

## Minutes

Portage County Farmland Preservation Ad-Hoc Steering Committee  
Thursday, February 12, 2015, 6:00 p.m.  
Buena Vista Town Hall  
6684 County Road BB, Bancroft WI 54921

Committee Members Present: Paul Cieslewicz, Tom Domaszek, Patty Edelburg, Gale Gordon, Stewart Higgins, Chris Holman, Barry Jacowski, John Jazdzewski, Dale O'Brien, Paul Onan, Larry Raikowski, Tony Whitefeather, Jacqueline Wille

Members absent: Layne Cozzolino, Ron Hensler, Doug Nelson, Paul Roberts

Staff/Advisors Present: Sarah Wallace, Steve Kunst, Steve Bradley, Patty Benedict, Planning and Zoning Department; Nathan Sandwick, UW-Extension

Advisors absent: Jeff Schuler, and Ken Schroeder

Others Present: Joe Firkus

### CALL TO ORDER

The meeting was called to order at 6:00 p.m. by Chair B. Jacowski. He thanked Cieslewicz and residents of the Town of Buena Vista for allowing use of their Town Hall.

1. Members of the public who wish to address the Committee on specific agenda items must register their request at this time, with such comments subject to the reasonable control of the Committee Chair as set forth in Roberts Rules of Order. No one registered to speak.
2. Review/Approval of Minutes from the January 29, 2015 meeting - Motion by Cieslewicz, second by Raikowski to approve minutes as presented. Motion carried by voice vote.
3. Review and Discussion on the Draft Farmland Preservation Plan Text – As noted in the memo included in members' packets, Kunst pointed out that a website has been created for the Farmland Preservation project. All meeting materials, any pertinent news and information will be shared. A list of committee members has been posted. He encouraged everyone to access the website and share with interested parties.

Kunst referred to the staff's first draft of the layout of the Farmland Preservation Plan. He reviewed the various sections and welcomed questions and comments from the committee.

INTRODUCTION – This section includes background information on the program and plan, a history of agriculture, and begins to describe the current agriculture picture in Portage County. There is some information regarding the 2009 Working Lands Initiative (WLI). Background text from the 1985 Farmland Preservation Plan is included as this is the current document advising the County Board of Supervisors on the preservation of agriculture.

THE HISTORY OF AGRICULTURE IN PORTAGE COUNTY – Information in this section was found through a variety of resources. A book written by Malcolm Rosholt, "Our County, Our Story", as well as a book titled "Land and Lumber", was used for information on Portage County's early stages and how things have progressed.

Wallace mentioned discussions at the previous meeting describing how agriculture has changed throughout history. She referenced the Timeline of Agricultural History on page five and asked for comments on completeness and accuracy. Wille suggested including rural electrification in the timeline.

Kunst talked about the role geography plays in where agriculture is located. The eastern part of the county has good soils for agriculture, with many rock formations, trees, and non-farm developments; the western part is productive for agriculture, but water issues can cause limitations; and the Central Sands, which is suitable for vegetable production.

Staff searched for available data to describe the current picture of agriculture in Portage County. The U.S. Department of Agriculture (USDA) Ag Census is considered the most readily available and reliable source and is where the figures in the chapters are from. Kunst distributed copies of a UW-Extension publication summarizing agriculture economic impacts, which will be included in the plan at a later time. To calculate acreage utilized for farming, staff started with the total acres in the county and subtracted the urbanized areas. Using the USDA definition of a farm, approximately 57% of the rural landscape remaining is farms.

Kunst referred to the table on page seven containing figures on the number of farms, land in farms, and cropland. From 1954 through 1997, there was a decline in the number of farms. In 2002, there was a spike in the number of farms and acreage. He asked for possible explanations. Holman said he researched how the USDA was collecting data and found in a report that they had shifted their methodology. The way they counted individual farms changed and smaller farms that were not counted previously were included. He noted that even though the number of farms increased in 2002, it declined again. Around that time, Domaszek said there was a push in rural housing. People purchased 20 to 40 acre tracts of land, constructed outbuildings, and sold \$1,000 in products, meeting the definition of a farm. B. Jacowski believes farm use tax law went into effect around that time. Wille added it became profitable to be identified as a farm. Higgins said farms were also being divided into smaller farms. It was pointed out that the number of acres increased by nearly 30,000 acres from 1997 to 2002. B. Jacowski added there were farms that did not report their cropland. Holman said looking at Waupaca County's draft plan, they experienced an increase during the same time. Edelberg stated the use value tax law was written in 1995. It was originally planned to be phased from 1998 to 2008.

Jazdzewski said many farmers have lived and witnessed the most dramatic changes in agriculture from the 1960's until recently, partially due to advances in technology.

Kunst said farm consolidation appears to be a trend. He noted that cropland has grown only eight percent since 1974 and land in farms decreased three percent. Kunst asked what this means for the future. Can this trend continue for the foreseeable future? Will 150 acre farms no longer exist? B. Jacowski said it is economics driven; he does not feel it is possible to make a living on 150 acres.

In the 1950s, Gordon said ag economics indicated 10% of the farms produced 90% of the food. Over the years, with growth and consolidation, statistics indicate those figures are still valid. Whitefeather stated the fresh organic vegetable market has grown between 20% and 26% since the mid-1990s. He sees a lot of interest in agriculture production from younger people. Holman said it is an easier access point for some young farmers because they do not have to purchase as much land and different markets can be targeted. He also believes consolidation will continue to happen. Sandwick said those kinds of valuable details can get lost in the averages.

Kunst referred to page eight, which shows that while the number of small farms may be declining, there is more growth in farms of zero to 49 acres than the larger acreage farms. In the 1985 plan, hobby farms are referenced. Whitefeather said it is his opinion, if more than half of the income is from agriculture, he does not consider it a hobby farm. After discussion, it was decided to refer to smaller operations as small scale or direct sales or direct farm market. Wille suggested the term recreational farm for those operations that are for enjoyment versus income producing. Onan said many small farms derive more than half of their income away from farming. Kunst said that is true for most farms. Wille said it is common for women to work off the farm and carry the health insurance.

Kunst said that 87% of the farms in Portage County are run by individuals or families. The majority of the corporations are family held or LLCs, which is mostly true in Wisconsin, but not in other parts of the country.

Kunst referred to the table on page nine regarding operators. He said the Ag Census identifies operators and principal operators. Principal operators are considered leads and there can be more than one per operation. Twenty eight percent of operators are women. The average age of principal operators in 2012 was 57, up from 55 in 2007. Kunst mentioned succession planning. Who is next? Will the farm stay in the family? Is consolidation a driving factor? Domaszek said Ag News Today reported the age of the farmer has increased. He guessed it is closer to 59.

Onan said succession planning has been talked about more the last few years. Holman asked if USDA has data on junior operators, whether they are family or other. Higgins said most farmers in their 60s have someone waiting to take over their operation, and doesn't see consolidation on a large scale in this area. B. Jacowski feels the consolidation has already happened with vegetable operations, but may occur with dairies. Because acres are limited, farmers look to accumulate acres. Wallace asked if members see competition over available acreage as an issue in the future. Is there a threshold where it is not economical? Jazdzewski said it is price driven and can differ from year to year depending on prices for milk, crops, animals, etc. The amount of debt is also a consideration. Farmers with large numbers of animals need to have feed and often have it trucked in from out of state. When it comes to dairy, quality feed is important and larger operations cannot afford to be dependent on local production.

Wallace asked if the cost of land, whether for sale or rent is consistent across the county. B. Jacowski said there are large fluctuations based on irrigated or non irrigated land.

Kunst said the data to be included in the plan and an explanation of what the data means, along with goals and policies will give a picture of the final plan. In order to develop the goals and policies to help promote agriculture, issues, concerns, and challenges, as well as things that are working well need to be discussed by the committee. These conversations will help staff develop issues and opportunities for the committee to respond to.

Onan said when corn prices are high, marginal acres are brought into production. When prices are lower, those acres are used for other crops or the land sits idle. Edelberg said the price of planting and harvesting can be higher than the price received for the crop. Holman said you would think when prices are low, rental prices should be lower, but that is not the case. Edelberg said land may have long term leases which were signed when crop prices were higher.

Sandwick asked how much flexibility farmers have in choosing what to plant. Jazdzewski replied farmers can choose whatever they want to plant. Soil inputs are a consideration. The closer to planting, there is less flexibility. Edelberg said it depends on the type of farmer. Dairy and livestock farmers plant what they need to feed. Farms with row crops can plant whatever they choose. B. Jacowski added the weather, soils, and commodity prices are factors. If it is too wet to get into the fields early enough to plant corn, you may be able to put in beans. In the sand areas, there is more flexibility. O'Brien said crops must be rotated, with options of potatoes, corn, sweet corn, and green beans.

Jazdzewski stressed that the county and state shouldn't interfere with what farmers want to do, but make it possible to farm. Wallace assured the committee that is not the intention of the county or state. The intent of committee meetings is to have discussions, and get information and ideas from members on what should be included in the plan. She referred to the text from the current plan adopted in the 1980s, which was included in the meeting packets. It is up to the committee to decide whether the conclusions are the same or should be different. The questions asked of the committee help develop the direction and offer suggestions to think about. Kunst said Jazdzewski's concern about county and state interference can be written into the plan. He reiterated that the discussions help staff determine and organize what members want in the plan and will help develop the county policies to enhance agriculture, while meeting the state's requirements. It is up to the committee to decide how simple or complex they want the policies to be.

In the current plan, Jazdzewski said one of the driving factors was the tax credit program, which is no longer valid. Kunst said wanting to collect the tax credits can be one of the reasons to be in the Farmland Preservation Program, but it cannot be the only reason. More explanation will follow.

Jazdzewski wants to make sure the small tract farms are included in the thought process in developing the plan.

Kunst asked what other statistics need to be included in the plan to cover what agriculture is in Portage County. Portage County is unique in scale and the variety of agricultural options, from productive smaller scale direct sale operations to large vegetable operations. Being actively involved in agriculture, committee members are most knowledgeable about the different needs and concerns to be addressed.

4. Discussion of Farm Operations - Reviewing, Kunst said the type of varied land being farmed, the number of farms and land in farms, and the people involved in the farms has been covered at this meeting. In addition to vegetable production, dairy, and livestock, what are other products, and how are they produced? Seeds, planting, harvesting, processing, transportation, land, people are necessary. What are other essential components needed to be involved in agriculture? Members responded bankers, equipment, buyers, and fertilizer.

Wallace said to take into consideration the distance and availability of equipment, supplies, processors. She asked members to think about what it takes to run their operation and describe needs, barriers, limitations, services that are outsourced, and effects on the local economy.

Edelberg said there are few coops to buy feed from based in Portage County. There is one small feed mill in Arnott, which serves the small scale farmer. Wille mentioned there is ADM.

Jazdzewski said the businesses are market driven. Wallace asked if farmers focus their business based on what is available.

Because of environmental rules, Gordon questioned how and where livestock and dairies may be allowed to locate, produce, grow, or maintain size. Citizen attitudes and political decisions weigh heavily. He believes nutrient management plans will be required on all crop acres, not only associated with dairy and livestock operations. Water quality and quantity will have tremendous public impacts. Wallace said Portage County is not as active in livestock siting as other parts of the state, and asked how they see that in the future. Gordon feels the trend is toward more agency control and regulations.

Wille said, especially for dairy and livestock farms, land is needed to spread animal waste. She also believes nutrient management plans will be required on all cropland, which will determine yields and may affect the price of food in grocery stores. Jazdzewski said regulations dictate how much waste can be spread per acre, and spreading is limited in winter.

Especially for small scale farmers, Jazdzewski said whatever can be done to increase the value and life of a product adds to their bottom line. He believes entrepreneurs developing processing and marketing businesses should be encouraged countywide.

Regarding livestock siting and confined animal feeding operations (CAFO), B. Jacowski said the conflict hasn't occurred yet in Portage County because dairy operations haven't expanded to a great degree. He believes dairy operations will be looking to locate in the sandy soils to have land to spread manure. He added that manure could be used versus spreading chemical fertilizers. Wille added city waste also needs a place to be spread. Onan said the Fox Valley is spreading sludge in his area.

Onan stated the County Executive's key focus is on groundwater, and vegetable crops are groundwater dependent. Jazdzewski gave an example of a farmer west of the river that tiled his fields and irrigates. Any water the plants don't use is recaptured in his ponds. Regarding irrigating and groundwater, he said farmers are not going to harm the water their family drinks. Regarding nutrient management plans, he said all farmers manage the nutrients going on their crops, whether or not they have a formal plan that meets state requirements. Farmers must manage credits, whether through manure or fertilizer application or they won't be farming long. Edelberg added farmers don't spend money just to spend money.

Jazdzewski said the Farmland Preservation Plan is meant to protect areas that can be farmed and reduce conflicts with government and neighbors. Wallace pointed out the current goals and policies contain those views.

Wille said to keep farmers going, they need suppliers, someone to maintain and service equipment, help with harvesting, and provide transportation to processors. Roads strong enough to handle equipment and trucks are needed.

In the 1970s, Gordon said the corners of fields that were not reached by irrigation were often sold and homes were built. At the time, conflicts between farm and nonfarm were unforeseen, but issues became apparent.

Onan said reducing agriculture to its most basic level, energy from the sun is used, and converted, with the use of water, fertilizer and land to produce a product that is saleable to

someone else, whether milk, vegetables, alfalfa, hay, etc. B. Jacowski noted the product does not need to be saleable, it could be used to sustain a family.

Sandwick referred to the age of operators. One of the strengths of having older operators is the length of experience. Jazdzewski noted secondary operators also have experience. Edelberg said there are people entering the agriculture field after working at other professions. B. Jacowski added some may have accumulated enough wealth in other occupations to retire and attempt farming. Onan said there are a number of people without farming backgrounds that have taken over farms and have been successful.

Sandwick asked about the challenges in years when prices are low and farmers are paying debt service. Raikowski said that is a reason why half of the income comes from off the farm, especially for small to middle size farms. Onan added health care is often provided by someone working outside the farm.

Holman said you cannot emphasize infrastructure enough. If coops diminish, all that is left is ADM, and shopping around is not an option. In his experience, if the Arnott Coop didn't exist, he would not be farming. He can make financial arrangements that would not be possible with ADM. When they started raising poultry, he did not consider who could handle processing the chickens. They were fortunate to find two options in Waupaca and Mosinee. He believes these types of small businesses need to be retained and encouraged.

There was discussion on options for other types of meat processing. Because their schedules fill quickly, Raikowski said you have to book far in advance. Onan said there are regulation issues with meat processing. The federal government does not recognize state processing plants as approved for interstate shipping. Kunst said it can be a priority moving forward. Processing plays a major role in the success and support of ag related businesses. Onan said as the number of farms has decreased, so has the infrastructure, i.e. creameries and feed coops.

5. Review and Discussion of the Farmland Preservation Tax Credit Program - Included in members' packets is a memo describing the State Farmland Preservation tax credit program. Kunst referred members to the Department of Agriculture, Trade, and Consumer Protection (DATCP) and the county Land Conservation Division (LCD) for specific information on how to apply for tax credits and conservation related requirements. Bradley provided copies of "Wisconsin's Runoff Rules – what farmers need to know", which gives further information regarding environmental and conservation regulations.

6. Review and Discussion on Farmland Preservation Area Mapping - Kunst said the County is responsible for developing the Farmland Preservation Plan and a Countywide map. The plan must be completed by the end of 2015. The zoning ordinance must be updated to be in compliance with the plan and towns must make sure their zoning is where it needs to be. The map created by this committee will be taken to the towns, who will determine areas for certified zoning in their town, which may be eligible for tax credits. Kunst explained the process for town land use plans and identifying zoning districts.

Wille said it is conceivable that someone currently taking tax credits may not be mapped or zoned properly to continue taking the tax credits. Kunst said yes, adding those taking credits under contracts will continue until the contract expires.

Five years ago, Bradley said there were 130 participants in the Farmland Preservation Program. Because the cost of compliance can be greater than the benefit, many farmers have opted out of the program. He said there are now about 22 participants. In order to be eligible for tax credits, land must be zoned A1 and be designated as a farmland preservation area on the map developed by this committee.

Kunst said the map will be discussed in greater detail at the next meeting. Staff will provide town comprehensive plan maps, which show areas for agriculture preservation, and A1 zoning. He said there needs to be discussion on what constitutes land that is important for agriculture and preservation long term, i.e. soil type, conditions. Kunst said the State will not accept a map based solely on landowner preference. Jazdzewski said all ag land should be considered valuable. Kunst agreed, but said the State will not pay tax credits on all ag land. The County must develop the criteria for ag lands considered valuable. The map created with farmland preservation areas is the first step in allowing eligibility for tax credits. According to Act 49, enacted in 2013, 80% of what is identified as a preservation area must be zoned A1 or a district more restrictive, or the map will not be certified.

B. Jacowski feels the cart is ahead of the horse. The Town of Pine Grove is not zoned. Kunst said applying for an Agriculture Enterprise Area (AEA) is an option. B. Jacowski feels it would have made more sense to have towns designate areas first.

Cieslewicz asked Bradley how many acres are currently in the program. Bradley estimated an average farm size of 250 acres. Jazdzewski estimated the Town of Carson has 1/3 of their farmland zoned A1 and four landowners claiming tax credits. Based on Bradley's estimate of acres, times 22 participants, times \$7.50 per acre, Cieslewicz calculated the tax credits taken in Portage County at \$41,250. Some feel the program is not worth it.

Sandwick said the mapping portion is a very small part of farmland preservation. He cautioned members to not over focus on it. Kunst reiterated the land use decisions are made by the towns.

Kunst referred to the maps displayed from the current plan. He pointed out the white areas are identified as farmland preservation areas and told members to imagine 80% zoned A1. On the Town of Buena Vista maps displayed, Cieslewicz pointed out the areas the town has chosen to remain in A1 zoning is in the drainage district area. When creating the map, Kunst said it is important to see what towns have in place, where they want agriculture, and use as part of the criteria.

Holman asked if there are ways to go about the process to allow local control and flexibility long term. Sandwick said that plans and zoning can be updated. He feels a useful part to go along with the map is the rationale, discussions, and reasons for it so decision makers in the future have a sense of background information.

Onan asked if the committee would only use what towns designate as A1 zoning for mapping. Kunst said the zoning does not have to match completely. The committee chooses areas to make eligible for tax credits.

For the next meeting, Wille asked staff to provide how many acres in each township are zoned A1 and to calculate 80%. Kunst noted areas zoned A1, but planned for nonfarm development in the next 15 years cannot be included. B. Jacowski said some towns will get no benefit because

they cannot, or do not want to meet the qualifications. Kunst reiterated the mapping is for the State tax credit program, and it is a local decision whether towns want to participate.

Jazdzewski said many farmers prefer A1 zoning in order to avoid nonfarm encroachments. As long as the County's requirements for the A1 zoning district are met, land can be designated A1, whether or not the land meets the criteria for tax credits. Sandwick said the tax credit is one tool to preserve farmland. Among other options are purchase of development rights and conservation easements.

7. Next Meeting Date(s) – For the next meeting, Kunst said a more comprehensive approach will be presented, with examples provided. Wallace said looking at towns' future land use maps is a starting point.

Kunst said materials will be posted on the website, emailed and mailed. B. Jacowski asked staff to provide maps with percentage of A1 zoning, and where the land needs to be to meet State criteria. Cieslewicz requested maps showing irrigation wells. Without irrigation, there are large areas that would not be cropped.

Kunst asked for other ideas on meeting locations. Cieslewicz said the Buena Vista Town Hall is available. The Jensen Center in Amherst was suggested.

The next meeting is scheduled for February 26 at 6:00 p.m., meeting location to be determined.

8. Adjournment - Motion by Gordon, second by Raikowski to adjourn. Motion carried by voice vote. Meeting adjourned at 7:53 p.m.

Respectfully submitted,

Patty Benedict, Recording Secretary