

FORGING NEW PROTECTIONS:

Purchasing Development Rights To Save Farmland



*How Peninsula Township, Michigan,
Designed and Built Support for Farmland Protection*

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Built Support for Farmland Protection*



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American Farmland Trust is a private, nonprofit conservation organization founded in 1980 to protect the nation's agricultural resources. AFT works to stop the loss of productive farmland and to promote farming practices that lead to a healthy environment. Its action-oriented programs include public education, technical assistance in policy development and direct farmland protection projects. Basic annual membership is \$20. For membership information, contact AFT's National Office.

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This publication was funded, in part, by grants from the W.K. Kellogg Foundation, Rotary Charities of Traverse City and the Americana Foundation.

Contact AFT's publication service at (800) 431-1499 to purchase copies of this report, \$15 plus shipping/handling.

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Foreword

On August 2, 1994, the voters of Peninsula Township, Michigan, approved a property tax increase to fund a \$6 million program to purchase development rights on farmland. The vote capped many years of hard work by township farmers, elected leaders, activists and concerned citizens to support the local farming industry and better manage growth.

While purchase of development rights programs, or PDR programs, have been active in nine Northeastern and mid-Atlantic states, and in counties in New York, North Carolina, California and Washington, Peninsula Township was the first Midwestern community to tax itself to protect farmland by purchasing development rights. When existing efforts at planning and zoning to control growth appeared inadequate to protect farmland and open space in Peninsula Township, voters decided to pay farmers to keep their land in agriculture, giving them an alternative to dividing it into house lots.

Few would have predicted how much interest the election would stimulate, that a grassroots effort in a tiny Michigan township would become a story reported from coast to coast. Associated Press, *The New York Times*, *The Christian Science Monitor*, *The Los Angeles Times*, *The International Herald Tribune*, even the CBS program "This Morning" covered the vote and its implications for Peninsula Township and the Midwest.

The press coverage created demand for information about what had happened in Peninsula Township that exceeded expectations of program organizers. Township officials, AFT staffers, Michigan State University professors and local activists involved in the vote received inquiries from Michigan, the Midwest and nationwide.

This interest suggested the need for a case study detailing the Peninsula Township experience. In cooperation with the Institute for Public Policy and Social Research at Michigan State University, AFT produced this case study to address a myriad of questions about Peninsula Township's precedent-setting vote.

The interest in Peninsula Township's initiative, however, goes beyond that 1994 vote. The deeper issue tapped by the voters of Peninsula Township is the need to plan for agriculture's future and embrace methods that share the cost of conservation between landowners and the public that benefits from it.

We hope this case study can serve as an inspiration for communities considering PDR and other tools to protect farmland and manage growth. The citizens of Peninsula Township remind us that a shared vision and hard work can reverse a scenario considered inevitable in so many other communities. They show us we can protect our land resources and preserve the heritage that gives our communities their very identities.



Ralph Grossi
AFT President

Acknowledgments

I am very grateful to many people and organizations for their assistance in the preparation of this case study.

I would especially like to thank my three co-authors: Dr. Joanne Westphal of Michigan State University's Institute for Public Policy and Social Research; John Wunsch, organizer of Concerned Citizens in Support of PDR; and AFT's Valerie Berton, who contributed writing as well as editing to this ambitious project.

Thanks also to AFT's Julia Freedgood, who provided assistance throughout the publication process, and Bob Wagner and Gary Kozel, who proofread the final document draft.

Special thanks also are due Rob Manigold and Gordon Hayward of Peninsula Township, Ginny Coulter of the township's Planning and Zoning Commission and Glen Chown of the Grand Traverse Regional Land Conservancy. In addition to providing leadership to the PDR effort, they served as advisers to the production of this case study and reviewers of preliminary drafts.

Finally, thanks to Rotary Charities of Traverse City, the W.K. Kellogg Foundation and Americana Foundation for their support of AFT's efforts in Peninsula Township, generally, and for this case study, specifically.

Respectfully submitted,

Dennis P. Bidwell
Washington, D.C.
March 1996

Introduction

This case study chronicles the development of a purchase of development rights program in Peninsula Township, Michigan. American Farmland Trust hopes the study will help citizens and policymakers in other communities devise programs and policies to protect important farmland resources.

The case study begins with a review of PDR programs — what purchase of development rights means, how programs typically work and the relationship between PDR and conservation easements. An important point of this chapter is that PDR is not the “silver bullet” of farmland protection. Rather, it is merely one technique that is most effective when used in the context of a comprehensive approach to land use and growth management.

Chapter 2 describes the setting that gave rise to the effort to pass PDR in Peninsula Township, including the region’s settlement patterns, farming history, and unique agricultural and historic resources — as well as threats to those resources. The background is included as a reminder that any community’s efforts to protect its land resources are rooted in developing a widespread appreciation of the value and uniqueness of its history and natural surroundings.

In Chapter 3, the case study reviews efforts underway since the 1960s to influence land use patterns and manage growth in Peninsula Township. Comprehensive planning, the dramatic loss of productive and scenic farms, efforts by residents to block controversial housing developments, the emerging role of land trusts in saving important farms and strong township leadership all combined to create the PDR program. PDR programs are not born overnight — they are most likely to succeed when they grow out of careful planning, public education and citizen involvement.

Chapter 4 outlines the process used by Peninsula Township to design its PDR program: planning funded by private foundations and other sources, baseline mapping, opinion surveys and focus groups, input from PDR experts around the country and formation of citizen study groups. The major components of the program as it evolved — property selection criteria, application procedures, valuation procedures, funding issues — are reviewed.

Chapter 5 details the community organizing, public education, demonstration projects and campaign structure that helped produce a public vote affirming the funding of a PDR program in August 1994. This section contains considerable detail on the nitty-gritty of running a public education campaign.

The story continues in Chapter 6 with Peninsula Township’s approach to translating electoral victory into an operating PDR program. Appraiser selection, solicitation of applications, preparation of easement and purchase agreement documents and various other technical issues are discussed.

The study concludes (Chapter 7) with thoughts that can be drawn from Peninsula Township’s experience as PDR is contemplated in other communities.

Any community’s efforts to protect its land resources are rooted in developing a widespread appreciation of the value and uniqueness of its history and natural surroundings.

Woven through the narrative are several key pieces of information that consistently have been the subject of questions put to Peninsula Township officials, AFT and MSU staff and others involved in developing the PDR program. Here are brief answers to the most frequently asked questions.

How did the township pay for the planning and groundwork that preceded the enactment of the PDR program?

Peninsula Township's PDR program is largely the result of thousands of hours volunteered by committed citizens. Much of the expertise provided by the township, AFT, Michigan State University and the Grand Traverse Regional Land Conservancy was made possible by the generous support of Rotary Charities of Traverse City, Americana Foundation and Michigan's Coastal Zone Management program.

What were the legal underpinnings for Peninsula Township's PDR program?

The Township Planning Commission amended the township's master plan to incorporate protection of agricultural land through new policies, an "agriculture preserve area" and regulations safeguarding scenic views. Prior to the election, the Township Board adopted a PDR ordinance that detailed the program. The township also relied on two Michigan legislative acts as legal support for the PDR program.

How did residents secure a positive vote in what generally is considered an anti-tax climate?

The citizens committee that worked to secure voter approval of PDR very effectively reached out to farmers, the real estate community, business interests, resident associations, and environmental and conservation groups to put together the votes needed to pass the ordinance and subsequent tax referendum.

Who decides which farms can participate?

The township appointed a seven-member volunteer committee to work with township staff to oversee the implementation of the program, including the soliciting and ranking of applications. The committee is required to rank applications based on criteria contained in the ordinance: agricultural productivity, significance of scenic views, adjacency to land already protected by conservation easement or land covered by another PDR application. The Township Board makes final decisions on PDR purchases based on recommendations from the committee.

Who will hold and enforce the conservation easements?

The township will hold title to the conservation easements purchased through the PDR program. The township will monitor the easements and has set aside \$40,000 for enforcement, should it prove necessary.

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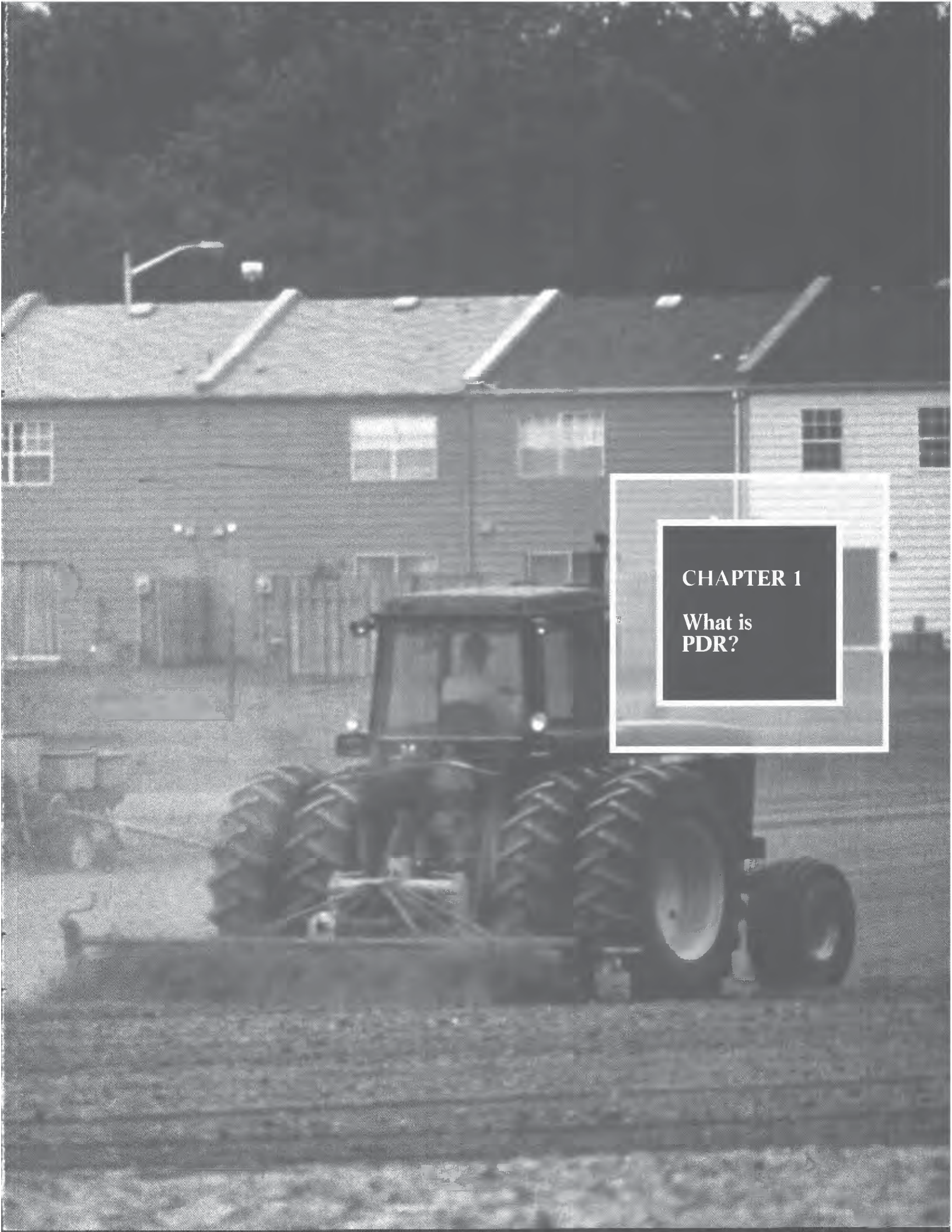
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CHAPTER 1

**What is
PDR?**

Purchase of Development Rights Defined

Purchase of development rights, or PDR, is a voluntary and compensatory farmland protection technique. PDR programs pay farmland owners to permanently restrict development on their land, offering liquid assets to farmers who are often “land rich and cash poor.”

Landowners possess a variety of rights, including the rights to use water resources, extract minerals or build on the property consistent with local regulations. They also possess the right to farm. These property rights may be assigned economic values. For example, mineral rights can be separated from the rest of the “bundle” of rights and sold or leased to an oil or gas company. In areas where real estate market forces are strong, the right to develop land often boasts more economic value than any other property ownership right.

When one right is removed from the land, all other rights and obligations of property ownership remain. When farmland owners sell their development rights, they retain ownership and can continue to farm their land as they did before. But they can only develop it according to the terms of the legal agreement they make when they sell their development rights. The land remains on the tax roll, and the taxable value should be — but isn't always — based on the remaining rights.

The legal mechanism used to permanently restrict the development rights on farmland is a conservation easement, a deed restriction recognized by federal law and the laws of every state, although sometimes by different names. Thus, PDR is known in some places as “purchase of conservation easements,” or PACE.

Conservation easements are voluntary agreements that remain with the land, generally in perpetuity, so the use restrictions remain in force for all future owners of the land. Flexible documents, conservation easements are negotiated between willing landowners and qualified conservation organizations or government agencies. They can cover all or part of a property and may allow the development of additional structures, including housing. Conservation easements used to protect agricultural land typically permit the building of barns, sheds, fences and other structures necessary for agricultural operations. Easement-holding organizations accept the responsibility to monitor and enforce the terms of the easements in perpetuity.

In PDR programs, conservation easements are put in place when landowners voluntarily agree to sell their development rights to a qualified nonprofit organization or governmental body with the authority and financing necessary to make easement purchases.

How PDR Works

- All PDR programs are voluntary, ensure that participating landowners retain full ownership and control of the land and leave landowners with full rights to sell, transfer or mortgage their land, subject to the negotiated easement terms. PDR programs also are structured to reflect local priorities and the particulars of underlying legislation.

Most PDR programs determine how much to pay for development rights by assessing the difference between the land at its full market value and its value restricted by the terms of the easement. This value is generally established by a professional appraiser. Some PDR programs have opted to determine the purchase price of development rights by use of a formula, rather than by appraisals.

When farmland owners sell their development rights, they retain ownership and can continue to farm their land as they did before.

How Development Rights are Valued

Fair market value of the property, before easement restrictions, as determined by appraisal	\$1,200,000*
Less:	
Fair market value of the property, subject to the terms of the conservation easement, as determined by appraisal	<u>\$750,000</u>
Equals:	
Value of the development rights given up through the conservation easement	\$450,000

*hypothetical example

PDR programs around the country are funded in various ways, often by general obligation bonds. Other sources include real estate transfer taxes, general appropriations or other "special purpose" taxes. Funding for Pennsylvania's program shifted in 1993 from bonds to a two-cent-per-pack cigarette tax. Some jurisdictions, like Peninsula Township, have funded PDR programs with a property tax millage increase.

PDR Nationwide

PDR programs offer farmers an alternative to selling for development, strengthen the future of farming in communities and generate funds for landowners that are often spent in ways that support the local economy. PDR programs can be politically popular because they provide a means for the public to preserve the rural character of their communities by providing fair compensation to landowners who elect to protect their properties.

Programs to purchase development rights have been used since 1976, when Suffolk County, N.Y., pioneered a program to protect agricultural land on Long Island. Maryland and Massachusetts launched statewide PDR programs in 1977. Since then, 15 states have established state or local-level PDR programs, resulting in the protection of close to 400,000 acres of farmland through purchased easements. Several others have recently established programs but have not yet used them to protect any farmland.

PDR programs are expensive, and developing the political support for PDR funding mechanisms is challenging. Additionally, PDR programs should never be seen as the panacea for a community. The most effective PDR programs are those that operate in the context of comprehensive farmland protection approaches. PDR programs have the most leverage when combined with agricultural districts, agricultural protection, zoning, comprehensive growth management and programs to enhance the economic viability of farming. Otherwise, a farm protected by a PDR program might become surrounded by non-farm development, calling into question the viability of agriculture in the area and the protected farm in particular.

Purchase of Development Rights Programs* as of 12/19/95

State	Year of Inception	Number of Farms	Number of Acres	Funds Spent to Date	State Funds Available	Main Source of Funds
California(a)	1980	57	43,785	\$47,356,894	\$109,000,000	Proposition 70, CA Coastal Conservancy, Property Tax
Connecticut	1978	164	25,042	\$73,450,000	\$8,800,000	State bond
Colorado(b)	1986	6	1,904	\$3,254,192	\$4,300,000	Property tax, state lottery
Maine	1990	1	307	\$380,000	\$0	
Maryland	1977	809(f)	117,319	\$125,098,899	\$8,100,000	Transfer tax, conversion tax
Massachusetts	1977	398	35,907	\$86,109,464	\$6,000,000	State bond
New Hampshire	1979	57	9,148	#	\$0	
New Jersey	1981	189	27,924	\$88,463,000	\$107,000,000	State bond
New York(c)	1976	154	6,941	\$46,000,000	\$4,950,000	Bonds, county/local match
North Carolina(d)	1987	21	1,255	\$1,785,000	\$0	Property tax
Pennsylvania	1989	561	69,752	\$121,718,305	\$15,280,000	Cigarette tax
Rhode Island	1982	30	2,428	\$14,000,000	\$0	
Vermont	1987	140	45,511	\$26,304,172	\$2,000,000	Bond, % of transfer tax, Farms for the Future funds (pilot)
Washington(e)	1979	187	12,600	\$58,000,000	\$1,500,000	Bonds
Totals			399,823	\$691,899,926		

*Also known as Purchase of Agricultural Conservation Easements

Currently unavailable

(a) Marin, Monterey and Sonoma Counties

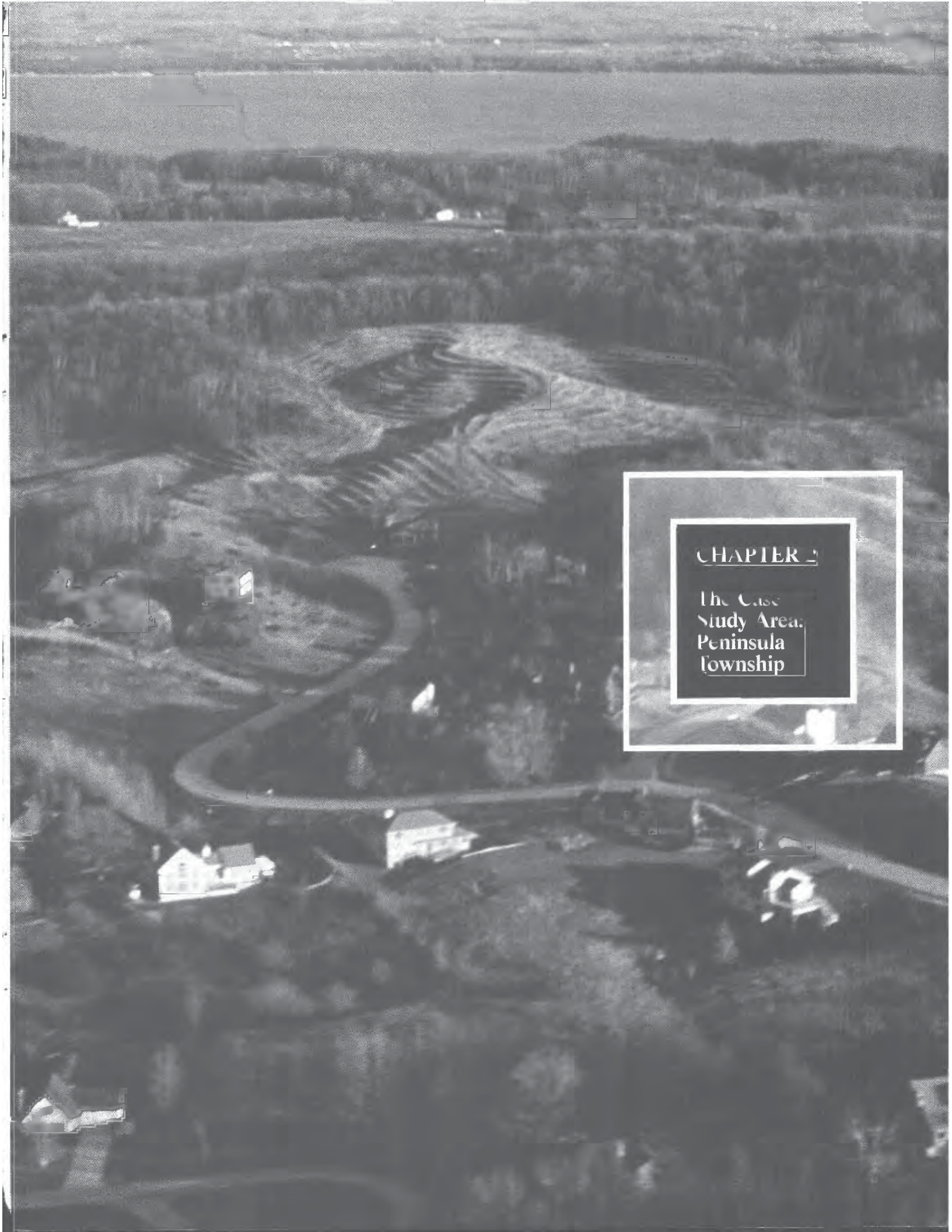
(b) City of Boulder

(c) Suffolk County, Towns of East Hampton, Southampton and Southold

(d) Forsyth and Wake Counties

(e) King County

(f) Recorded easements



CHAPTER 2

**The Case
Study Area:
Peninsula
Township**

History of Agriculture on the Peninsula

The Old Mission Peninsula, a 17-mile-long, 2 1/2-mile-wide land mass bisecting Grand Traverse Bay in the northwest part of lower Michigan, has supported agriculture as long as people have inhabited it. When the first European settlers arrived in 1839, Native Americans were growing corn, squash and apples within an extensive forest. The lumber industry, which began harvesting timber on the peninsula in 1847, accelerated the conversion of forest to farmland. Concurrently, treaties between the federal government and the native inhabitants opened land for homesteading.

Peninsula Township was incorporated on April 4, 1853. One year earlier, the Rev. Peter Dougherty, the region's first European settler, had planted a cherry orchard in the Old Mission town site. Another early settler, John Garland, raised the first peach crop in 1859. By 1867, so much fruit was grown that a fruit center and exchange was established on the peninsula to ship the produce to other ports on the Great Lakes.

The first commercial cherry orchard opened on the peninsula in 1893. Many area farmers followed suit, converting potato fields to cherry orchards to take advantage of the lucrative cherry market, which grew when lake and overland rail transportation improved. The cherry conversion was so rapid that by 1905, red tart cherries had become the dominant crop in the area. Fruit was shipped to Chicago, Milwaukee, Toledo and Detroit via rail or lake schooner.

Settlers bought the first recorded parcels in Peninsula Township between 1860 and 1865.

DESCRIPTION.	SECTION.	TOWNSHIP.	RANGE.	ACRES.	100 th AC.	BY WHOM PURCHASED.	RESIDENCE.	KIND OF ENTRY.	FINAL PROOF.	DATE OF PATENT.	REMARKS.
242941011 1627 1/2											
E 1/2 of N E 1/4	80			80		John Puleipher	Grand Traverse Co. M.	R		Jan 18 1864	
N 1/2 " N E 1/4	80			80		Edwin Puleipher	" " " " "	Warrent 1812		July 19 1864	
S 1/2 " N E 1/4	80			80		Alvin T. Allen	" " " " "	Warrent 1812		July 21 1860	
E 1/2 " S E 1/4	80			80		Henry S. Allen	" " " " "	Warrent		Aug 11 1860	
N 1/4 " S E 1/4	40			40		Henry S. Allen	" " " " "	Warrent		Aug 11 1860	
N 1/2 " S E 1/4	80			80		Alvin T. Allen	" " " " "	R		Dec 28 1860	
E 1/2 " S E 1/4	80			80		Harrison Puleipher	" " " " "	Cash		Sept 4 1866	
S 1/4 " S E 1/4	40			40		Henry S. Allen	" " " " "	Warrent 1812		Aug 11 1860	
Lot No 1	6988			6988		Alvin T. Allen	" " " " "	Warrent 1812		July 21 1860	
262941011 1627 1/2											
N 1/2 of N E 1/4	80			80		Joseph R. Haveland	Lansing Co. M.	R		Sept 2 1864	
E 1/2 " N E 1/4	80			80							
N 1/2 "	80			80							
E 1/2 " S E 1/4	480			480		G. R. & J. R. Co.				Approved June 1870 Patented Mar 28 1871	
N 1/2 " S E 1/4	80			80		O. S. Beuch	Grand Traverse M.	R		Nov 30 1864	

Courtesy of Janne Weirphal.

Over the years, peaches, pears, apricots, plums and apples were planted, but the importance of cherries to the area's regional identity cannot be understated. Almost every public institution and nearly every family has been touched by the industry. Weddings and other social functions were then and still are planned to avoid the harvest season. Cherries were so important that in 1923, community leaders instituted a religious ceremony to "bless" the blossoms. Over time, this ceremony evolved into the annual week-long National Cherry Festival, which attracts thousands of visitors to Traverse City every July.

Today the Grand Traverse area continues to produce almost 40 percent of the red tart cherries in the United States, thanks largely to the area's rolling terrain and unique microclimate. Cold air settles in the peninsula's valleys, creating warm pockets for planting atop hillsides. Lake Michigan, too, plays a large role. Its waters keep the area cool in the spring, thus preventing early buds that could be destroyed by frost. In fall, the lake warms the land mass long after summer has ended. As a result, the area has at least 50 more growing days per year than areas further inland at the same latitude.

However, the tart cherry industry has declined in the last decade. Failure to develop new markets has exacerbated the problem of limited demand for its large supply of cherries. In response, farmers have developed new enterprises, such as vineyards. By 1996, four wineries operated on the peninsula.

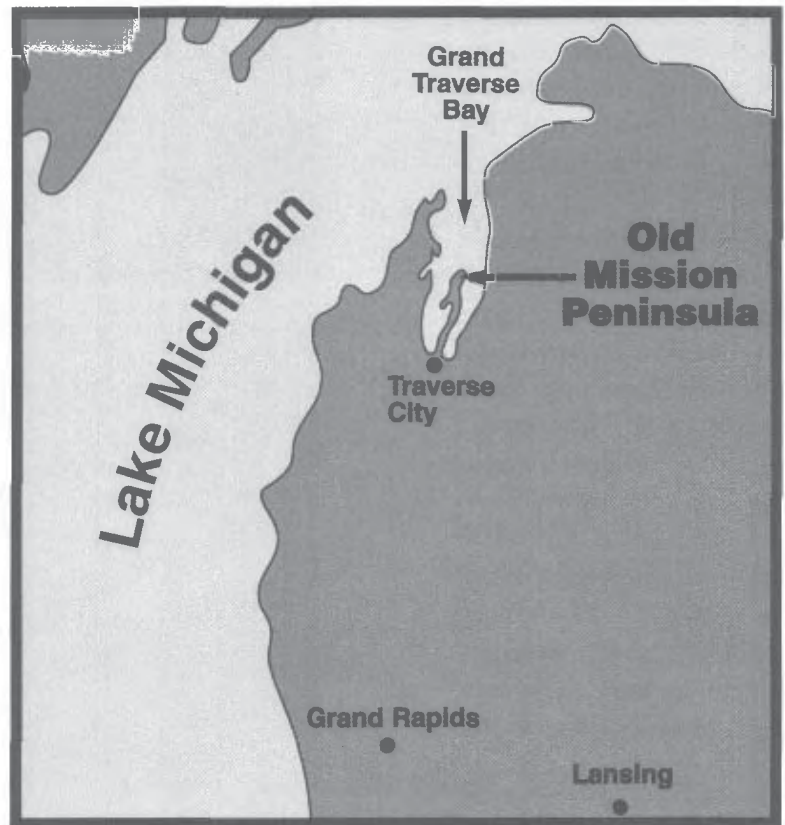
Development Threatens Agriculture

Seasonal visitors have long been a part of the peninsula's history. In the late 1800s, church groups from Cincinnati and Chicago established separate summer resort areas on the peninsula. The resort guests struck a synergistic relationship with local farmers, who provided fresh fruits and vegetables in summer and cut ice in winter. In exchange, resort-goers provided markets for the farmers.

Church groups were just the beginning. Once discovered by wealthy residents of Chicago, Detroit and other large Midwestern cities, the scenic peninsula became a magnet as a summer "retreat" for the well-to-do, including Henry Ford, who owned an island within the township borders.

Despite the seasonal ebb and flow of visitors, many farm families and vacationers occupied the same property for four or five generations. Currently, 11 Centennial farms — farms in the same family for a century or more — are registered with the Michigan Bureau of History; at least 10 more likely could qualify for the designation.

In the last 25 years, growth of the Grand Traverse area has spurred a dramatic expansion in Peninsula Township's housing industry. Between 1980 and 1990, the township's population grew by 13 percent. Between 1970 and 1980, growth reached 45 percent.



The Old Mission Peninsula is influenced by a warming microclimate created by Grand Traverse Bay.

Population Growth

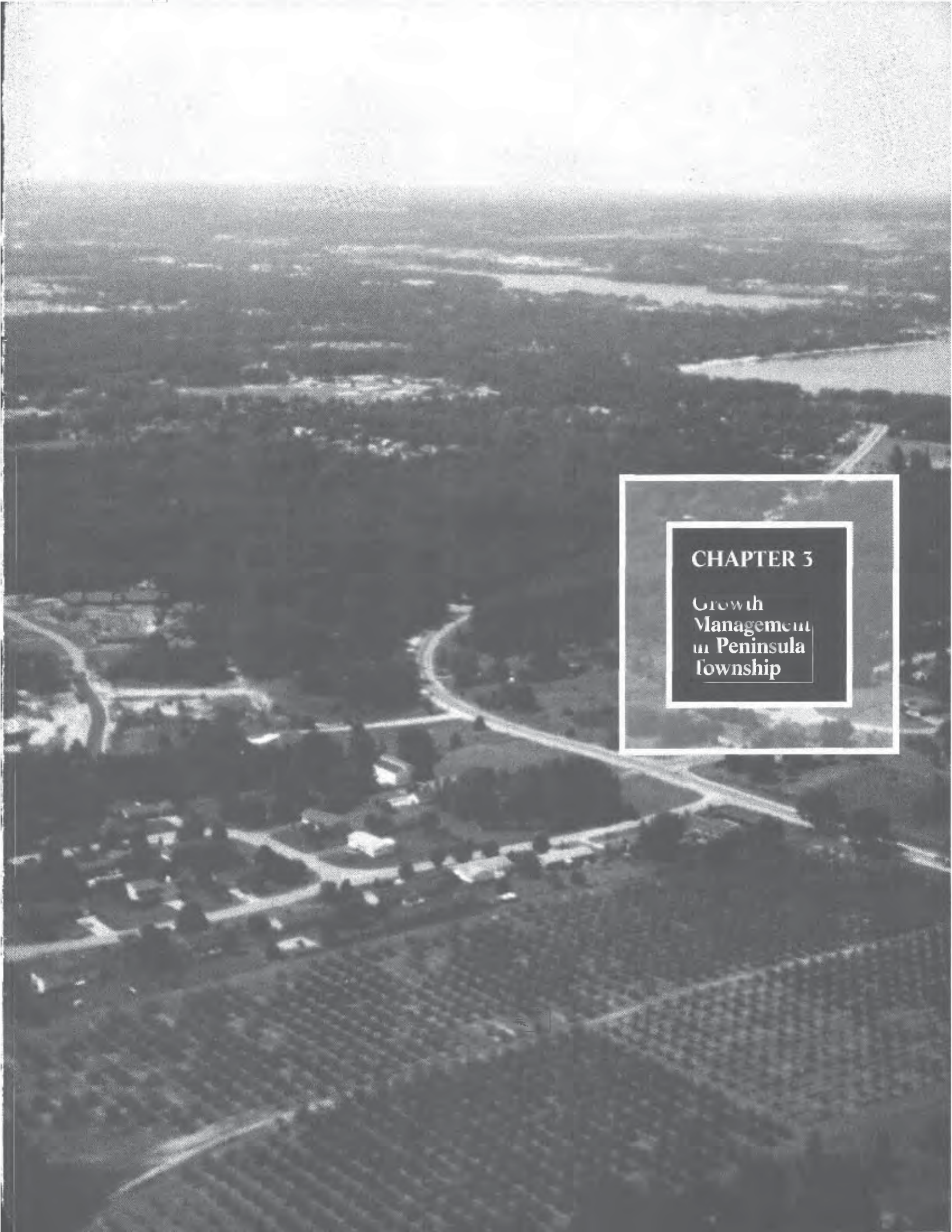
Year	Peninsula Township	% Change
1930	1,107	
1940	1,146	3.5
1950	1,531	33.5
1960	2,013	31.4
1970	2,642	31.2
1980	3,833	45.1
1990	4,340	13.2

In many situations, farmers who are unable to meet production costs or mortgage payments have been forced to sell some of their land. In other cases, farmers, even profitable ones, are tempted by land values exceeding \$4,000 per acre because of a growing demand for housing. Many farmers have chosen to either sell individual building sites or their whole properties to developers and retire on the proceeds. Escalating land values and declining farm profits have combined with increasing conflicts between farmers and new homeowners to encourage conversion of farmland to residential development. Those factors threaten to destroy the peninsula's best soils and forever change its agricultural character and way of life.

The Grand Traverse area produces close to 40 percent of the nation's red tart cherries.



Photo courtesy of Jaume Westphal.



CHAPTER 3

Growth
Management
in Peninsula
Township

Township Leaders Try to Curb Sprawl

Under Michigan statute, Peninsula Township is governed by an elected Township Board, including a paid supervisor. A paid township planner and an appointed Planning and Zoning Commission recommend land use policies.

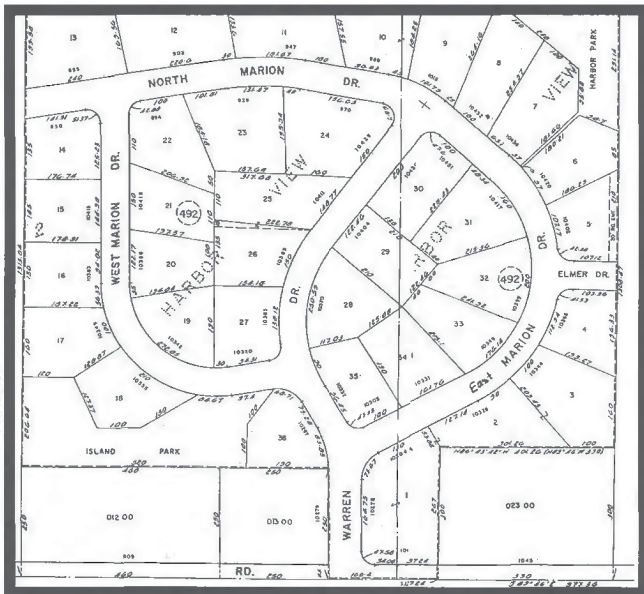
Peninsula Township formed its first Planning and Zoning Commission in 1968 in response to citizen perceptions that uncontrolled growth on the peninsula would threaten agriculture and create urban sprawl. That year, the Township Board also adopted the peninsula's first comprehensive zoning ordinance. The plan adopted by the Planning Commission strove to establish areas that would best support residential development.

An important feature was a large-lot residential zoning requirement of a minimum of five acres per dwelling unit on agricultural land. The purpose of this zoning was to keep the population density low in agricultural areas and prevent fragmentation of farm parcels.

Public hearings on the comprehensive plan were well attended. Many residents, including farmers, provided input on the minimum lot size requirement in the agricultural zone, which covered 10,000 of the township's 17,000 acres.

However, large-lot zoning failed to prevent fragmentation. The five-acre limitation did not deter the traditional core of vacationers and a new influx of permanent residents, who began to build homes along the shorelines and on former farms. The residential zoning did not take into account that some parcels are better suited for agriculture than others. On the peninsula, the best agricultural land is often on elevated slopes prized by developers for their scenic vistas. Five-acre zoning, in fact, may have increased the rate at which agricultural land was taken out of production once the preferred shoreline was developed. Requiring 25 acres or more for agricultural protection zoning might have been more effective.

The Harbor View subdivision and the nearby Horizon Hills development house close to 300 residents on formerly productive farmland.



Courtesy of Peninsula Township.

The plan was based on a development scenario that saw residential land use spreading from Traverse City north onto the peninsula, with the greatest density remaining in the most southerly quarter of the township. And because shoreline buildup also was anticipated, the majority of the shoreline was designated for residential use in the master plan.

In 1975, the Planning Commission revised the comprehensive plan to recognize that development was moving inland from the shoreline, not northward from Traverse City. Five-acre minimum lot sizes remained in effect. Since then, little variance to the comprehensive land use plan has been permitted. However a slow, almost insidious, conversion of farmland has taken place.

At first, the loss of commercial orchards occurred primarily on the heavy soils of the coastal plains — areas having low agricultural production, but high recreational potential. But by 1974, developers were converting higher, productive areas with the best agricultural conditions to satisfy new residents.

That year, the sale of two farms on some of the best cherry-growing land in the southern part of the township alerted the farming community to impending conflict with development. Both farms, owned by Victor Friday and Elmer Warren, were purchased by developers who rapidly converted them into two subdivisions. Horizon Hills and Harbor View now house close to 300 residents.

The Proposed Bluffs Developments

From 1976 to 1987, a series of proposals for a subdivision known as “The Bluffs” created greater concern about development and its impacts. When township officials approved rezoning agricultural land on a substantial area in the central part of the peninsula to build the “Bluffs” development, local residents strongly opposed.

Public concern was so great that residents overturned the Township Board rezoning in a 1977 referendum. A new advocacy group called “Protect the Peninsula” emerged from the controversy. PTP became active in informing citizens about upcoming rezoning proposals.

In 1981, a second proposal — Bluffs II — generated opposition from shoreline owners, who joined PTP members in overturning the rezoning in a second referendum vote. In 1987, developers for Bluffs III applied for a special use permit to allow a golf course, a commercial area and an extensive housing development. The township board approved the special use permit, but PTP filed suit against the township and developer. The special use permit expired during the litigation, and the project died before it could break ground.

The fallout from the Bluffs proposals greatly affected the makeup of township personnel in 1988. Three new Township Board members, including Rob Manigold as supervisor, were elected on a preservation platform. The part-time township planner and part-time zoning administrator were replaced by Gordon Hayward as township planner/zoning administrator.

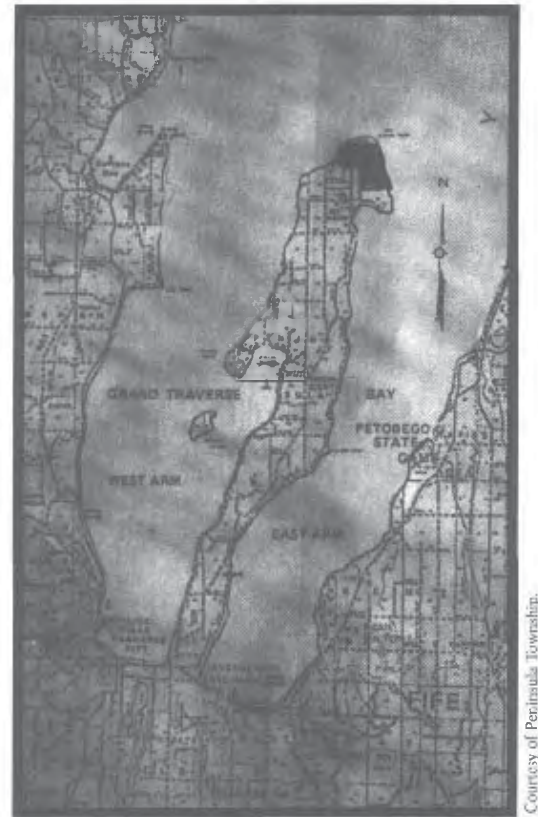
At the same time, a local land trust calling itself the Old Mission Conservancy formed. OMC, with Manigold as president, had protected more than 400 acres with voluntary conservation easements by 1992.

The Murray Farm

The issue of residential growth versus farmland conservation surfaced again when a bank foreclosed on the owners of the 507-acre Murray farm in 1988. With 8,000 feet of Lake Michigan shoreline and prime cherry-growing land, the property was attractive to developers, who could build more than 100 single-family residences under existing zoning requirements.

The Murray property, believed to be the site of the Midwest’s oldest tart cherry orchard, beckoned developers because it overlooks the bay from the tip of the peninsula and adjoins a township park on leased state-owned land. Realizing the spinoff a development of that magnitude could have on peninsula agriculture, the new township supervisor, Rob Manigold, a fourth-generation farmer, solicited the help of American Farmland Trust. A private, nonprofit conservation organization founded in 1980 to protect the nation’s agricultural resources, AFT works to stop the loss of productive farmland and to promote farming practices that lead to a healthy environment.

AFT purchased the land for \$2.1 million, holding the property until the Michigan Department of Natural Resources could buy it for a new state park. The Michigan DNR, committed to retaining agriculture on the site, combined agricultural use with a low-impact recreational area in the park’s concept plan.



Courtesy of Peninsula Township.

American Farmland Trust purchased the 507-acre Murray Farm at the northern tip of the peninsula in 1988 to protect it from impending development.

The considerable publicity surrounding the Murray farm crisis and its subsequent protection by AFT generated much attention on the peninsula and in the region. For many, it was the wake-up call necessary to stimulate a discussion of how to ensure the peninsula's agricultural future.

As a further demonstration, AFT acquired the Horton farm, adjacent to the Murray property, and worked with the township to develop a limited development approach to protect the farm's orchardland. The orchards were resold subject to a conservation easement, while other, wooded parcels were sold subject to restrictive covenants that specified the location of a few residences.

The Need for More Tools

Between 1968 and 1989, the peninsula lost 1,100 acres of agricultural land. With resident frustration mounting in the wake of the near loss of the Murray farm, the Planning Commission and Township Planner Gordon Hayward sought to update the comprehensive plan to protect existing agricultural land and open space.

Hayward secured grants from the Michigan Coastal Zone Management program and Rotary Charities, a local foundation, as well as help from the Institute for Public Policy and Social Research and the Landscape Architecture Program at Michigan State University. The challenge was to protect farmland and scenic views while establishing areas that would best support residential development.


Township leaders had been skeptical when they heard about PDR in the 1970s. Now they began to view an easement purchase program as a potential solution to the farmland conversion problem. They recruited expertise from AFT, which provided information on PDR programs throughout the country and referrals to the people who created and implemented them. Township officials also tapped Michigan State University in the information-gathering effort and acquired a geographic information system for information and analysis.

MSU, the state's land grant university, has a long history of community assistance. In particular, MSU's Landscape Architecture Program often has worked with communities throughout the state on landscape design projects. Originally contacted to help with park design needs in the township, MSU soon joined the township in its quest to create a new comprehensive land use plan by creating new base maps of important physical and cultural features on the peninsula.

MSU provided maps depicting land use change and fruit-growing capabilities, historic sites like Centennial farms, viewsheds and other areas of significance to local residents, as well as management options for the township. Preliminary work on establishing a GIS-generated map for the township also was begun. Led by Dr. Joanne Westphal, research associate with MSU's Institute for Public Policy and Social Research, the university also contributed survey research and public education expertise to the planning effort.

Meanwhile, heightened interest in managing growth in the region spurred the formation of a regional land trust in 1991. Called the Grand Traverse Regional Land Conservancy, the Traverse City-based land trust received start-up funding from Rotary Charities. GTRLC worked with the Old Mission Conservancy — which concentrated its work on the peninsula — to secure conservation easements in the township to protect important natural habitat areas. The conservancies' first farmland conservation easement was recorded in 1992, helping further awareness about farmland protection.

Township leaders began to view an easement purchase program as a potential solution to the farmland conversion problem.



CHAPTER 4
Designing the
PDR Program

Of utmost concern was the nature and extent of new development, the loss of significant farmland and the increasing population in the township.

Bringing PDR to Peninsula Township was a collaborative effort between township officials, planners, academicians, land trusts and local residents. Township Supervisor Rob Manigold was the main force behind the program. His constant contact with the farmers and the other Township Board members as well as his guidance for staff was key to making the program successful.

A township ordinance would provide the legal basis for enacting a PDR program and include a tax millage increase as its primary funding source. Board approval of the ordinance and voter approval of the millage increase were both needed to enact PDR in the community.

Before the Township Board approved a PDR ordinance in May 1994, it:

- Surveyed township residents;
- Publicized PDR;
- Formed citizen study groups to achieve resident input;
- Directed the Planning Commission to draft an ordinance; and
- Studied financing options.

Surveying the Populace

The initial step in the planning effort involved an analysis of the conflict between residential development and agriculture. As part of this, the township conducted a series of surveys to gauge resident support of and interest in farmland conservation.

With guidance from MSU, township staff mailed a survey to residents and property owners in November 1990. Shortly thereafter, Westphal followed up with personal interviews of farmers. Along with the survey activity, the township and MSU undertook data collection of various types. Analysis of the data indicated some important changes occurring on the peninsula. Of utmost concern was the nature and extent of new development, the loss of significant farmland and the increasing population in the township.

The township had received a reliable set of baseline maps on soils, vegetation, topography, historic resources and changing land use patterns from MSU undergraduates in 1989 and 1990. Hayward, the township planner, enhanced the map data with new aerial photographs of current land use.

The need to overlap disparate pieces of data and to weigh or prioritize information drove an effort to computerize all the map data. Base maps and subsequent mapping activities were placed on a computerized geographic information system, or GIS, during 1991. Over time, individual tax parcel boundaries were digitized to identify property owners on a geographic or spatial basis, and assessment records were attached for landowner identification purposes.

Public Education

AFT identified key speakers to address alternative planning options in the protection of agricultural and open space. In public forums in the township hall, Edward Thompson Jr., then AFT's general counsel, and Mike Leaman, manager of a PDR program in Forsyth County, North Carolina, presented information on the legal and practical aspects of establishing a PDR program. Both presentations were very well attended by area farmers and helped develop grower support. Manigold reinforced the forums' concepts at the local coffee shop, where he spent many hours hearing farmer concerns and offering suggestions.

The presentations were part of a broader educational program directed toward informing the electorate on planning issues facing the township. Several township newsletters describing progress on the comprehensive land use plan update were mailed to each property owner. Hayward contacted newspaper, radio and television reporters when significant actions or issues were being considered by the Township Board. When appropriate, press releases were distributed to help reporters understand the issues and reasons underlying specific planning actions.

Such outreach activities not only created public awareness about planning issues but also served as an important preparatory step in involving citizens in the revision of township policies affecting the comprehensive land use plan. By cultivating a relatively informed public, little time had to be spent backtracking and educating citizens on growth issues affecting the township.

Citizen-Based Study Groups

In fall 1991, the township Planning and Zoning Commission requested assistance from citizens in 10 policy areas under consideration for Comprehensive Land Use Plan amendments. Each group — comprised of four to 10 people who were invited to participate or had responded to township notices — took charge of developing policy and action statements on a variety of topics, including agricultural policy, loss of natural resources and water and sewer service. (Appendix A)

The agricultural policy group recommended to the Planning and Zoning Commission that the township consider adopting a policy that would, in essence, recognize an agricultural preservation area on the peninsula. It also suggested that land within this area be considered for a township PDR program.

The natural resources/open space group, which recommended the protection of scenic vistas as a top priority for township government, also recommended use of PDR. The group's support of PDR for preserving both agricultural lands and scenic views later made up the thrust of the argument for PDR.

Several of the policy groups and township officials considered the fiscal consequences of continued sprawling residential development versus a policy of more compact, efficient development that protected farmland. Studies by AFT and the Michigan Society of Planning Officials evaluating the cost of community services showed that, as a rule, residential development does not generate sufficient revenues to support the cost of services required by schools, water, sewer, police, fire, roads, etc. On the other hand, COCS studies show that farmland generally more than pays for the services it requires. (Appendix B)

After six months, the policy groups generated a new set of public policies as well as a cadre of residents knowledgeable about land use and public policy issues. The policy groups gave formal presentations at a Planning Commission meeting that many consider pivotal to the success of the conservation effort. For the first time, a taxpayer-funded program with some control over land use and growth seemed feasible. Some individuals from this group became instrumental in generating citizen support for the ensuing PDR ordinance and tax referendum vote.

Summary of Cost of Community Services*

	Residential (including farm houses)	Commercial/Industrial	Farm/Forest/Open Land
Connecticut			
Hebron	1:1.06	1:0.47	1:0.43
Massachusetts			
Agawam	1:1.05	1:0.44	1:0.31
Deerfield	1:1.16	1:0.38	1:0.29
Gill	1:1.15	1:0.43	1:0.38
New York			
Beckman	1:1.12	1:0.18	1:0.48
North East	1:1.36	1:0.29	1:0.21
Minnesota			
Farmington	1:1.02	1:0.79	1:0.77
Lake Elmo	1:1.07	1:0.20	1:0.27
Independence	1:1.04	1:0.19	1:0.47
Ohio			
Madison Village	1:1.67	1:0.20	1:0.38
Madison Township	1:1.40	1:0.25	1:0.30

*Ratios of municipal tax revenue to cost of community services.

Courtesy of ATT.

Planning for PDR

In 1993, with help from Hayward and Westphal, the Planning Commission began to work with a diverse steering committee to formulate the PDR program and develop criteria for property selection. They modeled it after King County, Washington's PDR program, which included an ordinance and individual, tailored easements crafted from a "boilerplate."

The Planning Commission reviewed various farmland protection programs in considering what characteristics of farm property should be considered and which should have priority in Peninsula Township's program.

The prevailing view was that the township needed enough money to buy a block of protected land to avoid fragmented "islands" of protection surrounded by development. They believed a small parcel designated as farmland or open space in perpetuity might actually attract development to its periphery. The township decided on a program that would preserve sufficient farmland — some 3,000 acres — to ensure an agricultural industry in the township rather than a piecemeal approach. Their criteria included: agricultural productivity according to the tart cherry index, scenic significance and proximity to other protected lands.

The Planning Commission aimed for a selection process that would follow a logical progression and promote equitable evaluation of applicants. It agreed that a selection committee should include farmer representatives and others who would provide good geographic distribution from throughout the township.

The citizen study groups also addressed economic issues related to compensation for landowners seeking to sell their development rights. After spending a great deal of time trying to come up with a point system, the group decided to use case-by-case appraisals to reflect the disparity among township farms.

The township, meanwhile, investigated its legal ability to create and finance a purchase of development rights program. Hayward, in consultation with the township attorney, identified enabling legislation to establish a program. (Appendix C)

Two Michigan legislative acts served as the legal basis to create the PDR program. Act 116 of 1974, the Farmland and Open Space Preservation Act, defines development rights and development rights agreements. Act 197 of 1980, the Conservation and Historic Preservation Easement Act, specifically identifies conservation easements as an "interest" in property that can be bought, sold, recorded and enforced. Act 197 also specifies that easements may be assigned or sold to a governmental body or other legal entity.

The steering committee, along with the township planner, combined the legal information with recommendations from MSU. Ultimately, this information became the PDR ordinance, which was approved by the Township Board on May 4, 1994. (Appendix D) The vote was not taken lightly by township board members. Some were concerned the program would lead voters to protest against higher taxes.

Paying for PDR

The matter of financing the township's PDR program entailed much deliberation by the Township Board, which first looked at whether to accrue the necessary funds up front or pay project by project. Considerations for financing included floating a bond issue to enable lump-sum purchases or using a property tax increase to make annual payments on installment contracts. Under Michigan law, only charter townships are permitted to float bond issues. Peninsula Township is not a chartered township; therefore, a referendum vote for a property tax increase became the best available solution. (Act 99, P.A. 1933 - Municipal Property, Purchase on Installments, served as the basis for carrying out the second financing option.) A referendum vote was scheduled for August 2, 1994.

Citizens Unite Behind PDR

One year after the township-appointed policy groups completed their consideration of farmland protection issues, an independent group, "Concerned Citizens in Support of PDR" formed. Under the leadership of John Wunsch, a third-generation township orchard owner and musician, Concerned Citizens began to examine the advisability of PDR for Peninsula Township.

The PDR concept had been discussed throughout the township by government, conservancies, the agricultural community and the population at large for about four years. When the Planning Commission established ordinance language, residents were given something concrete. As a result, Concerned Citizens began to assess the practical value of PDR for Peninsula Township.

Considerations for financing included floating a bond issue to enable lump-sum purchases or using a property tax increase to make annual payments on installment contracts.

The group's founders operated from the following principles:

- 1) honest reporting of all research on the issues;
- 2) respect for the rights and practical needs of farmers; and
- 3) implementation of a program as independent of politics as possible.

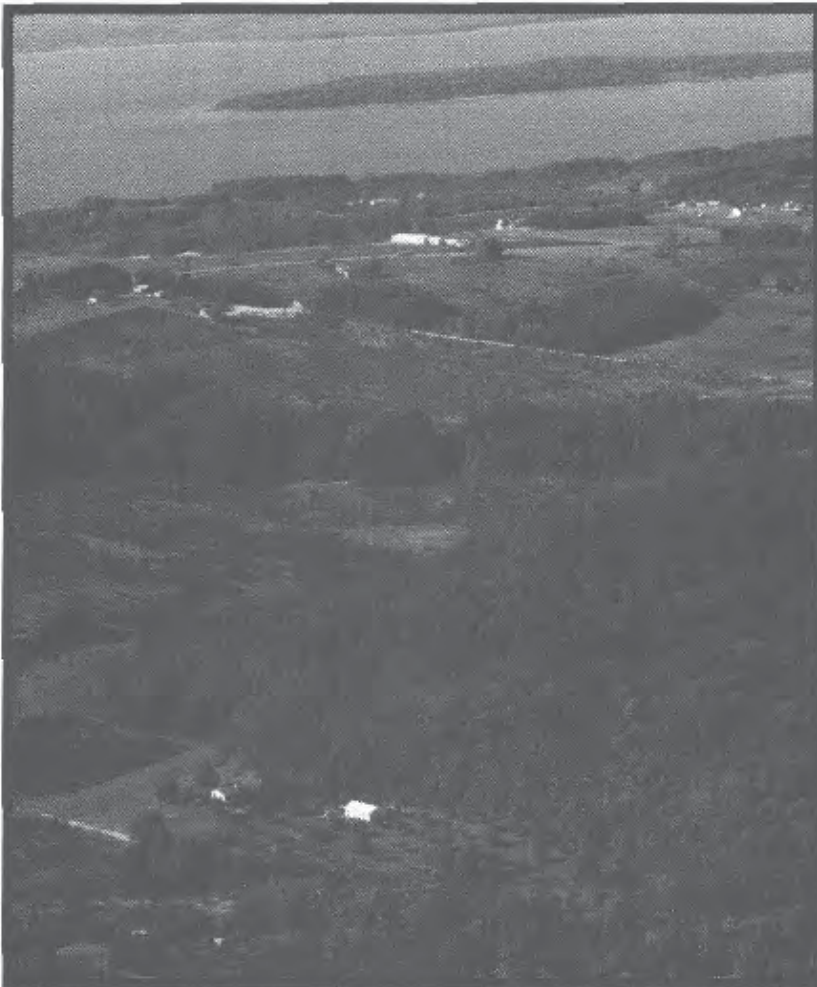
Wunsch set the stage for a strong advocacy group by forming a study group more than a year before the referendum. He created a list of 50 potentially interested residents representing both "pro" and "con" viewpoints on PDR and invited them to participate in two meetings over the summer of 1993 to discuss the advisability of establishing a PDR program. Approximately 35 people attended the first two meetings, which seemed to promote positive feelings about the potential of a PDR program. At both meetings, participants suggested zoning could solve the problem without an added tax burden. Discussions ensued regarding private property rights and the tenuous and political nature of zoning. In the end, the meetings seemed to serve as a forum for venting frustrations about taxation and government control.

Meeting participants also received detailed information on the draft PDR ordinance and its financial implications. At the first meeting, Hayward gave an overview of

farmland protection in the township. The second get-together opened with a question-and-answer session on PDR. Wunsch and others urged the audience to get involved in creating recommendations for the township Planning Commission. Those not attending were asked to call or write in their opinions, and meeting minutes were sent to all interested persons.

The meetings promoted lively debate and discussion on how PDR had worked in other areas. In the end, they resulted in a corps of volunteers that became the base from which a reporting committee, a steering committee, a financial committee and, finally, a campaign committee emerged.

The committees worked hard from fall 1993 through spring 1994, keeping in contact with a growing mailing list. They presented extensive recommendations to the township, including proposed changes to the draft ordinance and structure of the proposed PDR program; a 52-page report on various options to finance PDR, including how much acreage could be protected under each scenario; and a plan and timeline for the public education campaign.



Courtesy of Jeanne Westphal.

A core group of township residents concerned development would continue to encroach on farmland organized to examine the feasibility of PDR.



CHAPTER 5

**The PDR
Campaign**

The Campaign Begins

The campaign to influence voters in favor of the PDR referendum began just three months before the referendum date: August 2, 1994. A good deal of work was already in place.

Because "Concerned Citizens" began working as a study group in 1993, a team of about 65 informed people with a stake in the creation of PDR already had formed. The group — 30 of whom dedicated themselves to the day-to-day work of the campaign — also helped communicate that the proposed PDR program would be a creation of township residents in cooperation with township staff, not a bureaucratically imposed burden.

Among others, the core group of campaign volunteers included six individuals: Lou Coulter, farmer, Conservancy board member and soil district conservationist; Rex Hite, accountant and former member of the township Planning Commission; Jim Lively, Old Mission Conservancy board member and Council of Governments administrator; Mark Nadolski, realtor, long-time township activist and president of the citizen group "Protect the Peninsula;" Dr. Westphal from MSU and Wunsch. Two others later joined the effort: Fred Doelker, a media expert with campaign experience, and Judy Doelker, a graphic artist with experience in presenting complex issues to the public.

The campaign was coordinated centrally through its chairman, Wunsch, who, along with the core group and other volunteers, took responsibility for different activities, such as: volunteer coordination, door-to-door organization, media contacts, video production, TV advertising, speaker and volunteer training, informational mailings, fundraising, campaign planning and soliciting endorsements.

The campaign commenced in a highly emotional atmosphere driven by strong feelings both for and against a taxpayer-funded PDR program. Residents had seen a significant reduction in property taxes after Michigan legislators in 1993 had restructured the tax code to shift education funding from property taxes to the sales tax. Proponents justified PDR as a way to use tax authority on a local level to have immediate beneficial impacts on the township. Opponents saw it as the beginning of a process to increase local taxes and eliminate the recent gains in state tax relief.

Underwood Farms

Adding to this atmosphere was a true sense of sadness by most residents, even those in opposition, at what they perceived as a hopeless scenario of farm after farm giving way to more and more residential development. This sense was made painfully real by the Township Board's approval in fall 1993 of the Underwood Farms development, which would convert some 500 acres of very scenic farmland at the southern end of the peninsula into houses and condominiums.

During the summer of 1993, while the citizen support group was forming, well-attended, heated public hearings were held on Underwood Farms. When the development was approved by the Planning and Zoning Commission after much negotiation with township officials, opposition to the loss of additional farmland in the township was galvanized. The development plan won awards for its preservation of scenic views and was seen as a "sensitive" development under existing zoning. But the Underwood Farms project made it clear that five-acre zoning could not save township farmland.

The Underwood Farms project made it clear that five-acre zoning could not save township farmland.

In May and June 1994, the early stages of the campaign, Underwood developers uprooted hundreds of cherry and apple trees in full bloom, pushed them into large piles and burned them. Meanwhile, heavy equipment began the irreversible process of grading excellent topsoil to create home sites. Located off the township's main artery just two miles onto the peninsula, the Underwood development signified what the future could bring. The fate of Peninsula Township agriculture looked bleak without a viable program to assist farmers who wanted to avoid development. To many, PDR provided the single bright spot on the horizon.

Campaign Structure

While Underwood Farms provided the catalyst for the citizens' group, a thorough public education campaign about the PDR program was still needed. Lacking an example of a working PDR program nearby, campaign organizers anticipated that some residents might harbor negative misconceptions about PDR, a complex subject. A carefully paced and thorough presentation of the program was needed.

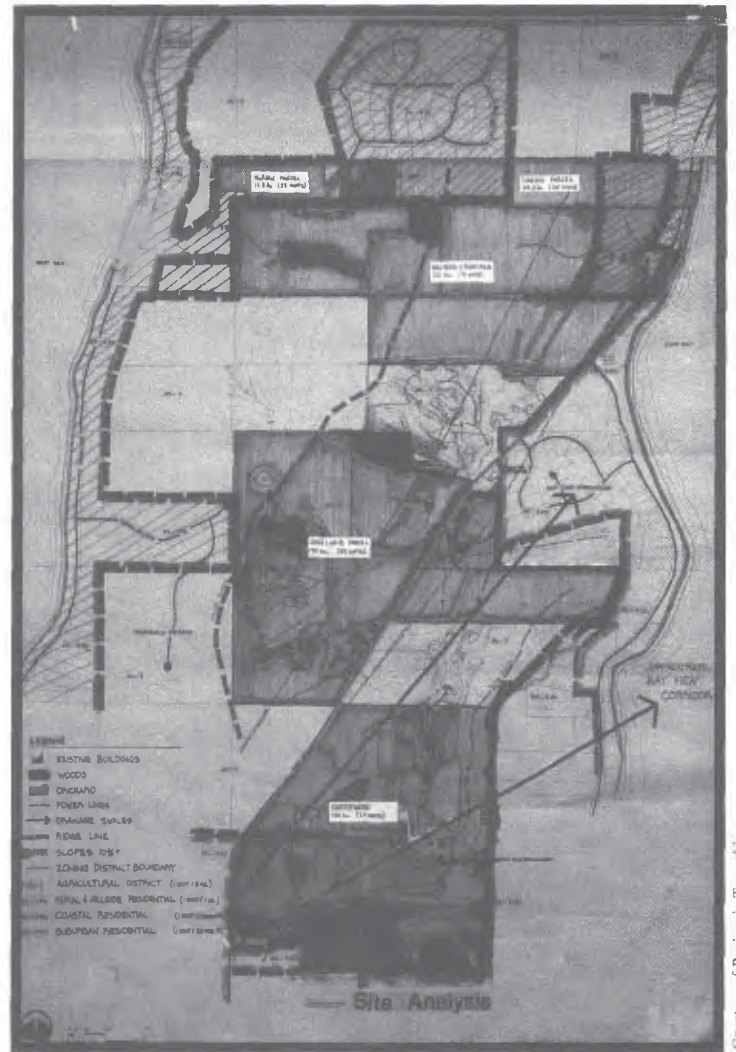
The educational campaign was mounted over 10 weeks. It began with an article in the main local newspaper, *The (Traverse City) Record-Eagle*, that introduced PDR and culminated with a series of newspaper advertisements that explained the proposed program and how it would work, listed the existing broad base of support for PDR and appealed to the emotions of people concerning the growth conflict.

The majority of campaign activities occurred in the final seven weeks before the August 2 vote. Those activities included:

- Educational mailings;
- Media contact;
- Personal contact;
- Education and contact through video;
- Demonstration projects (options to buy development rights on target farms); and
- An informational package assembled by Michigan State University and delivered door to door by neighborhood residents.

Educational Mailings

Campaign organizers chose "Preserve Our Heritage" as the campaign motto. In an effort to harken to earlier times and values, especially the importance of farming to the region, the motto was printed as an old-style newspaper banner across the top of each mail piece. All print was warm brown on tan parchment paper. The net effect was both easy to read and consistent with the historical theme.



The hotly contested Underwood Farms project won awards for "sensitive development," but swallowed up 500 acres of farmland.



Concerned Citizens in Support of PDR mounted an informational campaign that included mass mailings outlining the PDR program and what was at stake.

The campaign group put out five mailings. To reach every township resident, the group addressed the pieces to “postal patron” and purchased label lists designed to include as many residents as possible. The mailings offered detailed information on: the PDR concept; how the program would be implemented; principal arguments for and against PDR; a list of farmers who supported the program and why; and, finally, a list of residents who planned to vote yes on the millage referendum. The township distributed its own informational newsletter, careful to stay neutral.

Media Contact

Campaign organizers used newspapers, radio and television to publicize the need to pass PDR in Peninsula Township. Educating and cultivating media representatives over the long term on specific issues was key to the initiative’s success.

Township officials, too, made sure newspapers and other media representatives were given sufficient information on the PDR program in a timely fashion.

Newspapers. Newspaper coverage consisted of articles, editorials and advertising. Campaign organizers cultivated the media by establishing contact with and providing information to reporters early on. The strategy made media communications during the campaign and just before the vote easier to maintain.

The Record-Eagle printed an article in early May, four weeks before the campaign started. The article included interviews with farmers for and against the proposed program. The story followed formal approval of the ordinance and referendum ballot measure by the township board.

The Record-Eagle also ran a story on PDR three days before the vote. PDR supporters such as American Farmland Trust and the Grand Traverse Regional Land Conservancy helped secure the second article by announcing that two farmers had signed options to signal their intent to sell development rights on their farms if the program passed. That article focused on the details of the options and the farms involved. This framing of the campaign through the media proved effective.

Two of the region’s alternative publications provided excellent support. *The Stewardship Quarterly*, published by Fen’s Rim, an Elk Rapids publisher, featured a lengthy article on the PDR concept 10 months before the election. *The Gazette*, a popular biweekly Fen’s Rim publication, featured a lengthy cover article in support of the program 11 days before the vote.

Editorials. Letters to the editor were cultivated and planned, with timing and content considered of paramount importance. Individuals supporting PDR wrote about particular issues under strict deadlines. One resident countered the concept that zoning could solve the problem. Another wrote about the historical success of easements to answer claims that they did not offer a permanent solution. Campaigners monitored the press and, when no negative letters appeared early that summer, held the positive letters until the last week before the vote to avoid instigating letters in opposition.

In late June, township officials met with *The Record-Eagle* editorial board. They hoped to counter concerns expressed earlier that month in an editorial and solicit more favorable copy on PDR. The meeting paid off — a supportive editorial appeared six days before the vote.

The Record-Eagle has a regular citizen editorial column. Wunsch submitted an editorial that focused on why to support PDR. It included points meant to deflect the fears of potential supporters about PDR, such as increased taxation, the longevity of easements and poor farmer participation. It appeared four days before the vote and was printed opposite a citizen column editorializing against the program.

The *Detroit News*, a state newspaper with extensive local readership, featured an article by columnist Tom BeVier, who lives in Peninsula Township. The favorable column appeared July 13, three weeks prior to the vote.

Advertising. The township Planning Commission survey conducted in April 1994 had determined residents received the vast majority of their information through the newspaper. Therefore, the majority of the campaign advertising budget was directed to *The Record-Eagle* rather than television or radio. All advertising was concentrated during the last week before the vote and consisted of three basic layouts.

An ad listing supporting farmers and non-farm voters appeared twice, as did a photographic comparison of healthy orchards with farmland undergoing development. Another ad — a simple verbal outline of the program's basic premises, best features and supporting organizations — appeared once.

A second comparison photo ad ran the night before the vote and included a ballot sample, enlarged text of the ballot language and examples of actual costs of the proposed millage increase on three different home values. An accompanying ad also contained an eye-catching graphic by well-known illustrator Glenn Wolff depicting five pastoral scenes from the township and one scene of bulldozers destroying an orchard to build new houses. It ran under the headline: "PDR — Six reasons to vote yes on August 2nd." (Appendix E)

Radio. While campaigners decided against purchasing radio advertising, a number of well-respected programs covered the issue. WIAA, the local National Public Radio affiliate, began coverage 10 months before the vote with interviews of residents following the township's first public forum on the concept. WIAA also ran coverage of the referendum question six weeks prior to the election. Both

RECORD-EAGLE
OPINION

Our view

'Yes' vote will help preserve peninsula's unique qualities

It is not an outrageous thought to look into the next century and see what the pressures of a growing population and new development will have on Old Mission Peninsula.

The signs of growth are apparent, and its ramifications on the peninsula's valuable farmland — one of the few natural micro-climates needed for successful cherry and grape farming — are potentially devastating. Already, the peninsula is "built out," as predicted in 1990 when a township study showed that an average of 53 houses a year had been built there from 1980 to 1990.

While growth is inevitable in a prized location like the peninsula, that doesn't mean that the rural and scenic character of the township has to be compromised in the process. Fortunately, there is a way to preserve the peninsula's agricultural persona, but keep the door open to controlled growth in the process.

On Aug. 2, Peninsula Township voters will go to the polls to decide the fate of a purchase-of-development-rights program that will cost them 1.25 mills for 15 years. That amounts to \$62.50 a year for a house valued at \$100,000.

Over 15 years, it will raise \$2.6 million to purchase development rights to an estimated 1,100 acres of farmland. There is a total of 8,500 acres of land on the peninsula currently being farmed or that would be good for farming.

We urge a YES vote for the following reasons:

■ It is a voluntary program and will help financially-strapped farmers stay in busi-

ness, preserve unique farmland and protect the scenic views that make the Grand Traverse region so beautiful and so popular.

■ Only 1 percent to 2 percent of the land in the United States has the unique characteristics of the land in Peninsula Township.

■ Peninsula Township has practiced good zoning for years. Township planners and officials say that traditional zoning — no matter how good it is — just will not protect farmland from development pressure.

■ In the long run, tax dollars needed to support sewer, water, roads, fire and other services for increased residential development would be greater than purchasing development rights. A 1989 American Farmland Trust study showed that residential developments cost taxpayers \$1.12 to \$1.36 in municipal services for every \$1 they generate in taxes. Agricultural land only requires 21 to 48 cents for each \$1 in taxes.

■ It would set a precedent for the Midwest that addresses a serious problem — the loss of farmland. The state lost some 8 million acres — or 39 percent of its farmland between 1954 and 1992. Similar purchases of development rights have helped preserve other unique farmland in Green River Valley in Washington and Forsyth County in North Carolina.

Appropriately, peninsula voters will have the final say on this issue. We hope their actions result in a program that protects the farmland that is so valued and irreplaceable. After all, it is the farmland, the views and the natural beauty that sets the peninsula apart from any other part of Michigan.

An editorial in favor of the PDR program ran in The Record-Eagle six days before the referendum.

Organized personal contact with voters took three forms: door-to-door campaigning, advertised public presentations and privately sponsored presentations in homes.

programs were aired statewide on "Michigan This Afternoon." The citizens' group and township staff trying to publicize public forums started cultivating WIAA coverage more than a year before the vote.

The week of June 20, WTCM, a primary commercial station, aired a week-long series of news spots about the upcoming vote. The news spots were segments edited from a series of interviews with Township Planning Commission Chairwoman Virginia Coulter, a supportive local farmer and Wunsch. Wunsch and Hayward also appeared on a morning call-in talk show. The program provided ample time to elaborate on the PDR program and questions from voters. It aired one week before the vote and generated favorable calls.

Television. Television advertising was made possible by a campaign contribution specifically granted for that purpose, making cost comparisons to radio and newsprint irrelevant. Both cost effectiveness and good demographics made cable the only television outlet chosen. Two spots were aired on a rotation of several different cable networks during the week before the vote. Both spots featured members of the advocacy group making brief personal statements followed by vistas of farmland and viewsheds in the township.

The citizen group made contact with all television news outlets eight weeks prior to the vote in an effort to enhance coverage. While this contact may have prompted regular news coverage at the time of the election, only one outlet made a commitment to present information on the PDR program before the vote. A TV spot on the local 6:30 a.m. community news program, "Good Morning, Michigan" on WGTU TV 29 reminded viewers that the PDR issue would be decided the following week and that a "yes" vote could provide protection for area farms. Such morning television programs typically draw a substantial audience.

TV news coverage was extensive the last few days before the vote. Interviews with Coulter, Wunsch and farmers in favor of and opposed to PDR were aired. Additionally, "CBS This Morning" ran an interview with Township Supervisor Rob Manigold and a dissenting farmer the morning of the vote.

Personal Contact

Organized personal contact with voters took three forms: door-to-door campaigning, advertised public presentations and privately sponsored presentations in homes.

The door-to-door campaign, which was organized by Rex Hite, volunteer coordinator, was designed to cover all homes on populous roadways, but not in subdivisions. Hite, along with other campaign organizers, determined that this geographic coverage would be the practical limit of the volunteer hours available for such a labor-intensive effort.

Visits were launched five weeks prior to the vote. Nineteen volunteers were briefed, given information packages and assigned a route. (Appendix F)

Initial plans called for reaching subdivision residents through their neighborhood association meetings. This strategy failed because most associations met only annually and had held their annual meeting in the spring before the campaign began. Those associations that had not yet met could not find room for the PDR issue on their full agendas.

As an alternative strategy, three public meetings were arranged and advertised in *The Record-Eagle*. Two were held at local churches, and the third became part of the Old Mission Conservancy's annual membership meeting. Spin-off publicity was garnered in church bulletins and OMC's meeting notices.

The meetings each included a slide presentation, an educational video and a question-and-answer period. Wunsch gave a presentation, as well as Grant Parsons, a local attorney who followed environmental and community issues and who had reviewed the PDR proposal for the citizens' group. Either Hayward or Westphal were available for questions regarding the ordinance. Numerous hand-outs were made available, including copies of the video, newspaper articles, sample ballots, maps of the preservation zone, ordinances, the informational tabloid and copies of the postcard that introduced PDR in the initial mailing. Audience members were invited to put a personal note of endorsement on the cards and leave them in friends' doors or mailboxes. They were also asked to put their names on the "yes" voter list. Another meeting with the same format was held at the home of a supportive citizen who invited all subdivision residents to attend.

As the vote neared, it became clear the personal contact effort headed by Rex Hite would not reach all subdivision residents due to limited time and manpower. At that point, Wunsch called Westphal at MSU for assistance in getting information to subdivision residents. Westphal devised a packet containing pro and con information that was designed to be delivered door to door by neighborhood residents. (Appendix G)

Video

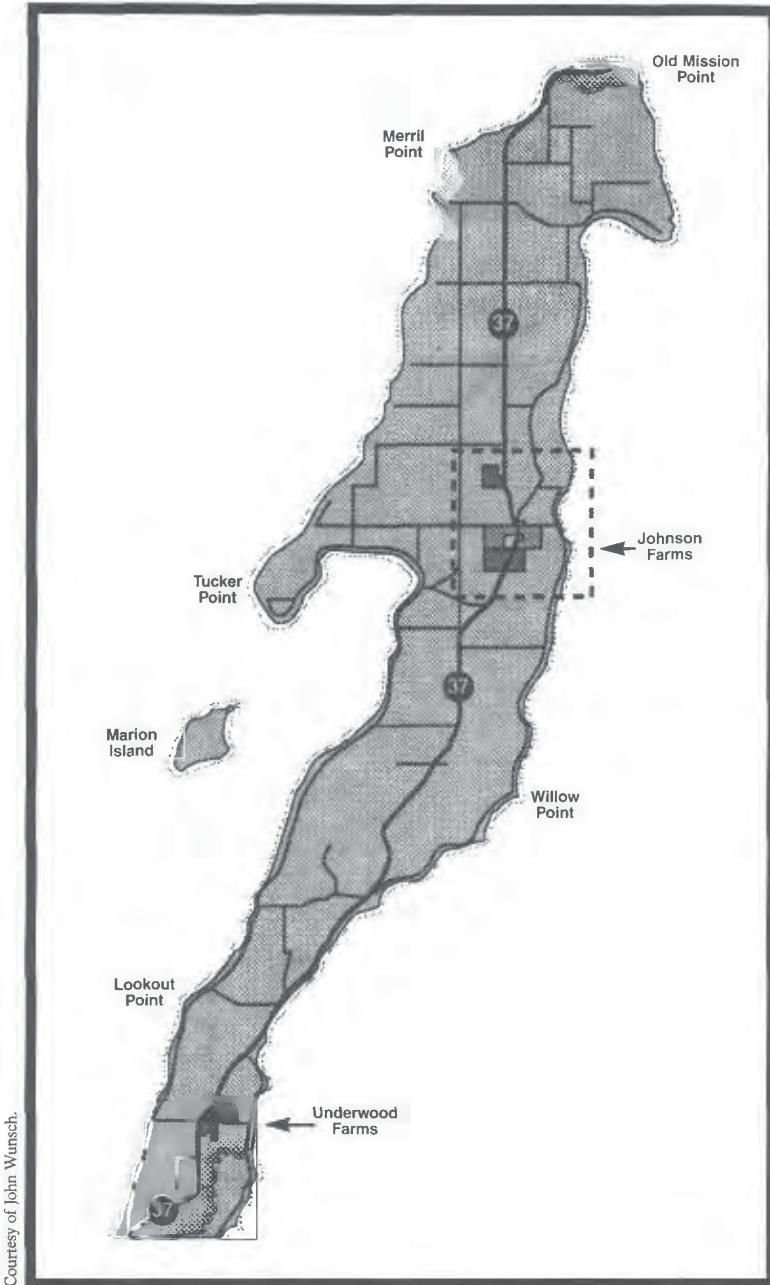
The citizen advocacy group produced an 18-minute video entitled, "In Our Own Words: How PDR will benefit the residents of Old Mission Peninsula." The video contained scenic views of the township and its farms with discussions by four residents: Molly Levin, a senior member of the farm community; Herb Sawin, a subdivision resident; Westphal and Wunsch. The dialogue avoided extensive detail about the program, concentrating instead on why each thought there was a need for PDR in the township.

Close to 300 copies of the video were produced and distributed freely throughout the community. Subdivision residents received a copy of the video as part of the MSU information packets. The public access cable system, which would have been a natural outlet, had not yet come on line in the community. However, the community library and local grocery store had videos available for check-out. Videos also were given out freely to people who were encouraged to pass them on after viewing. Feedback indicated they were widely viewed and worked in the favor of the successful PDR vote.

Support Within The Farm Community

Despite all the education efforts, no clear consensus had emerged from the agricultural community by the month before the campaign. Supervisor Manigold had maintained a low-key but ongoing dialogue with farmers. He brought farmer concerns and questions to the Planning Commission and committees and returned with information so the program would meet their approval. Much of Manigold's efforts were an attempt to counter concerns that most farmers did not support the program. Many non-farming residents, who make up 95 percent of the township population, thought PDR should not be approved if farmers did not support it.

Many non-farming residents, who make up 95 percent of the township population, thought PDR should not be approved if farmers did not support it.



Courtesy of John Wunsch.

Locations of PDR demonstration farms, which created concrete examples for farmers and others to evaluate, and the Underwood Farms project.

To counter perceived farmer opposition, the citizens' group amassed signatures of farmers who supported the PDR program. They left petitions at a fruit-receiving center, and a local vintner worked to gain signatures. Wunsch, who had grown up working on family farms, conducted a "tractor-to-tractor" survey, asking the question: "Regardless of whether you would put your land in the program, do you believe that the passage of the Purchase of Development Rights Ordinance will be a positive step toward the continuation of agriculture in Peninsula Township?" When 61 farmers were asked to sign the statement, 57, or almost one-third of the total farm community, added names to publicly support the PDR concept. Organizers considered this show of support critical to passing the millage.

Demonstration Projects: Options to Buy Development Rights on Two Farms

PDR, a complex concept, can be understood easier with demonstrations of how development rights are sold. Dennis Bidwell, AFT's director of land protection, proposed to campaign organizers that publicizing demonstration projects involving real farms and real farmers before the vote might help promote the program.

With the support of campaign organizers and township officials, Bidwell worked with Glen Chown, executive director of the Grand Traverse Regional Land Conservancy, to identify opportunities to demonstrate PDR in a tangible way. The plan was to find a few viable and visible farms and obtain from the owners options to purchase the farms' development

rights. This would show that real farmers supported PDR both in concept and reality.

In addition, the options would show voters the details: the prices per acre that typically would be paid by the PDR program, the appraisal approach, negotiation of prices and conservation easement terms.

In setting out to find supportive farmers, Bidwell and Chown found Walter Johnson an attractive candidate. Johnson owns an 80-acre cherry farm homesteaded by Johnson's great-grandfather in 1858, and co-owns another 105-acre farm with his son, Ward. The Johnsons, respected members of the agricultural community, own properties that would score highly on the criteria system spelled out in the ordinance. Additionally, both farms were highly visible, with extensive frontage on the township's main road. Finally, Walter Johnson would not be bashful about talking to the press about his commitment to PDR.

With funds provided by Rotary Charities, AFT commissioned appraisals of the two farms to obtain fair market value estimates and estimates of value restricted by the proposed easements. Bidwell and Chown discussed the terms of the proposed conservation easements with the Johnsons, discussed prices based on appraisals and drafted the terms of options to purchase the development rights on the farms. After several conversations, acceptable terms were found, and the Johnsons signed the option agreements. On the 80-acre farm, the agreement provided that development rights would be sold for \$146,000, or \$1,825 per acre. On the 105-acre farm, development rights would be sold for \$198,500, or \$1,890 per acre. (Appendix H)

Johnson was willing to have his farm serve as a model because he believed PDR represented an opportunity to gain extra income while guaranteeing that good farmland would always be kept available for agriculture. He also was attracted to the fiscal benefits for the township, which he thought would benefit by avoiding the costs of expanded municipal services required for additional residential development.

AFT, GTRLC and campaign organizers timed the announcement of the option agreements to gain as much leverage as possible before the vote. The stories in the local press outlined concrete examples of how the PDR program would work — the type of land to be protected, the per-acre cost and how the process itself would function. The last of the campaign group's mailings described the option agreements on the demonstration farms. (Appendix I) Campaign organizers credit the option agreements with helping convince voters that real farmers not only supported the PDR program in concept but also were ready and willing to participate.

Opinion Surveys

Two surveys, funded by Coastal Zone Management and Rotary Charities, identified township residents' knowledge of issues and the levels to which they would accept a millage vote. A 1994 survey by Northeast Research of Grand Blanc, Michigan, indicated a majority — 49 percent “yes” and 15 percent “no”— of 343 voters questioned would cast a ballot in favor of paying additional taxes to fund farmland and scenic view protection. (Appendix J)

Positive Factors

A number of other factors are believed to have given the PDR campaign a boost. One was a concerted effort to involve younger residents. Many community youths gravitated to the positive aspects of the project and its goal of a better environment for Peninsula Township.

The citizens' group contacted young people working local food service jobs and informed them about PDR and the reasoning behind it. The group gave the youths the PDR video along with requests to spread the information to other young voters.

Campaign organizers decided early to avoid seeking endorsements from professional politicians and government officials to keep the ballot question free of partisanship. That also helped avoid the potentially divisive process of asking community organizations for public statements of endorsement. However, individuals were asked for permission to be publicly listed as residents who planned to vote “yes.”

A number of local, regional and national foundations had been asked for funding early in the process to develop and study PDR. Help from Rotary Charities and the Americana Foundations, as well as the Coastal Zone Management Program and technical

Johnson was willing to have his farm serve as a model because he believed PDR represented an opportunity to gain extra income while guaranteeing that good farmland would always be kept available for agriculture.

expertise from AFT, helped garner public support. During the campaign, such organizations were cited for contributing to the development of the program, creating a de facto endorsement in the mind of voters. Creating informational mail pieces early in the campaign that did not push for “yes” votes made it possible to obtain donations from organizations that did not want to fund lobbying materials.

Volunteer hours were conserved by contracting all print work to a company that also handled mailing. This freed volunteers from stuffing envelopes, sorting for bulk mailings, stamping envelopes and other clerical tasks, making them available for personalized contacts with voters.

Finally, expenses were reduced by using “postal patron” labels rather than addresses for all rural routes. Postage rates are lower for bulk mailings with the postal patron address than they are for bulk mailings using actual names and addresses, which are required on non-rural routes.

Arguments to Counter

One of the principal arguments against PDR throughout the process of developing and campaigning for the program was a concern that farmers would not participate. The establishment of the demonstration projects, in which landowners actually signed agreements to sell their development rights, contingent upon passage of the millage — along with publicizing the names of 57 supportive farmers — were effective responses.

Those demonstration project agreements, however, were not ready until just before the vote. While the timing created a burst of favorable pre-election publicity, the “negative farmer” argument needed to be countered beforehand. The citizens’ organization pointed to the positive experiences of others. In five of the six PDR programs the citizens’ organization had researched, farmers were on waiting lists to sell their development rights, and the sixth program was not structured to allow waiting lists. In most cases, when the programs were introduced, there was significant skepticism about farmers’ desire to participate.

Another pervasive concern was whether the easements would be truly long lasting. The campaign worked to educate people about the history of easements, which have been used for more than 100 years, starting with protection of scenic highways and parks. According to the Land Trust Alliance, more than 450,000 acres were protected by conservation easements by 1991. Since then, LTA has reported about a 6 percent increase in total easements and virtually no losses from protection. Publicizing such statistics went a long way to counter concerns about the perpetuity of easements.

Four specific points about Peninsula Township’s proposed program also helped. First, the township stated its intention to contract with experienced and qualified individuals or recognized conservancies for negotiating easements, preparing baseline reports and monitoring easements. Second, the township made a commitment that baseline reports and the procedures for monitoring easements would conform to LTA’s 1989 “Standards and Practices Guidebook.” Third, the township attorney, the township bond counsel and a number of attorneys retained by the citizens’ group had found the ordinance to be legally sound. Finally, the ordinance provided for the establishment of a permanent stewardship fund of no less than \$40,000 that could only be used for enforcement purposes.

In five of the six PDR programs the citizens’ organization had researched, farmers were on waiting lists to sell their development rights.

The concern of PDR being “one more subsidy program” was met with the argument that a subsidy is an ongoing payment to support a business rather than a one-time purchase of something of value to the community, based on fair appraised price. In addition, PDR backers argued that the program was geared particularly toward protecting unique farmland.

Some claimed more aggressive zoning would achieve the same end without a new tax. The citizens’ group contended that such zoning would be subject to changing politics — assuming it could pass at all — and therefore was not a permanent solution. By contrast, PDR is a voluntary and permanent contract, not a regulation, and therefore not subject to changing political whims.

The fear that PDR would lead to higher taxes was rebutted in the campaign by explaining how an increasing population would otherwise mean more municipal services and considerably higher taxes. Cost of community services studies by AFT, which has studied areas throughout the Northeast as well as in Ohio and Minnesota, and a Peninsula Township staff study of Michigan townships substantiated that claim. The campaign also pointed out that current residents had an opportunity to maintain the township’s rural character in a fair way by sharing the cost of protection. A helpful statistic was that the \$3 million to be generated by the tax increase could either buy a few miles of sewer main or about 1,500 acres of conservation easements. (Township officials later re-estimated the figure, taking into account expected increases in the tax base and inflation at \$6 million over 15 years.)

A “mistrust of government” argument was countered by highlighting the program’s local nature. It would be created, funded and administered purely on a local basis, with all operations taking place within a few miles of voters’ homes, not in a distant location.

The Vote and its Aftermath

The PDR vote was held on August 2, 1994. The final count was 1,208 to 1,081 in favor of a 1.25 mill tax increase over 15 years. The new program was expected to provide for the purchase of development rights on about 20 percent of the peninsula’s farmland. If so, nearly 2,000 acres of agricultural land and open space will remain undeveloped and permanently available for agriculture.

Supporters were elated at the program’s passage, feeling they had helped shape a new future in Peninsula Township. Opponents, however, immediately proposed a vote recall. That failed to muster much support, and, shortly after, was dropped.

The celebration of PDR supporters was tempered with some disappointment at the closeness of the vote. Organizers recognized some mistakes were made during the campaign, that, while not enough to cost the vote, affected the margin of victory. A key mistake took place before the campaign started. The ballot question lacked a title identifying the issue. It was titled “proposition” rather than “PDR,” “farmland protection” or some other identifying language.

PROPOSAL

PROPOSITION

Shall the limitation on general ad valorem taxes which may be assessed against all property in Peninsula Township, Grand Traverse County, Michigan, be increased as provided by Section 6, Article IX of the Michigan Constitution of 1963 by one and one quarter (1-1/4) mills of the assessed valuation as equalized by the State of Michigan of all property in Peninsula Township (\$1.25 per \$1,000.00 of SEV) for a period of fifteen (15) years, 1994 through 2008, for the purpose of purchasing development rights in farmland and open space lands that are voluntarily offered by property owners in accordance with the Purchase of Development Rights Ordinance No. 23, adopted by the Peninsula Township Board on May 4, 1994; and shall the Township levy such increase in millage for such purpose during such period, which will raise in the first year of such levy an estimated \$267,234.00.

YES

NO

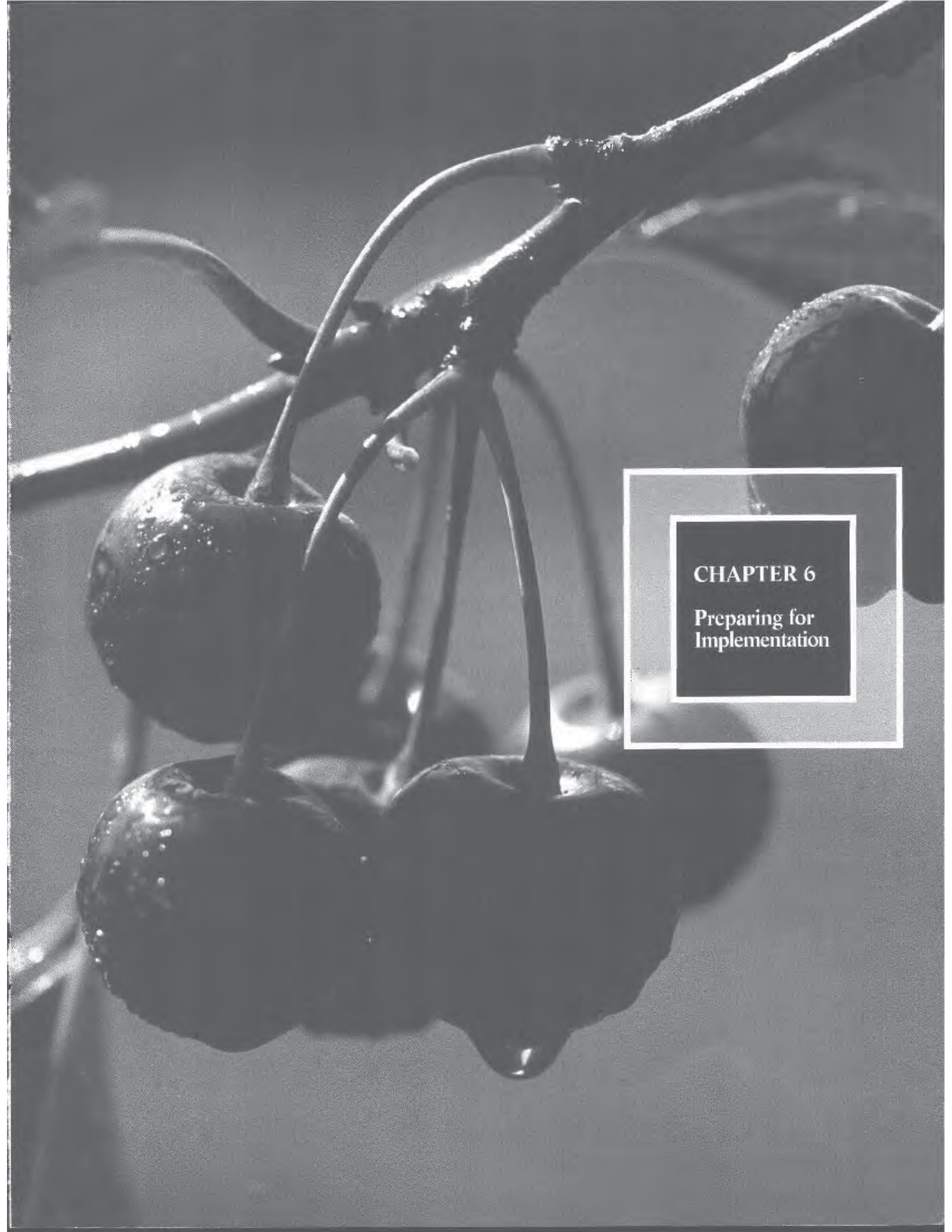
Referendum ballot language.

Campaign organizers acknowledge the final ad campaign should have been spread over the last two weekends before the referendum.

A second mistake was not realizing a large percentage of residents vote by absentee ballot even though they live in the township full time or during the summer months. Absentee ballots were cast more than a week before the vote, before the final weekend when the citizens' group placed its strongest ad campaign and mailed an announcement of the demonstration projects. Instead, campaign organizers acknowledge the final ad campaign should have been spread over the last two weekends before the referendum.

The third mistake was not using red tag forms on the bulk mailings. This technique identifies political mailings to postal employees, thereby ensuring that arrival will be expedited. Thus, a critical lesson was learned late in the campaign. For no extra cost, political mailings can be sent under a "red tag" granted by the post office. Mailers need only fill out one extra form at the time of the mailing, which gives the bulk mailing bag a special status to ensure it goes out promptly. On one route, none of the mailings reached their destinations except the one delivered with "red tag" status.

The final mistake was not investigating why a particular door-to-door route responded negatively. Inquiries would have revealed the route had not received the mailings that had introduced other residents to the PDR program and set the stage for door-to-door volunteers.



CHAPTER 6

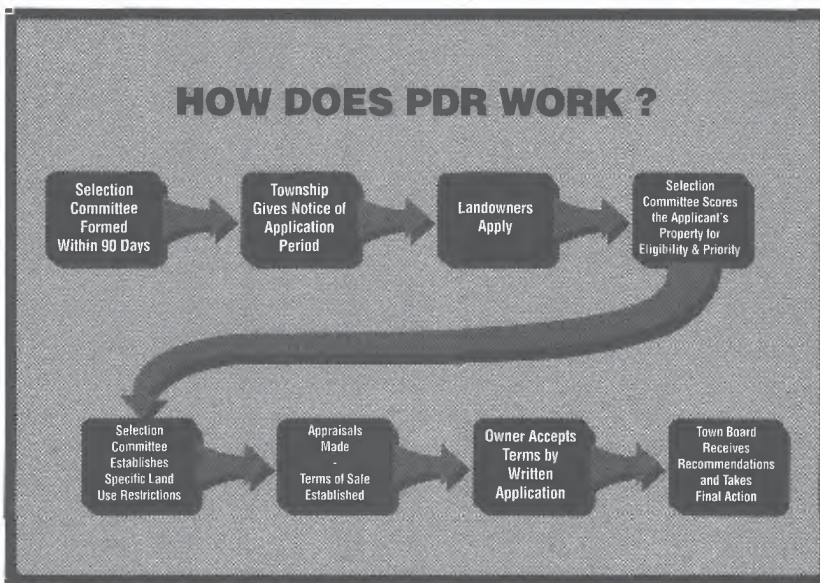
**Preparing for
Implementation**

Selection Committee

One of the first post-election actions taken by the Township Board was to appoint a citizen selection committee to work with township officials in implementing the PDR program. Twenty residents responded to a public notice and applied to serve on the seven-member volunteer committee. Following interviews, the Township Board appointed a committee of two farmers and five other residents representing different parts of the township. An "ex-officio" member and a substitute also were selected. One of those appointed had been a visible opponent of the program.

The duties of the selection committee included recommending an appraiser; soliciting applications to the program; ranking applicants; reviewing appraisals; drafting terms and conditions of sales; and field-verifying applications.

Courtesy of Grand Traverse Regional Land Conservancy.



Appraiser Selection

Appraisers play an important role in a PDR program. Peninsula Township needed to contract with an appraiser to determine the economic value of the development rights foregone when program participants convey conservation easements to the township.

The ordinance mandated that the township select a real estate appraiser for the PDR program based on a bid process. Criteria used to determine eligibility were established, and a public request for proposals was placed in *The Record-Eagle*. In response to a public notice, four appraisal firms submitted proposals for consideration by the selection

committee. The committee determined that three of the firms were qualified for this type of valuation work, then selected the lowest bidder. The firms were asked to submit bid prices for both small and large parcels, and for both "interim" appraisals (value estimates without complete reports) and full narrative appraisals. The firms were asked to bid on the assumption that they would conduct a total of 40 to 70 appraisals per year. In late 1994, the selection committee recommended and the Township Board selected an appraisal firm.

Applications Solicited

After designing application forms, the selection committee provided public notification in December 1994 that applications to participate in the program would be received until a January 15, 1995 deadline. All township farm owners received application information by mail.

Prior to the deadline for submission of applications, the township sponsored two public meetings specifically aimed at potential farm owner applicants.

Co-sponsored by the Cooperative Extension Service and the Grand Traverse County Farm Bureau, the first meeting featured financial and tax advisers from the Agricultural Economics Department of Michigan State University who made presentations on the

financial and tax implications of conservation easement sales through the PDR program. Hypothetical case studies were used to illustrate the sales. Some 75 farmers and other residents attended this first meeting.

A second meeting held in April 1995 was aimed at 45 landowners who had submitted applications to protect 100 parcels totaling about 3,500 acres. There, township officials and members of the selection committee explained all aspects of the program. The appraiser also was present to explain the conservation easement valuation process.

An important participant in these meetings was Walter Johnson, one of the farmers who had agreed to sell a conservation easement on his property — at a price determined by appraisal — in the final weeks before the August 1994 vote. His experience with the appraisal process and negotiating the sale of an easement was very instructive to other farmers.

Application Review

Soon after the January 15 deadline, township staff plotted all applicant parcels on a township map and mailed back to applicants a map highlighting the parcels they submitted as a means of verifying the land covered.

As specified in the ordinance, the selection committee ranked the applicant parcels on the basis of agricultural productivity as measured by the fruit site inventory map and scenic views.

Additional points were allotted for parcels adjacent to other land submitted by applicants to the program or adjacent to land already protected by conservation easements. The application review resulted in a ranking of all applications in March 1995.

Appraisals

Appraisals were then commissioned for the top-ranked applications, potentially covering about 2,000 acres. The appraisal process for each property was launched by a tour of the parcel by the landowner, appraiser, members of the selection committee and township planner. One objective of these initial visits was to clarify what, if any, rights to build additional residences would be reserved by the landowners.

Finalizing Easement Language

Meanwhile, the Planning Commission completed its work on the basic conservation easement language for the program (Appendix K). The township's conservation easement was based on language from Michigan Department of Natural Resources easement agreements and input from AFT, and was refined based on easements used by other PDR programs around the country.

This basic conservation easement can be adapted in two respects to fit the particular circumstances of individual parcels. First, as described in the ordinance, landowners may elect to retain the right to not more than one building site per 20 acres for residences, as long as the building sites do not detract from farm operations. Second, for parcels lying within viewsheds targeted by the program, building restrictions tailored to the parcel are included. These restrictions are determined by the Planning Commission based on tours of the parcels, so any restrictions remain specific to each property.

Landowners may elect to retain the right to not more than one building site per 20 acres for residences, as long as the building sites do not detract from farm operations.

Easement Purchase Negotiations

The Township Board decided to enter into a contract with the Grand Traverse Regional Land Conservancy to assist in negotiating the easement acquisition terms with applicant landowners once appraisals had been completed. Under this arrangement, the selection committee will finalize the terms of a purchase contract and the conservation easement itself, subject to final approval by the Township Board.

The Conservancy also will be responsible for preparing baseline condition reports for each property. Baseline reports create documentation the township will use in future years as it monitors whether the terms of the conservation easements are being honored, a process critical to the enforcement of the easements.

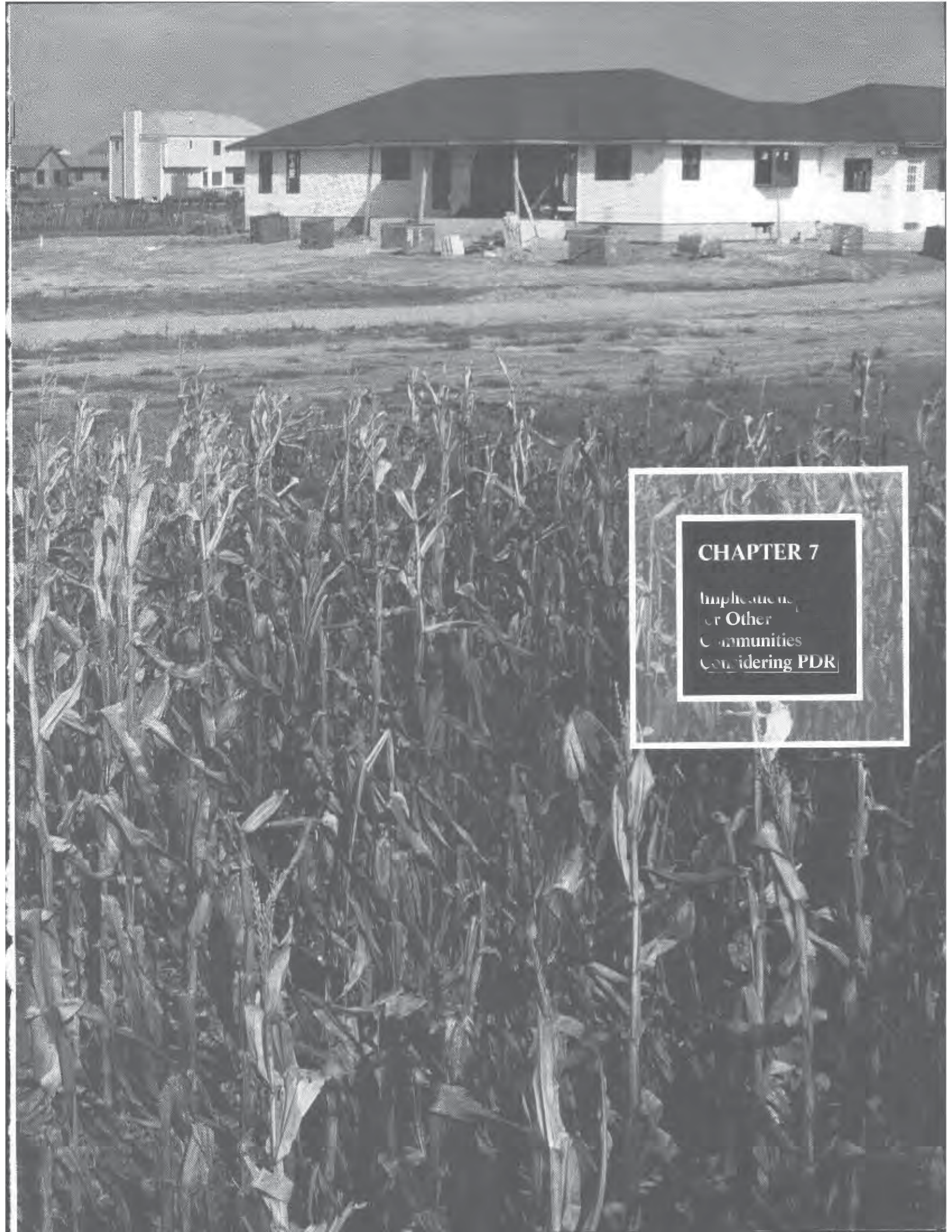
Baseline reports create documentation the township will use in future years as it monitors whether the terms of the conservation easements are being honored, a process critical to the enforcement of the easements.

Tax Collections

As authorized by the ordinance, the Township Treasurer included a 1.25 mill tax increase in the property tax bills mailed out in December 1994. In February 1995, when these tax payments were received by the township, the tax receipts dedicated to the PDR program were placed in a restricted account available to pay program expenses and to make the initial payments on installment purchase contracts as they are finalized.

Other Implementation Issues

1. *Installment contracts:* Township staff finalized the basic contract to be used in purchasing conservation easements on a 15-year installment basis. The contract provides for conveyance of the deed of conservation easement to the township at the time of contract closing and the township's initial contract payment. (Appendix L)
2. *Lump sum payment possibilities:* Because some PDR program applicants would prefer a lump sum payment for sale of their development rights instead of the tax advantages of installment payments over 15 years, the township is exploring the possibility that one or more financial institutions or individuals would agree to purchase a farm owner's installment contract as a means of providing program participants with access to a lump sum payment alternative.
3. *Title insurance:* The township will arrange for the purchase of title insurance policies on all conservation easements it purchases.
4. *Subordination agreements:* Because many of the properties for which applications have been submitted are encumbered by mortgages, the township developed a basic subordination agreement that must be executed by all mortgage holders in order for the township to proceed with purchase of conservation easements. Such an agreement establishes that the conservation easement has priority over the mortgage in the event of a foreclosure. Generally, lenders will consider subordinating debt to a conservation easement to the extent they are convinced the land has sufficient value as collateral even when the land's development rights have been removed. (Appendix M)
5. *Matching funds:* Because the township seeks the ability to protect more land than will be possible with the projected \$6 million in property tax collections, it has applied to the state's Natural Resources Trust Fund and private sources for funds to match those generated within the township.



CHAPTER 7

Implications
for Other
Communities
Considering PDR

Many communities throughout Michigan and elsewhere have responded with great interest to the PDR experience of Peninsula Township. The successful campaign to enact PDR in this township offers some potential lessons and conclusions about designing and gaining voter approval for PDR elsewhere.

Long-Range Outreach and Education

Much of Peninsula Township's success can be attributed to the period during which local leaders and the citizenry worked together to learn more about the zoning, planning and land protection tools available to them. The extent of outreach and educational activities over the years meant that citizen groups, farmers, business leaders, township officials and the press all had a background in the issues before an intensive campaign was launched.

This does not mean that a community considering a PDR program must be prepared to devote five years to workshops and forums before crafting a PDR program. The Peninsula Township experience can no doubt be streamlined. However, to gain voter approval for a tax increase requires extensive groundwork and public education. Recent support from the Michigan Department of Agriculture and the Michigan Farm Bureau which are both producing PDR videos, as well as an increasing interest from foundations and other state agencies, suggests increasing support for PDR in Michigan.

Part of any community-organizing process involves fostering a measure of understanding and appreciation of the community's history, its resources and its general strengths. In Peninsula Township, township leaders and MSU devoted considerable time to documenting the peninsula's agricultural history and inventorying the landmarks and vistas that have created a special connection between township citizens, their community and their land. Fostering a connection between agricultural productivity, history and environmental significance is an important part of the process of developing support for an initiative such as PDR or farmland protection in general.

The potential to utilize planning and zoning regulations and farmland protection tools varies greatly depending on local politics. But it is generally important to try these approaches before launching a PDR initiative. This is true for at least two reasons.

First, the educational and outreach process associated with discussions of planning and zoning is important in developing a broad understanding of land use issues and in engaging the citizenry in a process of affirmatively shaping the community's future. This process also can lead to an understanding of the limits of planning and zoning tools and the need to develop alternatives.

Second, PDR programs work most effectively when operated in conjunction with reasonable land use regulations. PDR programs that operate without agricultural zoning can run the risk of paying very large per-acre amounts for conservation easements on farms that may soon be surrounded by development. To truly protect economically viable masses of farmland, PDR programs should be coupled with other land protection and economic development approaches.

Farmer Involvement and Support

In some communities, it is tempting to develop PDR programs on the basis of apparent urban and suburban support, especially if the agricultural community constitutes a typically small portion of the citizenry. Failure to fully involve the agricultural community in the development of a PDR program in such circumstances can be fatal.

PDR programs that operate without agricultural zoning can run the risk of paying very large per-acre amounts for conservation easements on farms that may soon be surrounded by development.

PDR programs should be designed with full input from the agricultural community. Producer involvement can help ensure PDR administrators will incorporate program features that will later induce farmers participation. As seen in the Peninsula Township experience, even if farmers only constitute 5 percent of the voters, their influence on the electoral process can be considerable.

Surveys

The Peninsula Township experience shows the importance of surveys in clarifying issues, developing an appreciation for a community's resources, identifying resources the public wants protected and determining the most effective means for conveying information to the public. Moreover, surveys help design specific elements of a PDR program, test the extent to which voters would agree to tax themselves to support a program and identify positive features and elements of concern that should be considered in developing an electoral campaign. Carefully designed and professionally implemented surveys administered at several points in the planning process before a PDR program is developed and promoted generally constitute a wise investment of dollars.

Visible Development Projects

Just as PDR programs have been created in response to development pressure endangering productive farmland, individual PDR programs might experience an electoral boost when the voters are confronted with a particularly dramatic and visible example of important and productive farmland being lost to sprawl. The conversion of Peninsula Township's Underwood Orchards — one of the largest, most visible and most scenic farms on the peninsula — into the 500-acre Underwood Farms development certainly had an important effect on the attitudes of peninsula residents. Such highly visible examples of farmland conversion should not be overlooked as potential educational tools.

Demonstration Projects

Peninsula Township's PDR campaign was given a last-minute boost when it was announced that a farm owner had signed a formal option to sell his development rights contingent on voter approval of the PDR measure.

This information provided the voters with 1) solid evidence that farmers really did support the program, even to the point of entering into binding agreements; 2) visible examples of what their tax dollars would protect;

Dramatic examples of farmland conversion can galvanize a community to protect its remaining farmland.

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3) concrete illustrations of how the mechanics of the program would operate (appraisal, negotiation of price, negotiation of easement terms, sales agreement); and 4) actual sales prices, based on the real market, in order to gauge typical prices per acre and prices per farm involved in the program.

Negotiating such option agreements is an appropriate way for land trusts to use their expertise to educate the public about a pending PDR program.

Negotiating such option agreements is an appropriate way for land trusts to use their expertise to educate the public about a pending PDR program.

Funding for Planning and Program Design

It is doubtful Peninsula Township could have developed its PDR program without private foundation and other funding support to finance surveys, appraisal work, demonstration projects, visits from experts from around the country and the like. Any effort to develop a PDR program will likely depend on securing the kind of dedicated funding unavailable in the typical limited municipal budget. Private land trusts can play an important role in assisting with this work and serving as the recipient for such funds.

Sophisticated Campaigning

The Peninsula Township experience shows the value of well-designed campaign materials distributed according to an organized timeline. Because of a limited budget of less than \$5,000, cost-effective, high-impact means for conveying information had to be identified. Materials were delivered through traditional means — newspapers, the mail, door-to-door visits, radio and TV — and state-of-the-art approaches such as videotapes. Campaign money spent in the design of materials and the careful orchestration of their delivery are dollars very well spent.

Afterword

As this case study goes to print, Peninsula Township is negotiating with farm owners who qualify for the first round of PDR easement purchases. The timetable for these first purchases will be affected by decisions on matching funds from state and other sources, as well as any requirements that may accompany those supplemental funds.

Statewide, support for PDR is growing. At its annual meeting in December 1995, the Michigan Farm Bureau adopted a position in support of local PDR programs funded jointly by state and local sources. Legislation to this effect is expected to be introduced in the Michigan Legislature in 1996. Meanwhile, at least two counties in Michigan are actively pursuing the development of their own PDR programs. Peninsula Township's experience is widely acknowledged as one of the factors propelling this statewide interest in PDR.