

F o c u s o n

A G R I C U L T U R E

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Ottawa County

Farm Where You Belong

Ottawa County agriculture generates \$506 million annually in market value of products sold (2017 Ag Census). Ottawa is the third highest producing county behind Huron and Allegan counties. Our robust farming industry creates resiliency in food security during times of crisis. It anchors our rural character and beautiful landscapes. It offsets costs of community services in rural areas. And it is worthy of economic development efforts just as manufacturing, tourism, and other traditional industries receive. From 2012 to 2017, Ottawa County experienced the loss of 17% of our farms, and an 8% decrease in the amount of land in farms. Continued losses of this magnitude will negatively impact Ottawa County's economy.

The purpose of this document is to establish an economic development action plan that targets some of the challenges our local agriculture industry is experiencing in order to slow the loss of farms and farmland. The basis of this plan is a survey of agricultural landowners that was administered in early 2019, with the partnership of the Ottawa County Farm Bureau. The survey was designed to gather the perspectives of Ottawa County agricultural landowners and producers about how best to protect farmland in Ottawa County, and, by extension, our local farming industry. The results and recommendations derived from the survey responses are included in this plan as Exhibit A. This plan also helps to achieve certain outcomes set forth in the 2020-2021 Ottawa County Board of Commissioners Strategic Business Plan, specifically Objectives 1 and 3 of Goal 2 (see Exhibit B).

Focus areas, identified through the survey, are included in this plan. Each of the four focus areas offers a number of specific actions that the County, with the help of partners, can undertake that will help curtail the loss of farms, farmers, and farmland. This plan is a multi-year, adaptive guidance document. It is intended to be administered by the Ottawa County Economic Development Coordinator through the Planning and Performance Improvement Department (PPID) and supported by other County staff, agencies, non-profits, and the private sector.

Support for this plan has been secured from Ottawa County agencies and farmers, as shown in the Memorandum of Support attached as Exhibit C. Progress will be tracked as a part of the Ottawa County Economic Development Coordinator's Annual Performance Measures and summarized in an Annual Report provided to the Ottawa County Board of Commissioners, as well as on a dashboard to be located on the Ottawa County web page.

Click the Focus Area below to go directly to that section:

[SUCCESSION PLANNING](#)

[COMPREHENSIVE LAND USE VISION](#)

[ECONOMIC VIABILITY](#)

[AGRICULTURAL EASEMENTS](#)

Focus Area 1: SUCCESSION PLANNING

78% of Ottawa County Survey respondents agreed that succession planning efforts can help preserve farmland that is essential to Ottawa County's agriculture industry

A. Incentive Pilot

To increase the number of current farmers that have a succession plan in place, an incentive program will be piloted. Components of this pilot could include:

- A private sector partner to assist with the pilot
- Grant funding to provide a financial incentive to farmers who complete a succession plan
- Connect and/or launch this pilot as a part of Michigan Farm Bureau's Taking Root 2021 event

Estimated Completion Date: 2/28/2021

B. Private Sector Partnerships

Many of the currently available succession planning resources for farmers originate from governmental agencies or academia, such as USDA, MDARD, MSUE, etc. Creating stronger engagement with private sector service providers who value ag creates a more direct link between the farmers and the services they require for succession planning. This can be achieved by soliciting their participation and sponsorship at events and/or including them on our County [resource page](#). Below are some examples of companies that could be partners:

- McShane & Bowie PLC
- Varnum Law
- DeBoer, Baumann & Company PLC
- Value Midwest Appraisers

Estimated Completion Date: ongoing

C. Succession Planning Event(s) in Ottawa County

Numerous succession planning workshops have taken place around the state, but it is uncertain when one was last hosted in Ottawa County. These event(s) would also be a part of the Incentive Pilot, with attendees being offered the financial incentive to complete their succession plans. Details of the event include:

- Offering a biennial local succession planning event during the off years from the Taking Root event
- During years that the Taking Root Event takes place, work with Michigan Farm Bureau to incentivize attendance at their event, e.g. small scholarships to offset travel costs

Estimated Completion Date: 6/30/2021

Focus Area 2: COMPREHENSIVE LAND USE VISION

88% of Ottawa County Survey respondents agreed that improved planning and zoning efforts can make farming less challenging

A. Viable Ag Lands Mapping

Prioritizing existing ag land can help with selecting parcels for permanent preservation as well as for deciding which parcels might be the best ones to use for development purposes. This mapping tool to be developed by the PPID could include:

- An interactive tool/layer(s) that can be used by developers that help them not only to avoid key agricultural preservation zones, but assist them in finding in-fill areas and/or areas with existing infrastructure and services
- Create an interactive layer that identifies critical areas for groundwater recharge and where alternative irrigation water sources need to be secured

Estimated Completion Date: 9/30/2021

B. Baseline Agricultural Acreage Assessment

Due to certain reporting parameters used by the USDA Ag Census, the 'land in farms' data they report does not reliably reflect the amount of acreage in Ottawa County that is available for agricultural production year over year, thereby limiting our ability to track true farmland loss. Creating an accurate benchmark will help the County identify critical preservation zones and measure success of protection efforts.

- In conjunction with the Ottawa County Equalization Department, design and develop a full assessment of land that is currently or has the ability to be farmed, based on zoning, future land use, qualified ag exemption status, Farmland Development Rights Agreements, and Natural Resource Conservation Service program enrollment

Estimated Completion Date: 9/30/2021

C. Cost of Community Services Analysis

Studies of other communities revealed that in nearly all cases, farmland was shown to generate a fiscal surplus that helped to offset the cost of the higher residential demand for public services. To our knowledge, Ottawa County has not had such an analysis performed in the past. This information could be used to help local leaders see the value of leaving acreage in agriculture, largely considered an 'interim' use, rather than developing it to a perceived highest and best use. This could help move toward the development of taxation policy that might more fairly distribute municipal service costs.

- Seek grant funding to hire a consultant to perform a Cost of Community Services Analysis for Ottawa County

Estimated Completion Date: 9/30/2022

D. Brownfield Redevelopment

The reutilization of vacant, blighted, or functionally obsolete structures in urbanized areas where infrastructure already exists can help reduce urban sprawl.

- Support the Ottawa County Brownfield Redevelopment Authority's increases use of a variety of brownfield redevelopment tools, e.g. assessment grant funding and local incentive funds

Estimate completion date: ongoing

Focus Area 3: ECONOMIC VIABILITY

88% of Ottawa County Survey respondents agreed addressing barriers to the economic viability of farming is important

A. Farmland Development Rights Agreements

Profit margins in farming are thin if not non-existent. Only 43.6% of farms had a positive net cash farm income in the 2017 AgCensus. For the farms that can actually report income, this land protection tool offered by the State of Michigan provides an income tax credit in exchange for agreeing not to develop farmland for a term of 10-99 years. Statewide, about 33% of farmland is enrolled in this program, however only 20% of the County's current farmland is enrolled. Enrollment is simple, and this program can be a stepping-stone to permanent preservation. Enrollment of Ottawa County farmland could be increased by:

- Promoting participation locally
- Educating tax preparers

Estimated Completion Date: ongoing

B. Income Diversification

When achieving farm profitability becomes challenging, sometimes diversifying revenue sources can help. Income diversification, and the need for it, can vary widely from farm to farm and operator to operator. Some methods of income diversification, such as wind turbines, could require changes in statute and/or ordinance, but others can be employed more simply. This effort will try to advocate for and facilitate income diversification methods such as:

- Using marginal land for solar arrays
- Adding wind turbines/cell towers
- Transitioning some acres to specialty crops, e.g. high oleic soy beans, grass-fed beef, hemp
- Utilizing the sharing economy to generate income through renting/sharing farm equipment
- Wedding barns and other forms of agritainment/agritourism

Estimated Completion Date: ongoing

C. Michigan Qualified Ag Property Tax Exemption

Farming requires the use of a much larger land base per operator than most any other industry. This exemption can significantly reduce the tax burden on agricultural property, which, in the State of Michigan, is taxed at 50% above the national average. It is important to ensure that farmers are utilizing this tool, especially new and beginning farmers, and that the benefit is not lost when land changes hands or zoning. This will involve education and awareness campaigns for groups such as:

- Assessors
- Tax practitioners
- Succession/Estate planners
- Beginning farmers

Estimated Completion Date: ongoing

Focus Area 3: ECONOMIC VIABILITY (cont.)

D. Broadband Expansion/Improvement

The 2017 Ag Census indicates that 15% of farms do not have access to the internet. That does not account for the farms that do not have connections that are adequate for the significant data downloads and uploads required for farming operations with a variety of digital needs. A 2019 study by the USDA estimated that a potential \$47 billion dollar benefit (nationwide) could be realized if broadband and related precision ag-technologies were fully deployed. \$18 billion of that is dependent upon having adequate access to the internet. The PPID's Broadband Expansion effort will include actions such as:

- Advocate for the development of an Authority of Digital Inclusion to address the rural digital divide
- Continue current countywide efforts to accurately identify areas of critical need, and methods to supply broadband to those areas based on priority

Estimated Completion Date: 9/30/2022

E. Workforce Development

In Ottawa County, 30% of farms are operated by someone 65 years or older. The average age of Michigan farmers is 57.6 years old. There is not only a lack of heirs continuing family farm operations, but also a lack of young and beginning farmers who have the skillset and financial wherewithal to start or take over a farm. Issues exist not only in finding someone new to operate the farm, but also the laborers to perform the farm work. Existing resources will be deployed in an intentional manner while also developing new resources to address specific local needs for workforce development. Examples of these activities include:

- The recently formed Agribusiness Talent Council will promote interest in and developing talent to serve the ag and food processing sectors
- MSU Institute of AgTech will educate students entering farming and food processing careers
- Careerline Tech Center's Agriculture and Animal Science Program will encourage internships, clerkships, and supervised agricultural experiences at Ottawa County farms in order to keep those students working here in the County once they graduate

Estimated Completion Date: ongoing

F. Development and Adoption of Agtechnologies

According to the USDA's Economic Research Service, public research and development funds have led to U.S. agriculture productivity growth of 170% (since 1948) while inputs have remained mostly unchanged and labor-use has declined by 24%. The utilization of agtechnologies couples with efforts to resolve internet access issues as many new agtechnologies require high performance internet access. The PPID supports the development of new agtechnologies through partnership with entrepreneurial ecosystem, and will collaborate in the following ways:

- Provide assistance to secure farms to pilot new technologies
- Seek grant funding to find innovative solutions to on-farm problems

Estimated Completion Date: ongoing

Focus Area 4: AGRICULTURAL EASEMENTS

63% of Ottawa County Survey respondents agreed that preserving farmland through easements is an important farmland preservation tool

A. Local PDR Program Participation

The PPID will provide information and assistance to the remaining seven townships that have not yet adopted a resolution of support. Townships will receive priority as follows: Grand Haven, Port Sheldon, Park, Holland, Allendale, Spring Lake, and Georgetown. Actions will include:

- Filling the vacant Ag Preservation Board seat reserved for Local Government
- Increasing outreach and education efforts through departmental planning and zoning events along with other methods

Estimated Completion Date: board seat by 12/31/2020, outreach is ongoing

B. Federal, State, and NGO Funding for Easements

The PPID will seek to secure higher levels of funding for farmland preservation programs by:

- Applying for additional ACEP-ALE funds through RCPP
- Applying for additional funding from the Michigan Agricultural Preservation Fund
- Utilizing County lobbyist to promote the program(s) to legislators
- Utilizing partners like American Farmland Trust, Heart of the Lakes, and land conservancies to increase advocacy impact

Estimated Completion Date: ongoing

C. Local Fundraising

While securing agricultural easements is costly, it is a permanent, well-recognized method of farmland preservation that can be effective when used in concert with well thought out zoning and land use plans. Therefore, significant efforts must be made to generate the funds needed to sustain the program. Current efforts have been successful, but have the capacity to grow in the following ways:

- Increase the financial impact of the signature Farms Are The Tapas event
- Deploy a consistent but manageable Year End Campaign

Estimated Completion Date: ongoing

D. Transfer of Development Rights (TDR) Pilot

TDR programs can be an effective way to preserve farmland, best suited for areas where there are significant blocks of land in the sending area. In Ottawa County, Grand Haven and Robinson townships have expressed interest in piloting a TDR program. Such a pilot could be coordinated through the PPID, and include the following actions:

- Explore the legal possibility of a multi-jurisdictional program (e.g. Grand Haven Township receiving and Chester Township sending)
- Examine the staff needs that would be required to administer an effective TDR program and whether a positive cost-benefit relationship is possible
- Research whether the TDR program can be developed such that it could be utilized to preserve natural lands as well as agricultural land

Estimated Completion Date: ongoing

Planning & Performance Improvement Department

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Farmland Preservation Recommendations

These recommendations are based on the Ottawa County Farmland Preservation Survey results. The survey was distributed to 1,636 landowners and received 408 responses.

Survey results identified the need to support farmland preservation efforts.

- 82% of respondents think farmland loss is now or could be a problem.
- 82% of respondents think it's important to preserve farmland in Ottawa County.

The following preservation methods were identified as most important to implement:

● Continue the Purchase of Development Rights (PDR) Program.

This should include advocating for additional federal and state support and focusing preservation efforts in the most critical areas.

- 63% of respondents strongly agree/agree that agricultural conservation easements are an important farmland preservation tool.
- 98 respondents are interested in learning more about the PDR program.
- 24% of respondents are considering permanently preserving their farmland so that it remains agricultural.

● Coordinate an improved growth strategy using planning and zoning.

This may include an ag mapping initiative, piloting a transfer of development rights program, and increasing engagement with local units.

- 88% of respondents strongly agree/agree that this is an important farmland preservation method.
- Of the respondents who felt farmland loss is now or could be a problem, 97% indicated that it could be due to urban/suburban sprawl.

● Increase the effectiveness of succession planning efforts.

This may include piloting an incentivized program for succession planning and mobilizing beginning farmer resources.

- 78% of respondents strongly agree/agree that this is an important farmland preservation method.
- 78% of respondents are age 55 and older.
- 76% of respondents are not first generation farmers.
- 75% of respondents are planning to pass their farmland to heirs.

● Actively address barriers to the economic viability of farming.

This may include addressing taxation issues, adopting agricultural technologies, and enhancing income diversification opportunities.

- 88% of respondents strongly agree/agree that this is an important farmland preservation method.
- 67% of respondents receive income from farming, however 46% of these respondents require additional sources of off-farm income.

Next Step: Develop a **Comprehensive Farmland Preservation Implementation Plan** that defines the actions and tasks necessary to preserve farmland and farming through the methods identified as most important to Ottawa County landowners.

Goal 2: To Contribute to the Long-term Economic, Social and Environmental Health of the County.

Objective 1: Consider initiatives that contribute to the economic health and sustainability of the County and its residents.

- Continued involvement and support of the Housing Next coalition in order to address the shortage of affordable housing.
- Facilitate work with stakeholders to plan for completion of M-231.
- Maintain regular communication and the relationship with the Road Commission.
- Continue work to facilitate and support a county-wide approach and contribution to economic development in the County.
- Recognize and support the role of agriculture in our economy.
- Comply with MIDC standards set for the Public Defender Office.
- Assess feasibility of "futuring" plan by 2022.
- Study countywide public transportation

- County Administrator is a member of Housing Next Leadership Council.
- Work on M-231 terminus point ongoing. County has purchased one of two parcels needed for the terminus. Discussions with MDOT to continue.
- Road Commission quarterly meetings held.
- Full participation with Lakeshore Advantage continues.
- Planning and Performance Improvement deploys comprehensive farmland preservation implementation strategy based on countywide survey results. Closed on Kruithoff property PDR in Chester Twp.
- The feasibility of a "futuring" plan is assessed by 2022.
- Countywide public transportation is studied.

Objective 2: Consider initiatives that contribute to the social health and sustainability of the County and its residents.

- Address current issues, including: the opioid epidemic, increasing suicide rates and the funding/provision of mental health services.
- Continue to provide for the health of residents in the County through the Department of Public Health and Community Mental Health.
- Continue to provide for public safety in the County through the work of the Sheriff, Prosecutor and Courts.
- Walk the talk of our vision "Where You Belong", support the Diversity, Equity and Inclusion Office to continue the work of ensuring that the County is a welcoming place to support a globally diverse workforce in our community.

- CMH continues to work with the Lakeshore Regional Entity to resolve the contract dispute with MDHHS, focusing on a solution to the region's past financial liabilities. CMH is working with the Community Mental Health Association of Michigan to address the proposed redesign of the public mental health system. Millage dollars have allowed the hiring of new staff, including a grant writer and additional mental health staff in the jail.
- Ottawa County named 2nd healthiest County in the State.
- County vision "Where you belong" is making an impact. Candidates for employment having been attracted by that statement on miOttawa.org
- The Diversity, Equity and Inclusion Director is working on developing a strategic plan and has completed an implicit bias template.

Objective 3: Consider initiatives that contribute to the environmental health and sustainability of the County and its residents.

- Resolve the Southwest Ottawa Landfill issue.
- Implement Comprehensive Groundwater Management Strategies Plan.
- Pursue deployment of Coordinated County-wide Future Land Use Vision.
- Complete and implement groundwater action and governance plan.
- Continue to support the work of the Parks and Recreation Commission and the new Parks Foundation.
- Continued support of the Agricultural Preservation Board, discussing options to more aggressively pursue farmland preservation.
- Continue efforts related to water quality and beach sand quality.
- Review and report on the status of the County being part of multiple Metropolitan Planning Organizations.

- Public Health completed review of risk-based models and presented a fee structure that includes two categories of risk. The Board approved the fee structure on May 1, 2020, which is when the annual food license fees are due.
- Obtaining costs estimates for partial slurry wall for Southwest Ottawa Landfill Slurry Wall project. Evaluating options to reduce operating costs.
- MSU Groundwater Study completed. Seeking state funding for proposed groundwater monitoring network and potential County ordinance.
- Public Health has allocated \$20,000 to water sustainability initiative. EH manager and Communications Specialist are working with PPI staff and other member of groundwater task force to identify and implement new education strategies. As of April 1, the team paused the project due to COVID-19 response.
- Planning and Performance Improvement pursuing coordinated land-use growth strategy for County.
- Grand River Greenway fundraising committee making major headway (developed Grand River Greenway campaign and Grand River Greenway Corporate outreach program).
- Planning and Performance Improvement nearing completion of MPO report with emphasis on enhancing collaboration with regional MPO agencies.
- Ag Preservation Board working to permanently preserve third, fourth and fifth agricultural parcels; Planning and Performance Improvement deploying comprehensive farmland preservation strategy plan.

What will we do to get there?

Exhibit C

MEMORANDUM

March 16, 2021

To: Ottawa County Board of Commissioners
Re: Support for the Ottawa County Focus on Agriculture Plan
From: Advocates for the agriculture industry in Ottawa County (listed on page 2 of this memo)

In 2008, the Ottawa County Board of Commissioners recognized the need to protect the farmland that its agriculture industry needs to thrive, and established the Farmland Preservation Program. In 2019, as part of an effort to evaluate the efficacy of this program in 2019, the County's Planning and Performance Improvement Department conducted a survey of all of its agricultural landowners. The results revealed that not only should the Farmland Preservation Program be continued, but the County should also focus on enhancing the economic viability of farming, ensuring that planning and zoning efforts complement agriculture, and that retiring farmers have a successor to take over their operations. Therefore, the County has developed the Focus on Agriculture plan (Exhibit A), which enumerates specific actions that the County, with assistance from key public and private partners, can take to help curtail the loss of farmers, farms, and farmland in Ottawa County. The individuals named on this memo recognize that a productive, versatile, and resilient farming industry is a cornerstone of not only our economy in Ottawa County, but also our way of life, and hereby support the activation of this plan by Ottawa County and its partners.

The agriculture industry in the County generates over \$506M in value of the agricultural products raised, ranking us third statewide by county¹. People who live in Ottawa County are 73% more likely to work in agriculture than if they lived somewhere else in the state². Yet, from 2012 to 2017, the County lost 17% of its farms, and 8% of its farmland¹. This poses a significant threat not just to our economy, but also to our quality of life. In addition to the economic benefits that our diminishing farmland provides, it also offers access to local food, water infiltration and recharge, scenic beauty, wildlife corridors, and

¹ USDA- NASS Census of Agriculture

² Statistical Atlas

Exhibit C

positive local property tax revenue over cost of services used. For these reasons, we believe that the agricultural industry should be not only included in, but also prioritized in economic development planning activities; just as traditional, non-ag industry sectors have been for years.

- ✓ **Please add my name to this memo to the Ottawa County Board of Commissioners, signifying my support for the agriculture industry in Ottawa County:**

Jennifer Owens, President, Lakeshore Advantage

Gary McDowell, Director, Michigan Department of Ag and Rural Development

Adam Dietrich, Partner, Homestead Orchards LLC

Luke Dehaan, President, Ottawa County Farm Bureau