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Report

Report

**2000 Metropolitan  
Agricultural Preserves  
Program Status Report**

**Twin Cities  
Metropolitan Area**

**October 2001**

Minn. Stat. 473H.06 Subd. 5

## **Metropolitan Council Members**

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**Marc Hugunin – District 12**

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**John Conzemius – District 16**

**T**he mission of the Metropolitan Council is to improve regional competitiveness in the global economy so that this is one of the best places to live, work, raise a family and do business.

The Metropolitan Council coordinates regional planning and guides development in the seven-county area through joint action with the public and private sectors. The Council also operates regional services, including wastewater collection and treatment, transit and the Metro HRA – an affordable-housing service that provides assistance to low-income families in the region. Created by the legislature in 1967, the Council establishes policies for airports, regional parks, highways and transit, sewers, air and water quality, land use and affordable housing, and provides planning and technical assistance to communities in the Twin Cities region.



Other:

Meeting date: October 10, 2001

**ADVISORY INFORMATION**

**Date:** September 20, 2001  
**Subject:** CONSENT: 2000 Metropolitan Agricultural Preserves Report  
**District(s), Member(s):** All  
**Policy/Legal Reference:** MN Statutes 473H: Metropolitan Agricultural Preserves Program  
**Staff Prepared/Presented:** Tori Dupre, Principal Reviewer (651-602-1621); Eli Cooper, Director, Planning and Growth Management (651-602-1521); Caren Dewar, Director, Community Development Division (651-602-1306)  
**Division/Department:** Community Development, Planning and Technical Assistance

**Proposed Action/Motion**

That the Metropolitan Council accept the 2000 Metropolitan Agricultural Preserves Program status report and forward it to the Legislature, the Minnesota Department of Agriculture and other state agencies.

**Issue(s)**

- None

**Overview and Funding**

This report summarizes participation in the Metropolitan Agricultural Preserves program (MN Stat. 473H) as of December 31, 2000. On September 19, 2001, the Rural Issues Work Group heard a presentation about the program and briefly discussed the report. Council Member Hugunin informed the group that this program will be part of upcoming Council discussions about the *Permanent Agricultural* area.

The legislation requires the Council to maintain agricultural preserve maps illustrating certified long-term agricultural lands, and lands covenanted as agricultural preserves. The Council must make yearly reports to the Commissioner of Trade and Economic Development, the Department of Agriculture, and such other agencies.

The program is funded by a \$5.00 county fee on mortgage registrations and deed transfers. The program is implemented by the local authority, or the unit of government having planning and zoning authority whether it be the county, city or township. The local authority must adopt a comprehensive plan that describes and designates long-term agricultural land, then establishes zoning for these areas at a density of no more than one dwelling unit per forty acres. Once these requirements are met, the land is considered certified eligible for benefits under the Agricultural Preserves program.

**LINKAGE TO COUNCIL STRATEGIES**

- Infrastructure:** The program assists local governments with maintaining agriculture in their community.
- Quality of life:** The program supports long-term agricultural protection and provides open space.
- Communication/constituency building:** The program supports Regional Blueprint policies.
- Alignment:** The program helps the Council to implement the Permanent Agricultural policy area.

## **SUMMARY**

The Metropolitan Council has monitored participation in the Metropolitan Agricultural Preserves Program since 1982. The Agricultural Preserves program, Minnesota Statutes 473H, was established in 1980 to encourage preservation of long-term agricultural lands within the seven county metropolitan area. The program plays a key role in ensuring the continued presence of agriculture as a long-term land use in the region. The Council has long used certification for and enrollment in the Agricultural Preserves Program as an indicator of Permanent Agricultural Areas deserving of the highest level of regional support.

In June 1999, Resource Management Consultants, Resource Strategies Corporation and Coughlin, Keene & Associates prepared a report for the Minnesota Department of Agriculture (MDA) titled "Evaluation of Minnesota Agricultural Land Preservation Programs." This report provides an excellent summary of the metropolitan agricultural preserves program, as well as other statewide agricultural preservation efforts. The report indicated that the metropolitan agricultural preserves program served as an important buttress for the use and retention of agricultural zoning in the metro region." The MDA report is referenced throughout this document.

The legislation directs the Council to prepare annual reports summarizing participation in the program, and to maintain maps illustrating lands certified for long term agriculture and lands covenanted as agricultural preserve. This report summarizes program enrollment as of December 31, 2000. When considered in the context of information presented in previous annual reports, it provides a history of the program effectiveness over time.

The Metropolitan Agricultural Preserves program encourages the use of the metropolitan area's agricultural lands for food production and recognizes farming as a long-term land use for lands enrolled in the program. It provides local governments with an orderly method to designate long term agricultural lands through the local planning process. It also provides metropolitan area farmers the assurance that they can make long-term agricultural investments and can continue farming on viable agricultural lands within the metropolitan area.

## **ELIGIBILITY AND IMPLEMENTATION**

The Agricultural Preserves program is implemented by the local authority, or the unit of government having planning and zoning authority whether it be the county, city or township. The local authority is responsible for managing the application process and enforcing the Agricultural Preserve Act's requirements and restrictions. The local authority must adopt a comprehensive plan that specifically describes and designates, or maps, long-term agricultural land. The local authority then establishes zoning for the agricultural preserves at a density of no more than one dwelling unit per forty acres. Once these requirements are met, the land is considered "certified" eligible for benefits under the Agricultural Preserves program.

The MDA report indicates that the Agricultural Preserves program served as one of the strong incentives for the metro townships and counties to initiate or at least retain agricultural zoning ordinances. The report also indicated that the program's requirement of implementing agricultural zoning clearly steadied the decrease in farmland loss to non-agricultural uses.

## **APPLICATION**

Once land is certified eligible, landowners may contact the local authority, the county or the Metropolitan Council staff to obtain the enrollment form entitled, "*Metropolitan Agricultural Preserves Restrictive Covenant*". This restrictive covenant specifies that the land has been classified as agricultural and has been certified as eligible for designation as an agricultural preserve. The covenant indicates that the land shall be kept in agricultural use as defined by the legislation, which includes the production for sale of livestock, dairy animals or products, poultry and products, horticulture, fruit, etc.

The restrictive covenant is an agreement initiated by the landowner that places limitations on the enrolled land in order to receive the program's protection and benefits. The restrictive covenant is recorded with the property title, so that the agricultural preserve status is maintained if ownership changes. The restrictive covenant includes an affidavit of authority indicating that the local authority designates the described property as long term agriculture, and certifies the land eligible for agricultural preserve designation by resolution. The restrictive covenant remains in effect indefinitely, or until a separate expiration notice is signed and filed with the county recorder. Therefore, the restrictive covenant and its benefits terminate once the expiration date is reached, or eight years after the expiration notice is recorded.

Forty acres is the minimum land area required for eligibility in the program. However, the law provides certain conditions under which the minimum can be reduced to twenty acres.

## **BENEFITS**

Enrollment in the Agricultural Preserves program is voluntary and is initiated by the landowner, working with the local government. For those landowners that choose to enroll, the program provides a number of benefits. Enrolled land is classified and assessed according to its agricultural value, rather than its market value. A special tax rate is used to determine the amount of property taxes the landowner will pay. The special tax rate is calculated using 105 percent of the previous year's statewide average tax rate for townships outside the metro area. The lower of either the special tax rate, or the local tax rate, is used. The special tax rate typically results in a lower tax rate and a property tax credit for landowners.

Other program benefits include a minimum property tax credit of \$1.50 per acre per year. Special assessments are prohibited for public improvement projects including sanitary sewer systems, storm water sewer systems, water systems, roads and other improvements. Farm practices are protected because the law prohibits local governments from enacting or enforcing ordinances or regulations that restrict normal farm practices. Annexation to a municipality is allowed only if the Minnesota Municipal Board finds that either the landowner has requested expiration from the program, or that the farmland is completely surrounded by the city. Finally, the program requires that additional procedures be followed where eminent domain proceedings are initiated for enrolled land over ten acres in size.

## **ENROLLMENT**

Despite the significant benefits of the Agricultural Preserves program, the acres enrolled has been less than the acres certified eligible for enrollment. The MDA report indicates that enrollment is an individual choice affected by many interrelated factors, including the monetary value of the property tax credit, the farmer's expectations about farming income and the revenue received as a result of selling land free of use encumbrances, either now or in the future.

Some of the metropolitan counties promote the Agricultural Preserves program and the result, more acres enrolled, is shown in the following table. Table 1 also compares the amount of land enrolled with the

amount of land in farms, according to the U.S. Department of Agriculture's (USDA) *1997 Census of Agriculture*. The USDA report defines land in farms as any parcel which generates \$1000 in sales of agricultural products in one calendar year.

The amount of land enrolled is based on data provided by the Minnesota Department of Revenue for taxes payable 2000, and by the counties. Enrollment must occur before March 1st of a given year in order to receive tax benefits payable the following year. Applicants who enrolled by March 1st, 2000 will see a property tax benefit for taxes payable in the year 2001. Table 3 summarizes enrollment for each county by community.

The program's enrollment has increased steadily since 1982. For the decade between 1989 and 2000, enrollment increased by 24,654 acres, or about 12 percent.

**Table 1**  
**METROPOLITAN AGRICULTURAL PRESERVES**  
**ENROLLMENT BY COUNTY**

<b>COUNTY</b>	<b>Land In Farms (Acres)</b>	<b>Land Enrolled (Acres)</b>
<b>ANOKA</b>	57,313	3,026
<b>CARVER</b>	153,223	100,995
<b>DAKOTA</b>	221,316	64,823
<b>HENNEPIN</b>	69,128	13,552
<b>SCOTT</b>	117,830	8,443
<b>WASHINGTON</b>	89,935	9,456
<b>TOTAL</b>	<b>708,745</b>	<b>200,295</b>

**Table 2**  
**METROPOLITAN AGRICULTURAL PRESERVES**  
**Program Enrollment by Community (Acres)**  
**2000**

<b>ANOKA COUNTY</b>	
Andover	1,624
Blaine	83
East Bethel	315
Oak Grove	886
St. Francis	118
<b>ANOKA COUNTY TOTAL</b>	<b>3,026</b>

<b>CARVER COUNTY</b>	
Benton Township	15,098
Camden Township	13,859
Carver	111
Chanhassen	39
Chaska Township	36
Dahlgren Township	11,441
Hancock Township	8,220
Hollywood Township	14,139
Laketown Township	4,580
San Francisco Township	6,102
Waconia Township	5,750
Watertown Township	7,156
Young America Township	14,464
<b>CARVER COUNTY TOTAL</b>	<b>100,995</b>

<b>DAKOTA COUNTY</b>	
Castle Rock Township	3,519
Douglas Township	9,482
Empire Township	5,636
Eureka Township	4,639
Farmington	1,439
Greenvale Township	4,087
Hampton	100
Hampton Township	6,494
Lakeville	259
Marshan Township	6,797
New Trier	2
Nininger Township	1,025
Randolph Township	686
Ravenna Township	1,242
Rosemount	1,730
Sciota Township	2,682
Vermillion Township	12,079
Waterford Township	2,925
<b>DAKOTA COUNTY TOTAL</b>	<b>64,823</b>

<b>HENNEPIN COUNTY</b>	
Corcoran	2,622
Dayton	2,113
Greenfield	1,358
Hassan Township	234
Independence	4,279
Medina	251
Minnetrista	2,695
<b>HENNEPIN COUNTY TOTAL</b>	<b>13,552</b>

<b>SCOTT COUNTY</b>	
Belle Plaine Township	1,048
Blakeley Township	381
Credit River Township	71
Helena Township	2,449
Louisville Township	354
New Market Township	78
Prior Lake	336
St. Lawrence Township	1,354
Sand Creek Township	1,896
Shakopee	70
Spring Lake Township	406
<b>SCOTT COUNTY TOTAL</b>	<b>8,443</b>

<b>WASHINGTON COUNTY</b>	
Afton	1,323
Baytown Township	192
Cottage Grove	2,035
Denmark Township	2,381
Forest Lake Township	110
Grant	276
Hugo	160
Lake Elmo	399
May Township	1,374
New Scandia Township	1,206
<b>WASHINGTON COUNTY TOTAL</b>	<b>9,456</b>

<b>METRO TOTAL ACRES</b>	<b>200,295</b>
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**Table 3**

**Metropolitan Agricultural Preserves Program Participation: 1982-2000**

Years	Acres Certified Eligible	Acres Enrolled with Covenants	Conservation Credit Per Acre	Percent Enrolled	Acres Pending Expiration	Conservation Credits
1982	483,905	61,817		13%	10,720	
1983	696,960	88,468	1.41	15%	16,011	\$125,054
1984	554,771	138,870	2.45	25%	39,812	\$340,215
1985	601,333	160,129	2.44	27%	49,450	\$390,855
1986	592,010	175,813	3.70	30%	63,972	\$650,582
1987	609,485	178,144	2.71	29%	60,991	\$482,676
1988	610,186	178,656	1.25	29%	62,967	\$223,623
1989	611,194	180,450	0.24	30%	66,397	\$43,684
1990	611,468	175,641	0.26	29%	62,541	\$45,885
1991	592,958	178,748	0.30	30%	64,269	\$52,851
1992	593,211	175,079	0.62	30%	63,363	\$108,162
1993	558,117	163,775	1.98	29%	48,507	\$325,037
1994	559,483	193,586	1.50	35%	70,383	\$288,808
1995	523,497	196,421	1.76	38%	74,546	\$346,662
1996	504,701	198,247	1.55	39%	75,530	\$306,943
1997	505,394	201,927	1.51	40%	73,582	\$305,076
1998	511,199	192,529			80,962	
1999	511,890	191,868			71,799	
2000	na	200,295				

**EXPIRATIONS**

Enrollment in the Agricultural Preserves program is indefinite, or until an Expiration Notice is signed. Either the landowner or the local government can initiate the expiration process to remove land from the Agricultural Preserves program. Landowners complete and sign the expiration notice and file it with the county recorder. The notice includes a "date of expiration," which is eight years from the date that the notice is signed. Therefore, expiration notices filed in 2001 will include a 2009-expiration date. Renewing the restrictive covenant a year prior to the expiration date avoids a lapse in program benefits. The restrictive covenant and its benefits terminate once the expiration date is reached.

The following table indicates the number of acres under expiration by county. In other words, an expiration notice has been recorded and the eight-year expiration date will be reached in the years 2001 and 2002. Almost 40,000 acres will reach an expiration date over the next two years. About 57 percent of these lands are located in Carver County.

The MDA report notes that acres under expiration increased between 1982 and 1989, affecting 66,397 acres, or about 37 percent of the acres enrolled. Since that time the percentage of acres pending expiration has held steady.

The report indicates that there seems to be a relationship between the amount of the conservation credit and the acreage that withdraws from the program at the end of eight-year concurrent periods. When the conservation credit reached very low levels during 1989 through 1993, some landowners withdrew from the program as the number of acres enrolled dropped from 180,000 to 163,775. Acres pending expiration also dropped from 66,397 to 48,507, most likely reflecting acreage that was withdrawn from the program in 1993. Following restoration of the minimum conservation credit to \$1.50 per acre in 1993, the amount of acres enrolled increased by 30,000 and has gone up steadily ever since. The acres pending expiration have remained in the 75,000-acre range since 1995.

The eight-year expiration period can be viewed as an advantage and as a disadvantage to the program. It allows landowners the flexibility to enroll in the program for consecutive eight-year periods, while providing the option of coming out of the program after the expiration date is reached. However, others view the eight-year expiration period a disincentive to enrollment.

**Table 4**  
**EXPIRATION BY COUNTY (acres)**

COUNTY	EXPIRATION IN 2001 (Acres)	EXPIRATION IN 2002 (Acres)
Anoka	0	200
Carver	5,443	17,629
Dakota	5,992	4,591
Hennepin	615	312
Scott	567	357
Washington	0	250
<b>TOTAL</b>	<b>14,618</b>	<b>25,341</b>

## PROGRAM FUNDING

The Agricultural Preserves program is funded by a \$5.00 fee on all mortgage registrations and deed transfers (MRDT fee) levied by the metropolitan area counties. Each county collects the fee and keeps half, or a \$2.50 share and transfers the remaining half to the state conservation fund (MN Stat. 40A). The Minnesota conservation fund is an established account in the state treasury, where money from the counties must be deposited and credited to the fund account. Money in the fund is annually appropriated to the commissioner of revenue to reimburse taxing jurisdictions.

Landowners enrolled in the Agricultural Preserves program receive a property tax saving, also known as a conservation credit. The counties use their \$2.50 share of the MRDT fee to compensate for the conservation credit. Therefore, counties first pay conservation credits from their \$2.50 share of the proceeds, then draw from the state fund if the county proceeds are insufficient to meet tax credit demands. The following table shows the amounts each county collected in revenues from the MRDT fee, and shows the amount (half) each county contributed to the state conservation fund.

Ramsey County collects the MRDT fee, but has no land enrolled in the Agricultural Preserves program. Ramsey County, along with other counties that have funds remaining in their \$2.50 share, may use the funds to pay for other purposes such as conservation planning and implementation.

**Table 5**  
**PROGRAM FUNDING**

COUNTY	TOTAL AMOUNT COLLECTED \$5.00 MRDT FEE	\$2.50 COUNTY SHARE
ANOKA	\$141,186.00	\$70,593.00
CARVER	37,825.00	18,912.50
DAKOTA	159,435.00	79,717.50
HENNEPIN	449,155.00	224,577.50
RAMSEY	103,310.00	51,655.00
SCOTT	62,205.00	31,102.50
WASHINGTON	99,145.00	49,572.50
<b>TOTAL</b>	<b>\$1,052,261.00</b>	<b>\$526,130.50</b>

## CONSERVATION CREDIT

The conservation credit, an important program benefit, is the amount a landowner saves in property taxes each year. When land is enrolled in the Agricultural Preserves program, the property is assessed for tax purposes according to its agricultural value. Then, a special "agricultural preserve" tax rate is applied, which is calculated as "the tax capacity value multiplied by 105 percent of the previous year's statewide average tax rate levied by townships outside the metropolitan area". The property tax due is either the amount determined by this formula, or by the local tax rate for the city or township where the property is located, whichever is less.

The statewide average tax rate has been increasing since the late 1980's. In recent years, the statewide average tax rate has been greater than the local rate in metropolitan counties such as Carver. As a result, the tax benefit of having land enrolled in the Agricultural Preserves program could be insignificant. In 1992, the Legislature amended the statute to establish a minimum, guaranteed conservation credit of \$1.50 per acre to remedy those potential situations. As the Expiration section of this report indicates, the \$1.50 guarantee was followed by an increase in program participation.

Total conservation credit amounts have shown a wide variation over the years since the Agricultural Preserves program began. These amounts ranged from approximately \$650,000 in 1986 to \$43,000 in 1989. In 1985 and 1986 the special tax rate, or that rate calculated by using 105 percent of the previous year's statewide average tax rate for townships outside the metropolitan area, was substantially lower than the local tax rates for the metropolitan counties. These lower rates resulted in larger conservation credit amounts.

However, in 1989 the special tax rate increased so that the local tax rates were lower and subsequently used. Consequently, the conservation credit amounts decreased, as shown in Table 6. After the Agricultural Preserves program legislation was amended in 1992 to establish a \$1.50 minimum tax credit the table shows that conservation credit amounts increased in 1993 and in later years.

The following table shows the land enrolled in the Agricultural Preserves program, the county's \$2.50 share of the MRDT fee, the amount of conservation credit paid by each county, and the amount drawn from the state conservation fund. Finally, the table shows the revenue to the state conservation fund from the MRDT fee.

The state conservation fund balance has been increasing and in past years, proposals to use the fund for other purposes have been considered. The statewide average tax rates have increased so that the local rate has been used. The result is only the minimum \$1.50 credit per acre being provided. Possible improvements to the Agricultural Preserves program's funding components could:

- ✓ Eliminate the formula to calculate the statewide average tax rate for townships and substitute a standard fee of \$1.50 per acre or more.
- ✓ Support the MDA's report recommendation to increase the minimum credit per acre to \$3.00. This increase would use more of the remaining funding in the state conservation fund.
- ✓ Transfer a percentage of the state fund balance to counties or local governments in the form of grant to contribute to purchasing conservation easements on qualifying agricultural lands.

**Table 6**  
**CONSERVATION CREDIT (\$)**  
**Taxes Payable 2000**

1	2	3	4	5
7-County Metro Program Counties	Land Enrolled (acres)	Total Conservation Credit (\$\$)	County Share of Fee (\$\$)	State Conservation Fund (\$\$)
Anoka	3,026	\$4,554.00	\$70,593.00	\$70,593.00
Carver	100,995	151,443.00	18,912.50	(132,530.50)
Dakota	64,823	96,825.00	79,717.50	(17,107.50)
Hennepin	13,552	23,681.00	224,577.50	224,577.50
Ramsey	0	0	51,655.00	51,655.00
Scott	8,443	12,608.00	31,102.50	31,102.50
Washington	9,456	14,179.00	49,572.50	49,572.50
<b>METRO PROGRAM TOTAL</b>	<b>200,295</b>	<b>\$303,290.00</b>	<b>\$526,130.50</b>	<b>\$277,862.50</b>
<i>State Conservation Fund Balance as of 11-28-00</i>				<b>\$1,026,472.00</b>

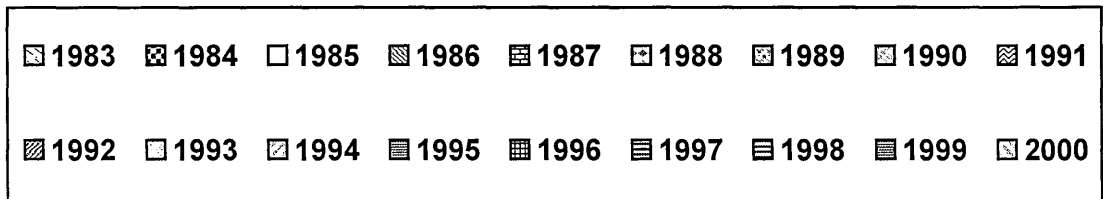
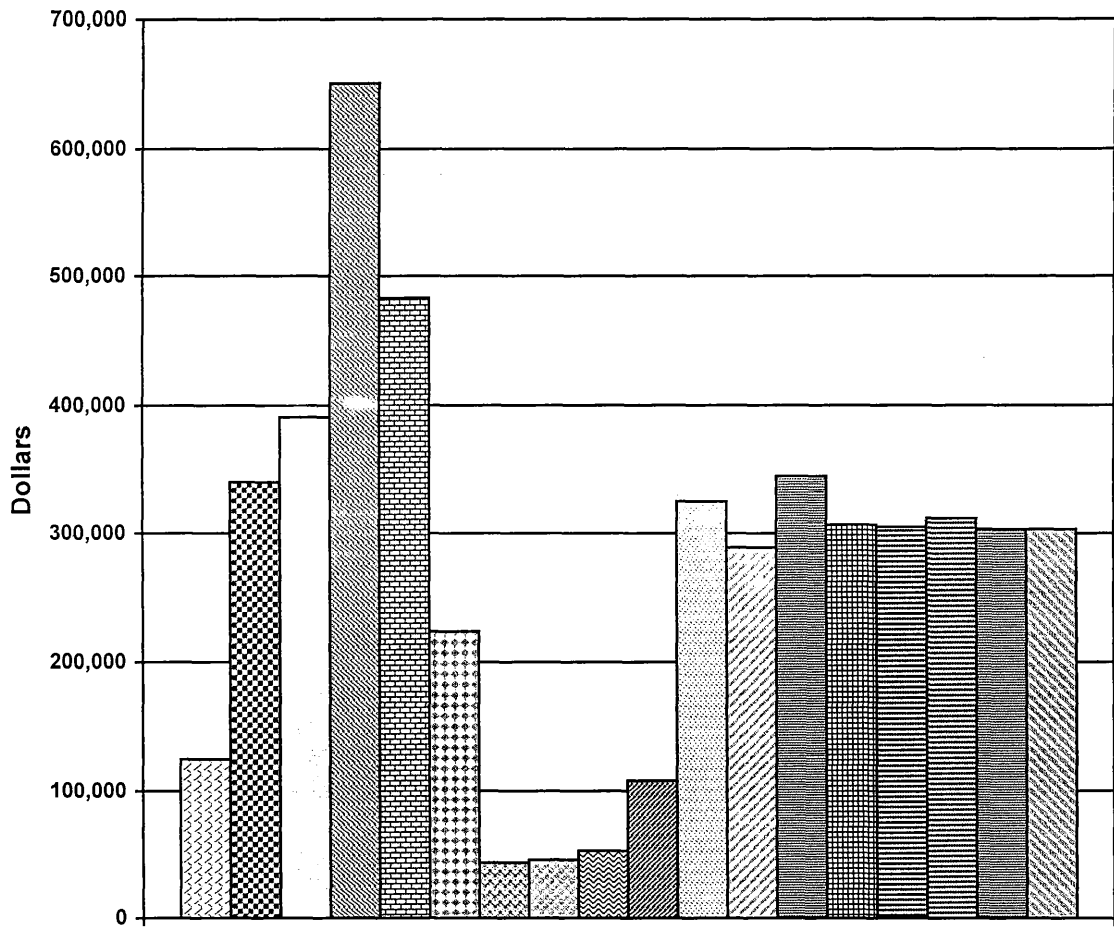
- *Column 3: the amount of property tax credit, or savings that enrolled landowners receive, which is no less than the minimum \$1.50 per acre credit. This savings is paid by the counties, which cover this cost by using money collected from the \$5.00 fee on all mortgage registrations and deed transfers within the year. Counties keep half and transfer the remaining half to the state fund.*
- *Column 4: the amount the county collected and kept as their half, or \$2.50 share.*
- *Column 5: the amount transferred to the state conservation fund or the other \$2.50 share. This amount was added to, or (subtracted from), the state fund balance.*

**Table 7**  
**TOTAL CONSERVATION CREDIT PAID BY COUNTY (\$)**  
**1983 to 2000**

YEAR	ANOKA	CARVER	DAKOTA	HENN	SCOTT	WASH	TOTAL
1983	\$ 633	\$ 36,939	\$ 35,490	\$ 26,506	\$ 14,182	\$ 11,304	\$ 125,054
1984	2,198	148,879	91,977	37,326	19,683	40,152	340,215
1985	4,360	209,026	75,282	44,333	23,638	34,216	390,855
1986	6,675	386,437	122,105	60,745	29,957	44,663	650,582
1987	3,594	228,134	125,490	46,436	47,747	31,275	482,676
1988	1,865	167,256	10,269	34,006	11,847	8,380	223,623
1989	705	1,351	10,617	19,350	8,998	2,663	43,684
1990	3	34,624	1,137	8,906	558	657	45,885
1991	354	12,014	5,473	20,937	2,615	4,458	52,851
1992	1,750	57,893	12,327	22,436	8,835	4,921	108,162
1993	5,772	164,511	90,265	29,327	13,822	21,340	325,037
1994	4,602	139,278	91,702	22,270	13,276	17,680	288,808
1995	4,619	192,198	94,350	22,204	13,906	17,385	344,662
1996	4,677	156,447	95,457	21,292	12,691	16,379	306,943
1997	4,080	154,488	95,870	21,070	13,231	16,337	305,076
1998	4,381	161,347	96,743	21,299	13,655	14,592	312,017
1999	\$4,377	\$154,435	\$96,569	\$21,591	\$12,569	\$13,770	\$303,311
<b>2000</b>	<b>\$4,554</b>	<b>\$151,443</b>	<b>\$96,825</b>	<b>\$23,681</b>	<b>\$12,608</b>	<b>\$14,179</b>	<b>\$303,290</b>

- Ramsey County is omitted from this table because it has no land enrolled in the Metropolitan Agricultural Preserves program and pays no conservation credit.

**Figure 1**  
**TOTAL CONSERVATION CREDIT PAID**  
**1983 TO 2000**



Maps showing land certified by local governments as planned for long term agriculture, and maps showing lands enrolled in the Agricultural Preserves program will be available from the Metropolitan Council by December, 2001. For information, please contact Tori Dupre at 651 602-1621.

## FINDINGS AND CONCLUSIONS

- The Metropolitan Agricultural Preserves program recognizes farming as a long-term land use for lands within the seven-county metropolitan area and provides local governments with an orderly method to designate long term agricultural lands through the local planning process.
- The program plays a key role in ensuring the continued presence of agriculture as a long-term land use in the region. The Council has long used certification for and enrollment in the Agricultural Preserves Program as an indicator of Permanent Agricultural Areas deserving of the highest level of regional support.
- A 1999 report titled "*Evaluation of Minnesota Agricultural Land Preservation Program*" provided an excellent summary of the metropolitan agricultural preserves program, as well as other statewide agricultural preservation efforts.
- Program enrollment has increased annually since 1982 and has approximately 200,000 acres enrolled. The area of least enrollment activity is in Anoka County and the area of greatest enrollment is in Carver County.
- The state conservation fund balance has been increasing. At the same time, statewide average tax rates have increased so that the local tax rates have been used, resulting in the minimum \$1.50 credit per acre benefiting landowners enrolled in the program.
- The Agricultural Preserves Program might benefit from the following improvements:
  - ✓ Eliminate the formula to calculate the statewide average tax rate for townships and substitute a standard fee of \$1.50 per acre or more.
  - ✓ Support the MDA's report recommendation to increase the minimum credit per acre to \$3.00. This increase would use more of the remaining funding in the state conservation fund.
  - ✓ Transfer a percentage of the state fund balance to counties or local governments in the form of grant to contribute to purchasing conservation easements on qualifying agricultural lands.
  - ✓ Promote the Agricultural Preserves program through education and informational materials to increase enrollment.
- The MDA report suggested that changes in the Metropolitan Agricultural Preserves program could improve its effectiveness, and that additional tools should be explored that could be used in conjunction with the program.

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