough blocks to preserve significant food-production capacity in the state?
5. How well is the farmland preservation program achieving the goals of protecting Ohio's economy, environment and community structure? Which of these goals is prioritized by which groups and how does that affect perceived success of the program?

Evaluation of farmland protection programs would provide useful feedback in the ongoing development of these programs. It would be prudent for the new program in Ohio to plan in advance for various kinds of evaluation and feedback during its implementation.

VIII. Conclusion

This study has shown that, while there are no unanimous biases for or against any of the three programs discussed, there is a wide variety of attitudes toward and questions about these programs. In order for voluntary incentives to effectively preserve farmland, the owners of agricultural land need to be made aware of the programs, convinced that the programs are advantageous for their situation, and helped to carry out the necessary steps to enroll their land. As noted above, the distinction between helping people who want to preserve their land to do so and convincing those who are not predisposed toward preservation is significant for farmland preservation policies. Thus, this research raises an important question for farmland preservation: "Whose land we are trying to preserve?" Most of the farmland preservation literature refers to farmers as a homogenous group. However, this small sample of farmers from a single township in central Ohio shows great diversity in kinds of operations, situations and attitudes of people who currently own or farm land in this region. Since the distribution of these types of farmers is likely to vary from one township to another, understanding the local farming community is critical to developing locally effective strategies for promoting farmland preservation. Statewide, the success of voluntary farmland preservation measures will depend on the programs' ability to reach diverse groups of landowners at the local level.

The question of whose land will be preserved brings us back to the original question, "why preserve farmland in Ohio?" While the FPTF lists many reasons for preserving farmland, including economic, environmental and social, it does not clearly prioritize these goals. Different goals for preservation are implied depending on which of these factors is most important. For example, the farmland preservation movement implies that protecting family farms is most beneficial for all three reasons, but the current proposal for PDR would not exclude factory farms on protected lands. Thus, the PDR program proposed in the FPTF would not meet the specific goal of preserving family farms. Because of the diversity of farming operations that could be affected by farmland preservation programs in Ohio, it is crucial that the economic, social and environmental implications of different *kinds* of farming operations be taken into consideration as the farmland preservation program is implemented.

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Appendix A

Letter sent to prospective interviewees.

May 28, 1997

Name
Address
City, ST ZIP

Greeting,

Many people in central Ohio are interested in the topic of farmland preservation. The Governors Farmland Preservation Task Force was set up to recommend voluntary programs that would encourage the preservation of farmland. We are exploring the reactions of selected farmers and landowners in McKean Township to these proposed programs. As many of you know, the Environmental Studies Senior Capstone Seminar at Denison University recently completed a semesterlong project on farmland preservation which focused on McKean Township. The students involved in this project investigated many options for preserving farmland in McKean and Licking County as a whole, and the seminar concluded with a community workshop that several of you attended. Thank you very much to all that did attend, and also to those of you that our class contacted throughout the semester. We all learned a great deal from the experience, and it has prompted us to continue exploring these important issues. This summer, we are conducting a small followup project on farmland preservation in McKean Township. The two researchers are Emily Elsom, Young Scholar, and Dr. Katrina Smith Korfmacher, Assistant Professor of Environmental Studies. Because you, as residents, play an important role in the future of McKean Township, we are interested in your reactions to various voluntary programs to protect farmland being proposed by the Farmland Preservation Task Force. In order to learn more about what you think of these programs, we hope to conduct short, 20 to 30 minute interviews with each of you. We hope you are willing to talk with us to share your knowledge and opinions. We will be calling you in the next two weeks to set up an interview time. These interviews will be confidential and will provide the primary basis for our findings. Thank you in advance for your valuable input and time.

Sincerely,

Emily Elsom
Young Scholar

Katrina Smith Korfmacher
Assistant Professor of Environmental Studies

Appendix B: Farmer Interview Guide

I. Introduction

I'm working with Dr. Katrina Smith Korfmacher from the ENVS Program at Denison. We're doing a small project on farmland preservation in McKean Township, and we're interested in getting farmers reactions to some of the farmland preservation options proposed by the state FPTF. There's been a lot in the news recently about this issue, but not many people have talked to farmers about how they feel. We're hoping to interview all the farmers in McKean Township to get their feedback. What I'd like to do today is get a really brief background on the type of farm operation you have, then talk about what you think of three of the proposed programs, and finally get a sense of what you see for the future of your farmland. Hopefully, the interview will only last about 30 minutes.

II. Background Questions:

What sort of farm do you operate?

Which crops or livestock? How many acres do you lease or own? Are they all in McKean? Is your land in CAUV? How long have you been farming? How long has the farm been in your family? How many family members work on the farm? Do you hire other people? Do you work off the farm?

Can you give me a brief history of your farm and any major changes in its operation that you have experienced recently? Where do you sell your crops? Do you belong to any agriculture-oriented organizations? Do you have any legal entities set up? Do you have insurance so that estate taxes will be avoided?

Transition: Now that I have a good background on your farm, can we talk a little bit about the FPTF? Do you know what it is? Have you seen things in the paper about the FPTF? How closely have you been following that? What do you think of it?

III. Reaction to Specific Programs

Great, specifically, I have three programs to ask you about:

1. Purchase of Development Rights
2. 30-year Land Use Tax Credit
3. Cluster development/ Rural hamlet zoning

General Questions:

Have you heard of this program? How well do you feel you understand it? (go over background sheet)
Now I'm going to ask you to rank this program 1–5 on the following questions.

Could you please elaborate on your rankings. If you feel this is not a good program, what needs to be changed about it for you to be willing to participate?

For PDR: What if you only got \$2,000 instead of the anticipated \$3,000? Would you be willing to make some monetary sacrifice to preserve your land in this way? What if it were a 30 year lease instead of an outright purchase of the rights? If funds for this program were not available, would you voluntarily enter your land in a conservation easement?

For Tax Credit: Do you think 30 years is a reasonable amount of time? What would be better? Are rising taxes a big enough concern for this program to be an incentive to farmers? Would you enter this program even if it were just a tax freeze with no tax break? Do you agree with penalties for non-compliance or early withdrawal?

For Rural Hamlet: By allowing you to put the same number of housing lots on your land, is this a good alternative to conventional development?

IV. Last Question

Can you give me a sense of your future plans for your land? What sorts of things are you considering in your decision? Can you give me a time line for what you think will happen in the future? What is a realistic scenario for the future? What would be ideal for you and your land? What do you think the solution is?

Farmland Preservation Task Force

This is a 21-member panel of interested parties set up by the governor to recommend ways of preserving farmland throughout Ohio. Task force members include government officials, lawyers, home builders, chambers of commerce, farm bureaus, planning agencies, The Nature Conservancy, OSU, AFT, etc. The task force was formed by the governor to search for incentives to preserve Ohio's farmland resources. Their mission is to recommend ways to protect our state's land and future economic development.

Purchase of Development Rights

A program where a landowner voluntarily sells the development rights to his/her land to a government agency or a private organization. The landowner essentially exchanges the right to develop for monetary compensation. The purchaser provides funds to match the difference between the agricultural value of the developable value of the land. The farmer can still farm the land. Selling development rights does not mean selling the land. For instance, if a farmer wanted to put up a silo, they could still do that. This just means that no commercial, industrial, or residential development is allowed on the land

Example: The FPTF is recommending that money be collected at the state level to pay the difference between the sale of land for agriculture and development in order to allow farmers to continue farming. If land can be sold to another farmer for \$1,000 an acre, but is worth \$3,000 an acre to a developer, the fund would pay the farmer the \$2,000 an acre difference in exchange for the development rights to the land. That way, the farmer would get the \$2,000, continue to farm and receive those profits, and could still sell the land to another farmer in the future for the remaining \$1,000 an acre.

30-year Land Use Tax Credit

This program is being proposed by the FPTF. It would offer a tax credit based on property taxes in

return for a 30–year easement on a person's land. Landowners must be eligible for current CAUV programs to participate, and they must agree to a 30–year conservation easement on their land. A conservation easement is similar to a purchase of development rights program because the farmer gives up his/her development rights to another organization but is still able to retain the use of the land. In return for this easement, the property taxes on that land would be frozen at the time the property enters easement for a period of 30 years. The landowner would also receive a tax credit of about 50 percent of the total property taxes for 30 years. The calculation of property taxes under this program includes land and buildings.

Example: If current property taxes are \$1,000 per year, a farmer entering this program would pay \$500 a year for the next 30 years. As taxes increase, the farmer would presumably be saving more and more money each year. There would be penalties for early withdrawal from the program.

Proposed Rural Hamlet Overlay District

This new zoning district is currently being proposed as an option in McKean Township. The purpose of the district is to maintain the same overall housing density as in the ag district, while assuring that space for natural areas and farming is preserved for present and future generations. The boundaries of the overlay district would be the same as the ag district. This overlay is an option for any single–owner parcel of land over 50 acres. Under the overlay district requirements, the owner is permitted to put up neighborhood housing clusters, single–family residential dwellings, farming utility and service buildings, or recreational areas on his/her land.

Within the overlay area, the minimum lot size will be 1.7 acres, but the total number of houses allowed shall be the same as that in the ag district. So, the same number of houses will be permitted, but they will be clustered onto a small section of land so that the remaining land can be used as open space or farmland. There is a requirement that a minimum of 50 percent of the land be left open after deducting primary wetlands, 100 year floodplains, land with slopes exceeding 25 percent, and land for street rights–of–way. The location of this open space will be guided by maps of the township showing hydrology, land uses, prime farmland, historic features, etc. Finally, the land left as open space or farmland must be placed under a permanent conservation easement so that further development is prohibited. The easement will be held by the township, a recognized land trust of conservancy, or a homeowners association.

Footnotes

¹ Statewide, Ohio lost 1.16 million acres of farmland between 1982 and 1992, which corresponds to 16,223 farms and 5 percent of the state's agricultural land (American Farmland Trust, 1997). [Back to Text](#).

² According to Census of Agricultural data, Ohio made up around 2.4 percent of the nation's total market value of agricultural products sold (American Farmland Trust, 1997, <http://farm.fic.niu.edu/fic/agbase.html>). Reviews of existing farmland preservation programs show that they frequently are more successful at preserving open space than farmland (Daniels, 1997). [Back to Text](#).

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⁴ Statistics taken from *McKean Township Comprehensive Plan: Looking Ahead to 2020* (Licking County Planning Commission, Newark, Ohio, 1997). [Back to Text](#).

⁵ As noted above, in order to represent as many relevant perspectives as possible, this list includes several landowners who do not farm themselves but rent their tillable ground and one retired farmer. [Back to Text](#).

⁶ For various reasons, it was impossible to reach and/or complete interviews with four of the farmers on the list. [Back to Text](#).

⁷ As of July, 1997 the cluster zoning proposal in McKean Township was called a "Rural Hamlet Overlay District." The details of the proposed McKean Township RHOD were provided to interviewees. This option is referred to here simply as "cluster zoning". [Back to Text.](#)

⁸ The extensive experience with PDR in other states has not shown any indication of such a problem. [Back to Text.](#)

In fact, PDR programs usually operate in agricultural zones to insure that "critical masses" of farmland are preserved. Although the FPTF recommends agricultural districts, this feature is seldom emphasized in descriptions of it in the popular press and was not familiar to the interviewees. [Back to Text.](#)

¹⁰ There is nothing in the FPTF report's definition of the PDR program that would restrict factory farming on "preserved" land (FPTF, 1997). Such a restriction could, however, be accomplished by specific deed restrictions. [Back to Text.](#)

¹¹ One interviewee made an analogy to selling land out of the CAUV program. In this case, the penalties for withdrawing the land are commonly included as part of the closing costs of the transaction. [Back to Text.](#)

¹² County health department regulations would restrict lot sizes based on the suitability of soils for septic system and tests of groundwater recharge rates for wells. However, educating interviewees about such regulations did not ease their concern that these systems would fail eventually. [Back to Text.](#)

Views expressed are those of the author(s) and not necessarily those of the American Farmland Trust.

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