

# Natural Resource and Agricultural Land Preservation Program Open Space Implementation Program in the Greater Harbor Springs Area

## General Overview

This recommended program and work product was prepared by Harbor Area Regional Board of Resources, Inc. (HARBOR, Inc.) It is a recommended approach to Purchase of Development Rights (PDR) and specific to the HARBOR Area, which includes the City of Harbor Springs and six townships, including Little Traverse, West Traverse, Pleasantview, Friendship, Readmond and Cross Village.

PDR is only *one* tool for protecting open space. A Purchase of Development Rights Ordinance, proposed here as a *Natural Resource and Agricultural Land Ordinance*, is an important next step to increase awareness of open space preservation techniques. This proposed ordinance and the on-line mapping also provide a scoring tool that can be used to evaluate fee simple purchase of public access. The ordinance is proposed for use on a Township by Township basis. An Open Space Advisory Committee is recommended for area-wide coordination and communication.

## General Information on Purchase of Development Rights

A purchase of development rights (PDR) program is a means of compensating land owners for their willingness to accept a restriction on their land that limits future development of the land. Landowners are compensated for the fair market value of their land, based on the difference between what it could be sold for on the open market with no restrictions and what it can be sold for once an easement is placed on the land. State certified appraisers determine these values and the agreement is negotiated on an individual basis with a willing land owner.

### *Benefits and Features:*

- Participation is completely voluntary and landowners receive fair market value for development rights. All private property rights remain intact.
- Cash from sale of development rights can be used by the property owner for any purpose including reducing debt, lowering costs, improving, expanding or operating a farm, college educations, retirement, etc. Proceeds from easement sales are often recycled back into local economy.
- Landowner can access portion of land equity while still maintaining ownership without having to sell it for development.
- Property taxes and inheritance taxes are then based only on residual value of the land rather than the full developmental value.

- Landowner can still borrow against reduced equity in their land. Other states' track records show remaining land retains excellent (and increasing) resale value.
- In the case of Agricultural land protection, the community benefits from economic activity generated by agriculture, stable land use patterns, fewer infrastructure needs, lower cost of community services and from enhanced rural character. Also, Farmland is now affordable for younger farmers and eases transfer of property to future generations.

### *Inventory and Analysis*

The following is a list of resources which are available in digital format:

#### *Existing Open Space:*

- State Public Land
- Local Public Land
- Little Traverse Conservancy Protected Lands

#### *Agricultural Land Information:*

- Prime Agricultural Land Classified by Soil Type
- Agricultural Land Classified by Emmet County

#### *Natural Resource Land Information:*

- Critical Dunes as defined by State of Michigan
- High Value Wetlands as defined by NWMCOG
- Steep Slopes as indicated in Soil Conservation Service Soils Maps
- Ecological Corridors defined by Conservation Resource Alliance
- Species Biological Rarity Index by MNFI
- Species Probability Value by MNFI

*The following Purchase of Development Rights Programs in Michigan were analyzed and adapted in some part to the Proposed Natural Resource and Agricultural Land Program for the HARBOR Area.*

- Macomb County Northern Five
- Van Buren County
- Washtenaw County
- Isabella County
- Peninsula Township

### *Community Dialogue and Education*

There is much community consensus regarding the preservation of open space. Four key target areas are identified for implementation in the HARBOR Area, including:

- Waterfront Access
- Greenway Corridors
- View Sites/Sheds
- Large Parcels (both natural resource and agricultural lands)

The Proposed Natural Resource and Agricultural Land Program prepared herein, is designed to have the greatest impact on large parcels. Large parcels consistently appear as high priority parcels in the Little Traverse Bay Watershed Plan prepared by Tip of the Mitt Watershed Council (four of the Townships feed into the Little Traverse Bay). Additionally, most farms in the area are on parcels over 70 acres in size. The proposed program emphasizes parcel size.

It is anticipated that this program could have some impact on enhancement of Greenway Corridors and View Site/Sheds. It is unlikely, although not impossible, that the program will have any significant impact on the Waterfront Access desires of the community.

Significant additional community outreach is needed to reach potential land owners that might be interested in the program. General consensus on Open Space desires in the community continue to be realized, however community engagement into the specifics of any particular program (this one included) are needed to ensure success.

*PDR Ordinance and Scoring System*

The proposed Natural Resource and Agricultural Land Ordinance is based on several ordinances from other areas in the state. The recommended ordinance does allow for purchase fee simple in addition to purchase of development rights. This is included in the rare instance that the opportunity for purchase outright of Natural Resource Land presents itself. A scoring system is also included in the proposed ordinance which is intended to be adopted by each Township separately.

The proposed *Process and Organizational Structure* for implementation of a *Natural Resource and Agricultural Land Ordinance* is outlined below:

- a. Interested Townships proceed with the necessary public involvement process and adopt the ordinance.
- b. The Open Space Advisory Committee is established at the Township level based on the committee structure established with the ordinance.
- c. If multiple Townships pass the ordinance, the Committee Organization Agreement is passed.
- d. The Open Space Advisory Committee works through details of the ordinance, recommends process for application and recommends changes to the ordinance, if appropriate.
- e. Program initiates. Applications are accepted on a township by township basis and records are kept at the Township.

*Funding Analysis:*

Purchase fee simple or purchase of development rights with placement of an easement on natural resource and agricultural lands is provided for in the proposed Ordinance. Funding for such purchase may be a combination of public funds, including applicable state and federal, Emmet County, Township, or other joint Township funds and private funds from private and non-profit sources, including land owner donations, Little Traverse Conservancy, Harbor Area Regional Board of Resources or other sources. Financing of such purchases requires that the Township enter into agreements with property owners.