



**ROCK COUNTY PACE COUNCIL
MONDAY, AUGUST 25, 2014 – 1:00 PM
LAND CONSERVATION OFFICE CONFERENCE ROOM
440 N US HWY 14
JANESVILLE WI**

AGENDA

- 1) Call to Order
- 2) Adoption of Agenda
- 3) Approval of minutes from PACE Council meeting October 21, 2013
- 4) Citizen Participation, Communications, and Announcements
- 5) Summary and overview of Rock County PACE Program activities
 - a. Status of past applications
 - b. Federal Farm Bill Changes effecting PACE Program
- 6) Review and discuss 2014 PACE applications (landowners may be present to answer questions regarding their application)
 - a. Oberdeck: Fulton Township, 124 Acres, Primary Target
 - b. Sayre: Center Township, 201.5 Acres, Secondary Target
 - c. Morton: LaPrairie Township, 68 Acres, Primary Target
 - d. Kraus: LaPrairie Township, 117 Acres, Primary Target
 - e. Francis: Union Township, 112.5 Acres, Primary Target
 - f. Demrow: Porter Township, 73 Acres, Eligible Area
 - g. Johnson: Lima Township, 36 Acres, Eligible Area
 - h. Frei: LaPrairie Township, 74 Acres, Eligible Area
- 7) Make recommendation of approval or non-approval to Rock County Land Conservation Committee for each 2014 PACE application
- 8) Consider proposed easement purchase price policy related to appraised fair market value and priority areas. Possibly make recommendation to Land Conservation Committee
- 9) Future Meeting Date
- 10) Adjournment

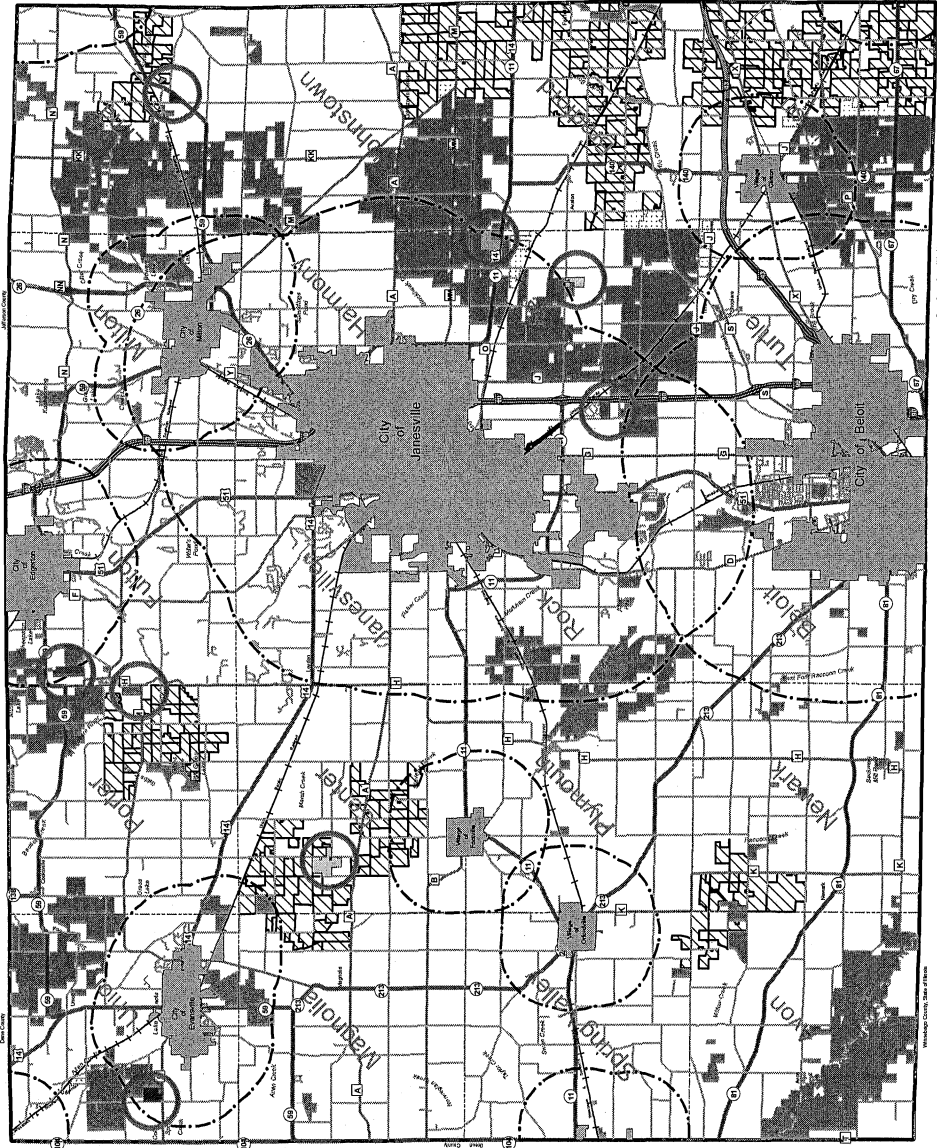
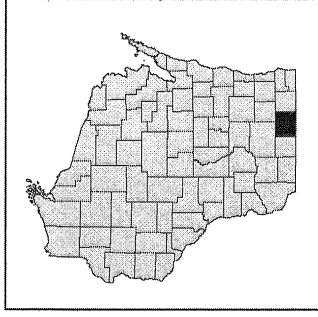
It is possible that members of and possibly a quorum of other governmental bodies of Rock County may be in attendance at the above-stated meeting to gather information: any governmental body at the above-stated meeting will take no formal action.

ROCK COUNTY PACE PROGRAM APPLICATIONS - 2014

| | Oberdeck - 2014-03-11.01 | Sayre - 2014-06-20.02 | Morton - 2014-07-15.03 | Kraus - 2014-07-15.04 | Francis - 2014-07-15.05 | Demrow - 2014-07-15.06 | Johnson - 2014-07-20.07 | Frei - 2014-07-20.08 |
|---|---|--|-----------------------------------|-----------------------|-----------------------------------|------------------------|--|--|
| PURCHASE OR 100% DONATION | Purchase | Purchase | Purchase | Purchase | Purchase | Purchase | Purchase | Purchase |
| ACRES | 124 | 201.5 | 68 | 117 | 112.5 | 73 | 36 | 74 |
| TOTAL LESAS SCORE (County Ave: 6.51) | 6.93 | 7.54 | 7.98 | 7.1 | 7.29 | 6.3 | 6.13 | 5.56 |
| TARGET ACQUISITION AREA | Primary | Secondary | Primary | Primary | Primary | No | No | No |
| TOWNSHIP | Fulton | Center | LaPrairie | LaPrairie | Union | Porter | Lima | LaPrairie |
| EXTERITORIAL AREA | Edgerton | None | Janesville | Janesville | Evansville | No | No | Janesville |
| TOWNSHIP/VILLAGE OBJECTION | No | No | No | No | No | No | No | No |
| NOTES AND OTHER CONSIDERATIONS | Landowner is willing to accept lower than maximum percentage payment | Large parcels in area have been sold for single residential construction | Adjacent to 2012 PACE Acquisition | | 2011 Application which was tabled | | Two parcel individually ineligible due to size are included in application | Landowner has indicated willingness to submit PACE applications in future years for other parcel |
| STAFF RECOMMENDATION | Each of the eight applications has merits which make it a good PACE application, regardless of the official LESAS score and target acquisition area status. However, due to the number of applications this year and the limited funding resources for this program, staff is choosing to be consistent the priorities outlined in the PACE Program Manual and recommend that the PACE Council and, in turn, the LCC, approve the Primary Target Acquisition Area applications. This consists of four applications, the Oberdeck, Morton, Kraus and Francis Properties. | | | | | | | |

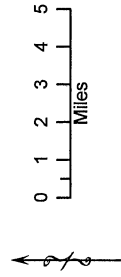
806 Total Acres

2014 Rock County PACE Program Applications



Legend

- PACE Program Applications**
- Landowner**
- Oberdeck - 124 Acres - Primary Target Parcel
 - Sayre - 201.5 Acres - Secondary Target Parcel
 - J Morton - 68 Acres - Primary Target Parcel
 - Kraus - 117 Acres - Primary Target Parcel
 - Francis - 112.5 Acres - Primary Target Parcel
 - Demrow - 73 Acres - Eligible Parcel
 - Johnson - 36 Acres - Eligible Parcel
 - Frei - 74 Acres - Eligible Parcel
 - Primary Target Acquisition Areas
 - Tier I Farmland Adjacent to Target Area
 - Secondary Target Acquisition Areas
- Other Features:**
- Protected Land
 - Town Boundary
 - City or Village
 - Extra Territorial Jurisdiction (ETJ) Area Boundary
 - Rail



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Proposed Policy Related to PACE Program Easement Acquisition and Appraised Fair Market Value

For Consideration by
PACE Council and
Land Conservation Committee

Background: The purchase price for a PACE easement is based on an appraisal of the fair market value (FMV) of the easement. PACE funding is a combination of County and Federal program funds. Based on current Federal program rules, a landowner may get paid up to 75% of the FMV for the easement acquisition when combining the local and federal funds. By rule, the Federal program will contribute up to 50% of the FMV and the local entity (in this case the County) must contribute the other 25%. When viewed another way, the Federal program will contribute twice the local contribution, up to the 50% of the FMV federal cap. Therefore, for example, if the County chooses to offer a payment of 17% of the FMV, the Federal program (if approved) will pay an additional 34% of the FMV, making the total payment 51% of the FMV.

In the development of the PACE program, not only were eligible parcels designated, but geographic groups of eligible parcels were created to support the concept of creating blocks of protected land. These groups of parcels were also based on the parcel LESA scores. These groups of parcels were designated in order of priority for acquisition as follows:

1. Primary Target Acquisition Areas
2. Tier 1 Farmland Adjacent to Primary Target Acquisition Areas
3. Secondary Target Acquisition Areas
4. Other Eligible Parcels

The Federal program does not have criteria for prioritizing certain groups of parcels over another. However, each individual parcel gets a “score” to help determine, on a state wide basis, which applications will be funded. This federal scoring system does give some credit for being within a local priority area.

Purpose of policy: As outlined above, the PACE program was designed by putting each eligible parcel into one of four priority levels. However, when the appraisal for a parcel is completed there is no consideration for what level of priority the parcel falls within. The appraiser has industry standards, methods and procedures that must be followed, along with making links to “comparable” properties. Therefore, the FMV of parcel which is simply “Eligible” could be higher than a parcel that is in a “Primary Target Acquisition Area.”

After a few years of implementation of PACE, LCD staff is proposing to develop an objective payment structure that reflects the level of priority in which the parcel is located. With a policy as described below, LCD staff will be able to better inform potential applicants as to the level of funding they can expect. It is important to formally document the expected payment percentage since the applicant is responsible for the cost of the appraisal if he/she decides to not move forward with the acquisition after the appraisal is completed. However, since the payment is still tied to the

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appraised FMV, it will vary from parcel to parcel and year to year and LCD staff cannot predict the actual payment that will be received.

Proposed Policy: An “Option to Purchase” agreement is required to apply for Federal funding and is only developed after the application is approved at the County level and an appraisal is completed. To reflect the acquisition priorities as determined in the development of the PACE program, it is proposed to utilize the following payment structure when developing an “Option to Purchase” agreement with a PACE applicant:

| Priority Level | Total Percent of FMV Paid (County and Federal Share) |
|---|---|
| 1. Primary Target Acquisition Areas | 65-75 |
| 2. Tier 1 Farmland Adjacent to Primary Target Acquisition Areas | 65-75 |
| 3. Secondary Target Acquisition Areas | 60-70 |
| 4. Other Eligible Parcels | 50-60 |

LCD staff is proposing a range of total percentage payment to give the Land Conservation Committee the ability to “negotiate” with a landowner after the appraisal is complete and a FMV is determined. This will be especially important for the situations when a property is valued very high or low compared to historic averages and/or for applications with a large number of acres. Keep in mind, the landowner has the benefit of the income tax deduction on any portion of the total FMV which is not purchased (subject to an IRS appraisal).

It may also be appropriate for the PACE Council and LCC to consider setting a maximum per acre payment as part of this proposed policy.