

HARRISON COUNTY, INDIANA

ORDINANCE NO. 2006 - _____

AN ORDINANCE CREATING THE HARRISON COUNTY FARM AND RANCH LANDS PROGRAM

WHEREAS, Harrison County has embraced the importance of conserving land for the benefit of future generations under the Harrison County Conservation program, and;

WHEREAS, annually millions of dollars in federal funding to conserve valuable agricultural lands in Indiana under the Farm And Ranch Lands Protection Program are lost simply because no one makes application, and;

WHEREAS, it is desired to create a program to capture these Federal Farm and Ranch Lands Protection Program funds so that the county may enjoy the benefits associated with conservation of land, investment of federal dollars into the local economy and provision of a means for landowners to access a portion of the equity of their land while continuing to own, and use the land for agricultural purposes, and;

WHEREAS, the establishment of a Farm and Ranch Land program is in the best interest of the citizens of Harrison County now and for future generations;

THEREFORE, BE IT ORDAINED BY THE HARRISON COUNTY COMMISSIONERS
Hereby create the Harrison County Farm and Ranch Lands program as an addition to the Harrison County Land Conservation Program as follows:

Section 9- Harrison County Farm and Ranch Lands Program(FRL)

- A) Purpose-** The FRL is designed to conserve farm land and improve the local economy by providing local funding necessary to obtain federal matching grants under the Farm And Ranch Lands Protection (FRPP) Program. The FRPP basically provides 50% of the funding necessary to purchase a voluntarily offered conservation easement on eligible land with a local entity(in this case the county) contributing up to a 50% match. All easements purchased shall be held monitored and enforced by a local land trust.
- B) Administration-** Administration of the program shall be the responsibility of the county commissioners who shall be assisted heavily by the Harrison County Conservation Committee(HCC).
- C) Local contributions-** Contributions by the county in any grant application shall be capped at 25% of the total project cost and the land owner or other entity shall be required to contribute no less than the same amount with the balance being financed with FRPP funds. There shall be no commitments made under this program unless and until local matching funds have been secured and deposited in a non-reverting account.
- D) Funding sources-** Local contributions may be funded by any legitimate means including but not limited to direct appropriations by the county, donations by other private or public entities, or private citizens.
- E) Eligibility-** Eligibility criteria establish the minimum conditions a property must satisfy to be eligible to have conservation easements financed by the Harrison County FRL Program. A Farm is eligible to participate in the program if:
1. The owner of the land has a documented conservation plan in place with Natural Resources Conservation Service (NRCS),
 2. The land is at least 40 acres in size with at least 20.5 acres in active agricultural production,
 3. More than 50% of the land area consists of Prime Soils
 4. Landowner does not exceed income limitations under the FRPP program and
 5. The landowner must own all developmental interest in the land or have written documentation that all interests can be guaranteed should the property be chosen for funding.

At the applicant's discretion, an application may include more than one Farm so long as no Farm included in the application is more than one air mile from another. A Farm that is more than one air mile from another requires a separate application to participate in the program.

F) Property Selection Process- In order to participate in the program a property owner must submit an application to the Board of County Commissioners. The application process shall be conducted as follows:

1. The County Auditor shall make application forms available to interested property owners. Property Owners may submit applications at any time however no action will be taken by the Commissioners until funding is available.
2. Once an application is received the auditor shall forward a copy to the HCC for review and recommendation. As part of this review the HCC and/or staff shall use the information provided by the applicants to make an initial determination of an application's eligibility based on current eligibility requirements for the FRPP as provided by the Indiana Natural Resource Conservation Service. If the HCC review results in a determination, that an application may not be eligible, the HCC shall inform the applicant of its concerns and assist the applicant to modify the application, if possible, to comply with the FRPP standards.
3. The results of all HCC reviews as well as any additional submittals by the applicant shall be attached to the application for consideration by the Commissioners in the event funding becomes available.
4. In the event the number of applications exceed available funding the HCC shall be given no less than sixty(60) days in which to make funding recommendations. During this period the HCC shall obtain, verify, and analyze additional information necessary for ranking applications as specified in the scoring criteria for the FRPP. Information may be obtained, verified, and analyzed through interviews with applicants, site visits, requests to local and state government units, and the use of Geographic Information Systems (GIS) services provided by HCC or County Planning as determined by the HCC. The HCC shall also forward a copy of the applications to the land trust for review and comment.
5. Once it has ranked all applications, the HCC shall forward each applicant a copy of the scored application. An applicant may appeal the scoring outcome on an application by alleging an error of fact in the way the process was applied to the application. The applicant must appeal in writing to the HCC within 60 days of the postmark of the notice of final scoring. On receiving the appeal the HCC, shall reconsider the scoring as it applies to the contested application. The HCC may ask the appealing applicant to provide additional information to support the appeal and/or ask the applicant to appear before the HCC. The HCC shall comment on the appeal and forward a copy of all documents to the County Commissioners.
6. After the 60-day appeal period has lapsed the HCC shall forward all applications and its recommendations for funding to the Commissioners. Typically funded applications will have the highest-rankings of all applications however the Commissioners may include lower ranking applications when it is determined that circumstances exist that (1) failure to take immediate action may permanently remove future consideration for preserving the property, (2) the site will serve to further protect property already preserved under this or other preservation program or (3) the application includes a substantial contribution of cash by an entity eligible to contribute under the FRPP which reduces the total cash outlay required by the county as part of an FRPP application. The Commissioners will determine the number of properties selected for further consideration based on the total number of applications and available program resources. The HCC will use procedures described in section (G) to estimate the Value of Conservation easements for selected applications and the resulting values will be reported to the commissioners for consideration.

G. Easement value determination - The estimated Value of a Conservation easement on a Farm is the difference between the appraised Fair Market Value/or estimated fair market value of the property and the Farm's Agricultural Value.

1. Fair Market Value for the purposes of this program is the appraised market value of the land or the estimated fair market value as determined by the HCC by calculating the number of 10-acre building lots which could be created on a tract and multiplying the resulting number by the average price paid for the most recent 5 sales of similar type lots closest to the subject property as determined by sales disclosures on file in the County Assessors office. In the event the applicant provides an appraisal completed by a state certified appraiser within the year immediately prior to making application the HCC shall use the appraised value provided no discrepancies in the methodology or improper assumptions are identified.
2. Agricultural Value for the purposes of this program shall be the most recent average per acre value of agricultural land reported by farmers in Harrison County as published by

the USDA, NASS, Indiana Field Office. A Property Owner who believes the published average value of agricultural land does not accurately reflect the true Agricultural Value of the land may at his/her own cost obtain an independent appraisal of agricultural value from a State Certified Appraiser. The HCC may then use either the published average agricultural value, the appraised value, or negotiate a value between the two when calculating the Value of the Conservation easements. Whether the published average value or the appraisal is used, the value shall be applied only to land preserved under the program.

3. The HCC may attempt to extend program resources by negotiating with the property owner for a lower price, or landowner match of some portion of the easement value. The HCC shall only report successful negotiations to the commissioners and all such agreements must be in writing, signed by the owner and notarized.

H: Application Provisions- Once an application for financing has been approved by the commissioners a binding agreement to purchase a conservation easement, subject to FRPP funding, between the applicant and the land trust shall be recorded in the office of the Harrison County Recorder. Once executed the HCC and Land Trust shall place the Indiana Natural Resource Conservation Service on notice that an application(s) is being prepared for an FRPP grant.

I: Disbursement of funds- In the event the FRPP grant is approved the HCC shall monitor the preparation of easement documents and coordinate issuance of payment of the local contribution to the Land Trust who will intern reimburse the applicant for the easement. The Land Trust shall submit a complete copy of all documentation associated with the easement within 30 days of execution.

J: Application renewal- once a completed application to participate in the program has been filed it shall be valid for a period of three years. In the event an application is not funded within this time the application shall be reviewed by the HCC and a written confirmation letter requested from the owner to insure continued interest in the program. In the event conditions or program guidelines have changed the HCC shall forward the application to the county commissioners for a final determination to either renew the application or require that a new application be submitted.

ADOPTED by the Harrison County Board of Commissioners on this 2nd day of October, 2006.

**HARRISON COUNTY
BOARD OF COMMISSIONERS**

John R. Eckart, President

James Goldman, Commissioner

Jim Heitkemper, Commissioner

ATTEST: _____
Patricia A. Wolfe, County Auditor