

**RESOLUTION
ROCK COUNTY BOARD OF SUPERVISORS**

LAND CONSERVATION
COMMITTEE
INITIATED BY

LAND CONSERVATION
COMMITTEE
SUBMITTED BY



THOMAS SWEENEY
DRAFTED BY

January 15, 2015
DATE DRAFTED

**AUTHORIZING OPTION TO PURCHASE AGREEMENTS FOR THE PURCHASE OF
AGRICULTURAL CONSERVATION EASEMENTS (PACE) PROGRAM**

1 **WHEREAS**, the Rock County Purchase of Agricultural Conservation Easements (PACE) Program
2 acquires agricultural conservation easements ("Easements") on eligible lands throughout
3 unincorporated Rock County; and,

4
5 **WHEREAS**, the Rock County Board of Supervisors, through Resolution 14-10B-136 (October 23,
6 2014), authorized the Rock County PACE Program to begin the Easement acquisition process on the
7 following properties:

- 8
- 9 1. Morton - Rock County tax parcel number 6-10-101, Part of the W 1/2 of the SE 1/4, Section 14,
10 Township 2N, Range 13E, LaPrairie Township (approximately 68 total acres)
- 11
- 12 2. Francis - Rock County tax parcel number 6-20-162, Part of the SW 1/4 of Section 20, Township
13 4N, Range 10E, Union Township (approximately 112.5 total acres)
- 14
- 15 3. Kraus - Rock County tax parcel numbers 6-10-2 and 6-10-7, Part of the E 1/2 of Section 1,
16 Township 2N, Range 13E, LaPrairie Township (approximately 117 total acres)
- 17
- 18 4. Oberdeck - Rock County tax parcel number 6-6-50, Part of the E 1/2 of the W 1/2 of Section 7,
19 Township 4N, Range 12E, Fulton Township (approximately 124 total acres); and,
- 20

21 **WHEREAS**, to move toward completion of the Easement acquisition process, the Land Conservation
22 Department ("LCD") will submit Easement acquisition funding applications for the aforementioned
23 properties to the USDA-Natural Resources Conservation Service ("NRCS"); and,

24
25 **WHEREAS**, the NRCS requires, as a component of its application process, a signed purchase agreement
26 ("Option") between Rock County and the owners of the aforementioned properties; and,

27
28 **WHEREAS**, the Option identifies the estimated purchase price of the Easement based on the appraised
29 value along with the County and owner's obligations throughout the remainder of the Easement
30 acquisition process; and,

31
32 **WHEREAS**, the Option is subject to all terms and conditions of the Rock County – Conveyance
33 Agreement and Escrow Instructions (previously executed) and contingent upon Easement acquisition
34 funding from the NRCS; and,

35
36 **WHEREAS**, after execution of the Option, the LCD will submit an Easement acquisition funding
37 application to the NRCS for each property and, if funding is awarded, Rock County will acquire
38 Easements on the properties with future action by the County Board.

39
40 **NOW, THEREFORE, BE IT RESOLVED** that the Rock County Board of Supervisors duly assembled
41 this 12th day of February, 2015, does by enactment of this Resolution, authorize a Rock
42 County – Option to Purchase Agreement – Agricultural Conservation Easement for the Morton,
43 Francis, Kraus and Oberdeck properties, subject to all terms and conditions stated therein.

15-2A-202

EXECUTIVE SUMMARY

The Rock County Purchase of Agricultural Conservation Easements (PACE) Program acquires agricultural conservation easements ("Easements") on eligible lands throughout unincorporated Rock County. This resolution authorizes Rock County to execute an easement purchase agreement ("Option") with the property owner. The Option identifies the obligations of Rock County and the property owner in completing the Easement acquisition process and also includes the estimated purchase price of the Easement. The purchase price is considered estimated at this point because it is based on a fair market value appraisal of the property, which is not considered final until it is reviewed by a third party appraiser as part of the acquisition process.

Completion of the Easement acquisition process is subject to funding from the Natural Resources Conservation Service (NRCS). Applications, which include the Option documents, will be submitted to the NRCS for their funding consideration.

If the application from Rock County is selected for funding, a third party appraiser will be contracted by NRCS to review the real estate appraisals submitted as part of the application. The third party appraiser may request the appraiser to amend any part of the original appraisal if he/she determines that the NRCS appraisal guidelines for Conservation Easements have not been followed or met. The third party appraiser is the sole authority for making that determination. Once the appraisals have been authorized as complete the final easement value will be set, which may or may not alter the purchase price. The ability to adjust the purchase price based on the third party appraiser review is detailed in each Option.

The maximum payment for an easement purchase, including the County and NRCS share, is 75% of the fair market value. The NRCS will pay up to 50% and the federal program rule states that the local entity (County) must contribute at least 50% of the NRCS contribution (in the case of the maximum payment, 25% of the fair market value). In other words, the NRCS will contribute two times the County contribution, up to 50%.

Considering that the levels of contribution are flexible up to the federal maximum, the PACE Council and Land Conservation Committee separately discussed and voted on a policy which designated a range of total payment percentages for the 2014 application cycle based on the level of acquisition priority. The highest percentage (65-75% of the fair market value) would be paid to properties in the primary target acquisition areas. Each of the four applications subject to this resolution are in the primary target area. The LCC intends to approve a purchase price for each application, based on this policy, at the February 4, 2015 meeting.

Below is a summary of appraised values and purchase price range for each property:


Name	Total Easement Acres	Property Township	Total Appraised Value of Easement	Total Purchase Price Range	County Share Range
Francis	112.5	Union	\$ 236,250	\$153,563 - 177,188	\$51,188 - 59,063
Kraus	117	LaPrairie	\$ 298,350	\$193,928 - 223,763	\$64,643 - 74,588
Morton	68	LaPrairie	\$ 173,400	\$112,710 - 130,050	\$37,570 - 43,350
Orberdeck	124	Fulton	\$ 247,300	\$160,745 - 185,475	\$53,582 - 61,825

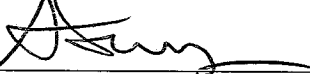
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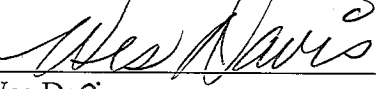
Respectfully submitted:

LAND CONSERVATION COMMITTEE


Richard Bestwick, Chair



Alan Sweeney, Vice Chair

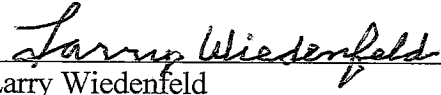

Thomas J. Brien


Wes Davis


Jason Dowd


Rick Richard


David Rebout


Larry Wiedenfeld

ADMINISTRATIVE NOTE:

Recommended.


Josh Smith
County Administrator

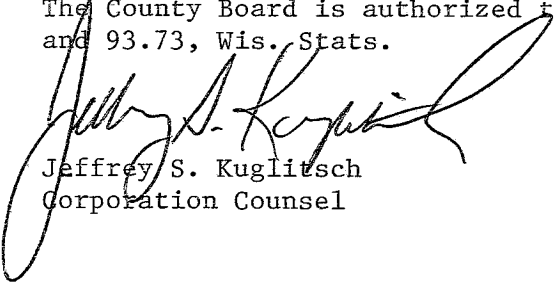
FISCAL NOTE:

This resolution authorizes Option to Purchase Agreements for agricultural conservation easements on four properties. Sufficient funds are available in the Land Conservation Department's PACE budget for the estimated purchase price of these easements. Purchase of these easements is subject to funding from the Natural Resources Conservation Service.


Sherry Oja
Finance Director

LEGAL NOTE:

The County Board is authorized to take this action pursuant to secs. 59.01, 59.51 and 93.73, Wis. Stats.


Jeffrey S. Kuglitsch
Corporation Counsel