



2012 Agricultural Enterprise Area Program Report

Wisconsin Department of Agriculture,
Trade and Consumer Protection

January 2013



PROGRAM BACKGROUND

The Agricultural Enterprise Area (AEA) program was created as part of the Wisconsin Working Lands Initiative in the 2009-2011 biennial budget (2009 Act 28). State statute authorizes the Department of Agriculture, Trade and Consumer Protection to designate up to 1 million acres statewide as agricultural enterprise areas. A designated agricultural enterprise area must be a contiguous area that is primarily in agricultural land use. The designation is granted following an evaluation of a petition voluntarily submitted by the local community. In developing an AEA petition, petitioners are asked to assess local factors including the support of the community, and to consider the connection of the proposed area to the existing agricultural infrastructure and business clusters. The boundary of the agricultural enterprise area is determined locally through a public process that involves outreach to local residents and the town and county governments. The AEA boundary may cross local jurisdictional boundaries (typically town and county) and the area as a whole must have a shared interest in maintaining and promoting the local agricultural economy. The petition requires the support of landowners and local governments and must identify local goals for farmland preservation and development of the agricultural economy.

PROGRAM STATUS

Since 2009, 22 AEAs totaling nearly 510,000 acres in 17 counties and 55 towns have been designated. Agricultural production within the 22 designated areas is representative of the state's diverse agricultural industry and includes row crops, dairy, fruit, livestock, specialty vegetables, direct market and organic production. The AEAs are in many regions of the state and range in size from 1,600 acres to 98,000 acres, although many are between 10,000 and 30,000 acres (Table 1).

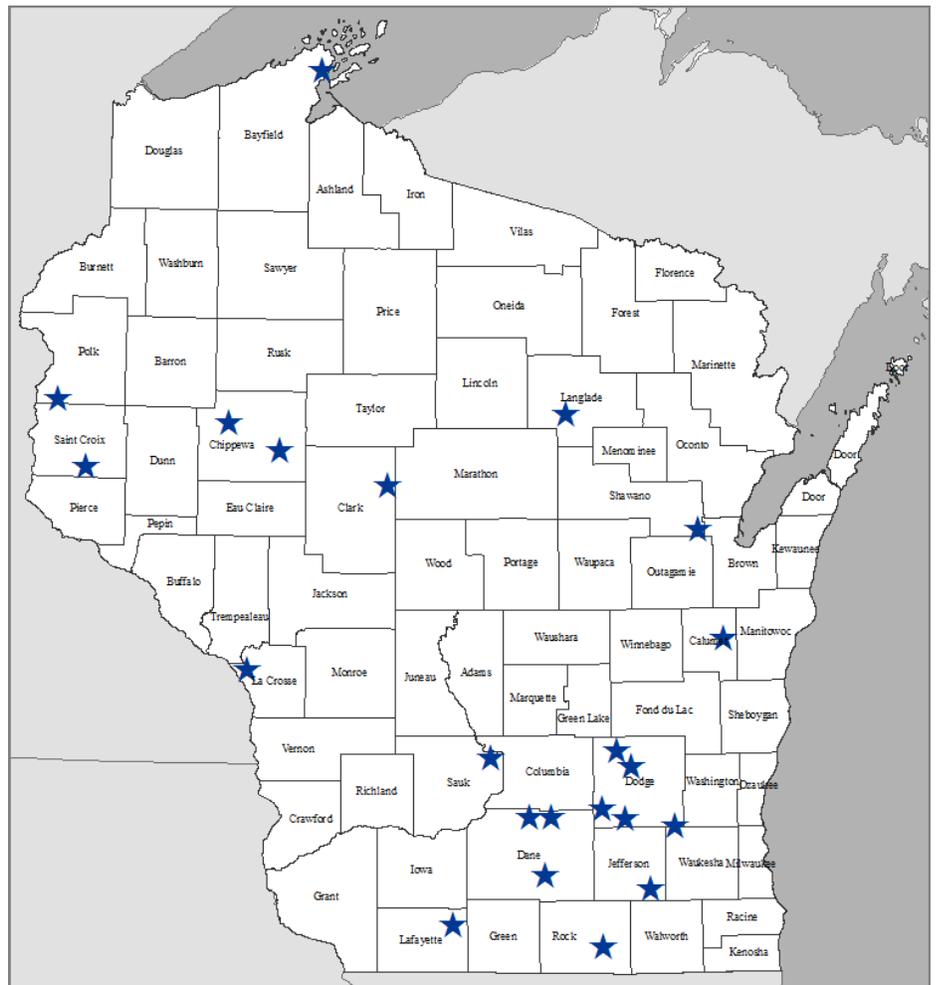


Table 1: Agricultural Enterprise Areas by Size

AEA name	Acres (Total if modified)	Year Designated (Modified)	AEA Location (County and Town)
Cadott Area AEA	1,640	2010	<i>Chippewa County:</i> Towns of Goetz and Delmar
Halfway Creek Prairie AEA	1,647	2012	<i>La Crosse County:</i> Towns of Onalaska and Holland
Bayfield AEA	2,821	2010	<i>Bayfield County:</i> Town of Bayfield
Bloomer Area AEA	4,380	2010	<i>Chippewa County:</i> Town of Bloomer
Fairfield AEA	9,501	2011	<i>Sauk County:</i> Town of Fairfield
Squaw Lake AEA	9,607	2010	<i>Polk and St. Croix Counties:</i> Towns of Alden, Farmington, Somerset and Star Prairie
Rush River Legacy AEA	8,370	2010	<i>St. Croix County:</i> Town of Rush River
Town of Dunn AEA	10,038	2010	<i>Dane County:</i> Town of Dunn
Windsor AEA	10,775	2010	<i>Dane County:</i> Town of Windsor
Scuppernong AEA	14,015	2010	<i>Jefferson County:</i> Towns of Cold Spring, Hebron, Palmyra and Sullivan
Burnett AEA	14,736	2011	<i>Dodge County:</i> Town of Burnett
Shields-Emmet AEA	16,051	2012	<i>Dodge County:</i> Towns of Shields and Emmet
Vienna-Dane-Westport AEA	20,681	2012	<i>Dane County:</i> Towns of Vienna, Dane and Westport
La Prairie AEA	21,093	2010	<i>Rock County:</i> Towns of La Prairie and Turtle
Maple Grove AEA	21,669	2010	<i>Shawano County:</i> Town of Maple Grove
Trenton AEA	26,492	2011	<i>Dodge County:</i> Town of Trenton
Hilbert Ag Land on Track AEA	28,217	2011	<i>Calumet County:</i> Towns of Brillion, Chilton, Rantoul, Woodville
Ashippun/Oconomowoc AEA	28,841	2010	<i>Dodge and Waukesha Counties:</i> Towns of Ashippun and Oconomowoc
Elba-Portland AEA	38,580	2012	<i>Dodge County:</i> Towns of Elba and Portland
Pecatonica AEA	45,776	2012	<i>Lafayette County:</i> Towns of Argyle, Blanchard and Lamont
Antigo Flats AEA*	11,826 (74,104)	2010 (2012)	<i>Langlade and Marathon Counties:</i> Towns of Ackley, Antigo, Neva, Peck, Polar, Price, Rolling, Vilas and Harrison
Heart of America's Dairyland AEA*	36,999 (97,984)	2011 (2012)	<i>Clark and Marathon Counties:</i> Towns of Mayville, Colby, Unity, Beaver, Loyal, Brighton and Hull

PROGRAM STATUS: FARMLAND PRESERVATION

Farmland Preservation Agreements. Farmland preservation is one of the two main goals of the agricultural enterprise area program. Once an AEA is designated, eligible landowners in that AEA may sign a farmland preservation agreement with the state and claim a farmland preservation tax credit if the land is also in compliance with the state's soil and water standards. By signing a farmland preservation agreement, the landowner is making a commitment to keep the land in agricultural use for at least 15 years.

As landowners in the AEA sign agreements, they are making a strong statement about their commitment to agriculture. The increased certainty that land under agreement will remain in agricultural land use for at least the next 15 years can foster increased confidence and encourage investments in other types of agricultural enterprises in the area. In addition, through the agreements, the state's investment in the form of tax credits is directed to an area that has shown a serious commitment to farmland preservation. Currently, about eighteen percent of the designated 335,000 acres, or about 61,300 acres, are now covered by a new farmland preservation agreement (Table 2, Map 1).

Table 2: Approximate acres under farmland preservation agreements, as of December 10, 2012*

Agricultural Enterprise Area	Approx. Acres under agreement	Eligible AEA acres	% of eligible acres
Antigo Flats AEA	23,923	62,278	38%
Ashippun-Oconomowoc AEA	576	28,841	2%
Bayfield AEA	0	2,821	0%
Bloomer AEA	487	4,380	11%
Burnett AEA	2,815	14,736	19%
Cadott AEA	1,062	1,640	65%
Fairfield AEA	0	9,501	0%
Heart of America's Dairy-land AEA	23,342	60,985	38%
Hilbert Ag Land on Track AEA	2,260	28,217	8%
La Prairie AEA	1,753	21,093	8%
Maple Grove AEA	2,443	21,669	11%
Rush River AEA	0	8,370	0%
Scuppernong AEA	60	14,015	0%
Squaw Lake AEA	240	9,607	2%
Town of Dunn AEA	0	10,038	0%
Trenton AEA	1,402	26,492	5%
Windsor AEA	941	10,775	9%
Statewide Total	61,304	335,458	18%

*Agreements may not be signed in AEAs designated in 2012 until after January 1, 2013. Therefore those acres are not included in this table.

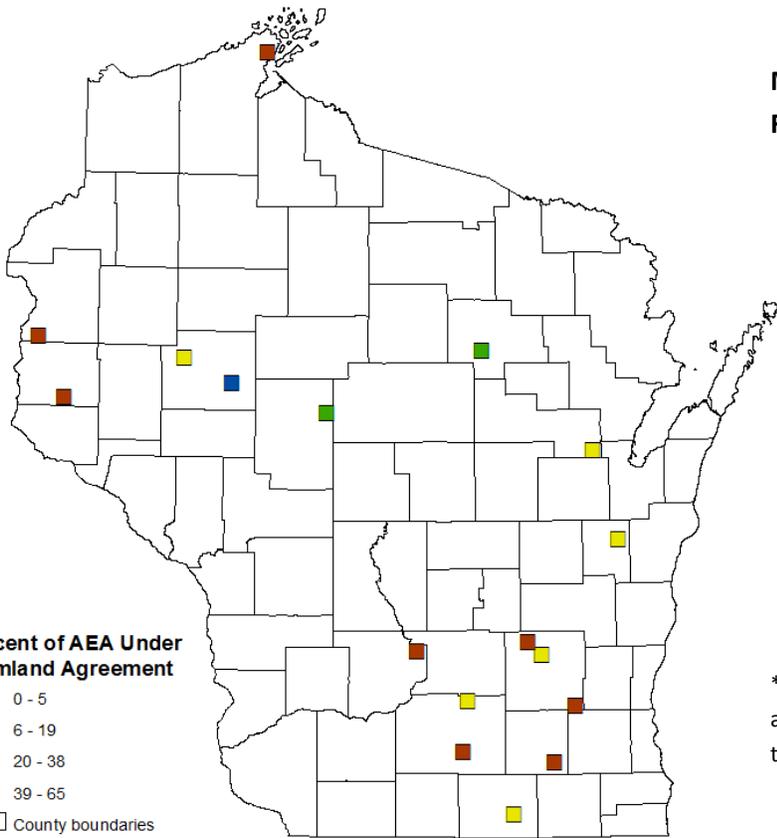
Land Use Controls. Another method by which the AEAs can preserve farmland is through the use of land use controls such as farmland preservation zoning, deed restrictions, conservation easements, subdivision ordinances, and cooperative boundary agreements. Each of the 22 AEAs uses a different combination of land use controls to protect farmland and implement local land use plans.

Thirty-nine of the 55 towns (approximately 76% of the total acreage designated as AEAs) have adopted certified farmland preservation zoning (Map 2). The farmland preservation ordinance can protect agricultural land use by limiting the conversion of land to non-farm uses in a designated farmland preservation district. County and town adopted ordinances must meet minimum state standards that require the farmland preservation districts to identify the types of uses that are authorized within the zone, including agricultural uses, accessory uses and agriculture-related uses. Local ordinances may also choose to allow other types of uses, including non-farm residences, as a conditional use provided that the conditional use meets state standards. Local governments can apply more stringent standards in a certified district. Several zoning ordinances, for example, establish deed restrictions in the ordinance to further protect remaining farmland. Additionally, under state law, land located in a certified farmland preservation zoning district may only be re-zoned if the rezone may not impair or limit agricultural use on surrounding parcels, the land is better suited to a use that is not currently permitted in the zone and the use is not allowable as a conditional use, and the rezone is consistent with the county's adopted land use plans. Through effective administration of the ordinance, local governments can ensure farmland is preserved for future agricultural use.

Other areas, particularly those with more non-agricultural development pressure, have found that developing cooperative boundary agreements or inter-governmental boundary agreements with nearby municipalities raises awareness of the importance of farmland and helps protect the farmland for future production. Five of the designated AEAs have some type of boundary agreement in place to ensure farmland preservation. Additionally, AEA designation helped one community's decision-making when considering an urban service area application.

In addition, permanent conservation easements exist in at least eight of the AEAs. These easements are another way to preserve farmland in the designated area. Some of these permanent easements have been purchased or donated through either a local easement program, or with the use of federal or private sources of funding. Although permanent agricultural easements are only in a handful of designated AEAs, many other AEA communities recognize the importance of this type of tool to protect valuable farmland and would like to pursue this option in the future.

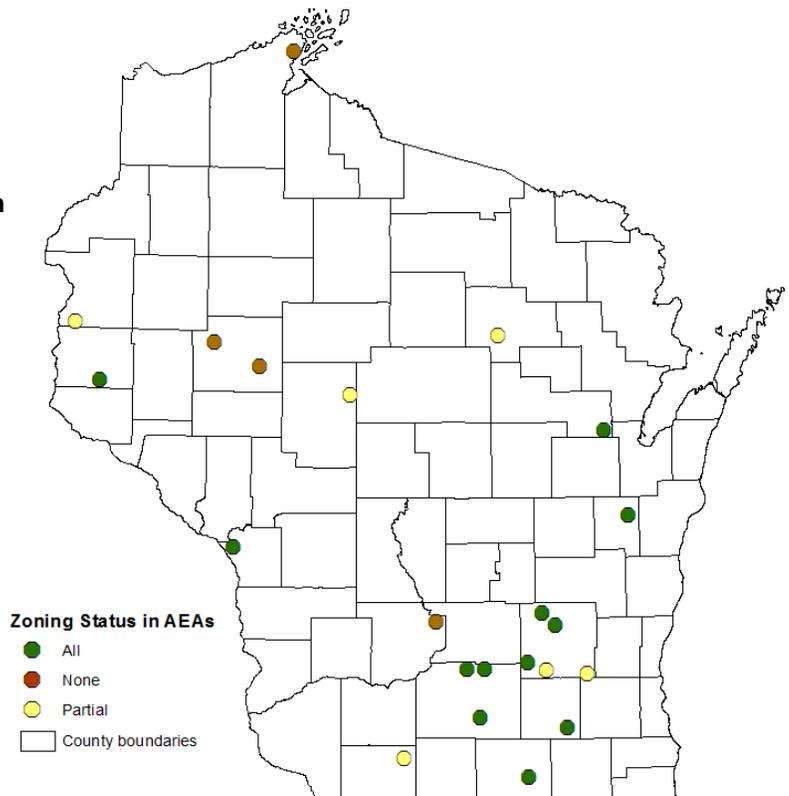




Map 1: Percent of AEA covered by Farmland Preservation Agreements*

*AEAs designated in 2012 are not eligible to sign an agreement until January 1, 2013 and are not shown on this map.

Map 2: Status of Farmland Preservation Zoning in Designated AEAs





ECONOMIC DEVELOPMENT

Another goal of the AEA program is promoting the development of the agricultural economy. Measuring success in meeting this goal is challenging. Each designated AEA may define economic development differently and have a unique plan of action to achieve their goal. One AEA's economic development goal may be to grow existing farm businesses, while another area may hope to diversify the existing agricultural businesses. These broader goals may be achieved through retention of existing farmers and transition of existing farms to the next generation, or through the recruitment of additional agricultural-related businesses. As a result, few baseline measurements exist to consider progress in promoting economic development. Instead, success must be measured through the individual achievements of the designated AEAs. Since 2010, one AEA stated the designation process helped support a grant proposal for a Specialty Crop Block Grant. Another AEA said that land preservation measures including the designation encouraged investment in a biogas project in the region.

LOOKING AHEAD

In September 2012, the Department released a request for petitions for designation consideration in 2013. The goal for the 2013 petition cycle is to designate up to 200,000 acres as agricultural enterprise areas, bringing the statewide total to just over 700,000 acres. Following the 2013 petition cycle, the Department must evaluate options to best manage the remaining 300,000 acres authorized for agricultural enterprise area designation.

During 2013, departmental activities related to the agricultural enterprise area program will fall into four main categories: farmland preservation agreements, capacity building, program outreach, and reporting.

Farmland preservation agreements. The Department will continue to work with designated AEAs to assist landowners with farmland preservation agreement sign-up.

Capacity building. The Department would like to work closely with two to three designated AEAs to further explore how to provide assistance to achieve stated farmland preservation and/or economic development goals.

Program outreach. The Department will send program updates to designated areas. Other outreach options to help connect the AEAs with each other and with other stakeholders will be explored.

Reporting. The Department will communicate with designated areas to get status updates and provide information on program successes and challenges.

Please contact Coreen Fallat with requests for assistance or to share ideas for the program.

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