

# ENVIRONMENTAL STEWARDSHIP DIVISION



## Farmland Preservation

**PROGRAM MANAGER:** Rich Harlow | 517-284-5627 | [harlowr@michigan.gov](mailto:harlowr@michigan.gov)

The Farmland and Open Space Preservation Program (PA 116) preserves farmland from being developed for non-agricultural uses. Participating landowners are exempt from some special assessments and may also receive a Michigan income tax credit for property tax in excess of 3.5 percent of total household income.

### IMPACT FOR MICHIGAN:

Public Act 116 was established in 1975 in response to the loss of farmland associated with high property taxes. Michigan is one of the few states in the nation with market-based property tax assessments. Agricultural lands near developing urban areas were being taxed based on what their land would sell for if converted into housing developments or strip malls. As a result, Michigan was losing cropland at an average rate of six percent per year. Michigan's food and agriculture sector contributes \$104.7 billion to the state's economy.

### 2018 ACCOMPLISHMENTS:

- Extensive new program database became fully functional, dramatically reducing processing times, and capturing and providing meaningful data more efficiently.
- Limited term staff worked through the program backlog built up during FY 2014, 2015 and 2016.
- Over 9,500 legal documents were processed in 2018 a 25% increase from the 7,600 processed in 2017.

**MEASURING SUCCESS:**

Metric	2014*	2015*	2016*	2017	2018
Applications submitted	604	529	652	569	500
New acreage enrolled	40,101	34,910	52,160	45,520	40,000
Transfer requests processed	738	687	738	1,674	3,219
Extension requests processed	1,170	1,639	1,457	2,294	2,705
Expiration requests processed	17	909	199	712	1,630
Total new or modified agreements recorded	2,009	3,082	2,725	7,644	9,573
Tax credits issued in previous year	\$39M	\$44M	\$53M	\$51M	\$53M

*\*Dramatic reduction in productivity in 2014-2016 due to staff reductions and time spent on agreement status calls.*

**2019 PROGRAM GOALS:**

- Review all requests within 30 days of receipt and notify landowners if additional information is needed to complete the processing.
- Process all requests within 60 days of receiving the request in the office.
- Continue providing good customer service to landowners and stakeholders.
- Continue working with the Michigan Department of Transportation, Michigan Department of Natural Resources, and Center for Geographic Information to map parcels in the PA 116 Program in a Geographic Information System.
- Continue working with Treasury on process improvements for the program.
- Continue developing operational guidance and procedures for the program.
- Complete work on inputting images in the new database.



**KEY STAKEHOLDERS:**

- Michigan farmers
- Supporting agri-business
- Consumers of Michigan grown food
- Rural and urban residents who enjoy the open space provided by active farmland

**LEGAL AUTHORITY:**

- Natural Resources and Environmental Protection Act, Public Act 451 of 1994, Part 361 (Farmland and Open Space Preservation), as amended