



Farmland and Open Space Preservation Program

Part 361 of the Natural Resources and Environmental Protection Act, 1994 Act 451 as amended, more commonly known as P. A. 116

TERMINATION OF A FARMLAND DEVELOPMENT RIGHTS AGREEMENT (Eligibility and Instructions)

Please read eligibility requirements and instructions before filling out application form.

Eligibility requirements for early termination of a farmland development rights agreement.

Part 361 of the Natural Resources and Environmental Protection Act, 1994 Act 451, as amended, indicates that upon request from a landowner and a local governing body, the state land use agency shall relinquish farmland from the development rights agreement if one or both of the following occur:

- a) The local governing body determines one or more of the following:
 - (i) That, because of the quality of the farmland, agricultural production cannot be made economically viable with generally accepted agricultural and management practices,
 - (ii) That surrounding conditions impose physical obstacles to the agricultural operation or prohibit essential agricultural practices,
 - (iii) That significant natural physical changes in the farmland have occurred that are generally irreversible and permanently limit the productivity of the farmland,
 - (iv) That a court order restricts the use of the farmland so that agricultural production cannot be made economically viable.

- b) The local governing body determines that the relinquishment is in the public interest and that the farmland to be relinquished meets one or more of the following conditions:
 - (i) The farmland is to be owned, operated, and maintained by a public body for a public use.
 - (ii) The farmland had been zoned for the immediately preceding three years for a commercial or industrial use.
 - (iii) The farmland is zoned for commercial or industrial use and the relinquishment of the farmland will be mitigated according to the requirements of Section 36111a.
 - (iv) The farmland is to be owned, operated,-

and maintained by an organization exempt from taxation under section 501(c)(3) of the Internal Revenue code of 1986, 26 U.S.C. 501, and the relinquishment will be beneficial to the local community.

In determining public interest under subsection (1)(b), the governing body shall consider all of the following:

- (a) The long-term effect of the relinquishment upon the preservation and enhancement of agriculture in the surrounding area, including any nonfarm encroachment upon other agricultural operations in the surrounding area.
- (b) Any other reasonable and prudent site alternatives to the farmland being relinquished.
- (c) Any infrastructure changes and costs to the local governmental unit that will result from the development of the farmland to be relinquished.

Instructions for filling out the Application for Termination of a Farmland Development Rights Agreement:

(Please print or type in all spaces required on the application form.)

The application form is filed with the clerk of the local governing body having jurisdiction over the land cited in the application. Those local governing bodies having the right of approval or rejection of an application are defined by the Act as:

- (a) the legislative body of a city or village;
- (b) the township board of a township having a zoning ordinance in effect as provided by law; or
- (c) the county board of commissioners in all other areas. An approved application is forwarded by the local governing body to

the state land use agency for approval or rejection.

A. Personal Information:

(1-6) Owner(s) of record is defined by the Act as a "person having a freehold estate in land coupled with possession and enjoyment."

Person, as defined in the Act, includes "an individual, corporation, business trust, estate, trust, partnership, or association, or 2 or more persons having a joint or common interest in the land."

If more than one name is involved (excluding husband and wife), please attach an additional sheet listing necessary names and information required in blanks 1 through 5.

Husbands and wives filing either a joint or separate Michigan state income tax return must indicate Social Security numbers.

The federal employee identification number is applicable only to those corporations, sub-chapter S corporations, partnerships or individuals who must withhold taxes for their employees.

Indicate the Agreement number assigned to the parcel by the state.

The name(s) appearing on the application form must be those state income taxpayer(s) receiving tax benefits from the program, and they will be held responsible for all payback and penalty provisions of the Act.

B. Property Location:

(7-9) The applicant must indicate the county and township, city or village where the land cited in the application is located. The section number, town number and range number can be found on the deed to the land.

C. Legal Information:

(10) The applicant must attach a photo copy of the deed from the county register of deeds office. If the land is being purchased via land contract, a copy of the land contract should be attached.

(11) The applicant must attach a copy of the

most recent property tax assessment notice or tax bill. (It may be a photo copy of the notice or bill. Land contract purchasers who do not receive a property tax assessment notice or tax bill may obtain a copy from the assessor.)
(12) Indicate whether there is a tax lien against the land and explain if necessary.

(13) The Act states that "where land is subject to a land contract, it means the vendor (seller) in agreement with the vendee (purchaser)." Whether the applicant is the seller or the purchaser, the applicant must have the consent of the other party to request termination from the program.

(14) This section of the application is only applicable to those owners who fall within the described categories for income tax information. If you are the sole owner not fitting any of the listed categories, please go on to the next section, leaving (14) blank.

D. Reason(s) for Withdrawal of Land from Program:

(15) Please provide a detailed explanation of why the land should be released from the agreement contract. Please state which of the eight requirements (as stated in the Eligibility Requirements) the release from the program is being requested under.

(16) Please diagram to the best of your ability, the farm and acreage being applied for release from the program. Please indicate residence(s), farm buildings, roads, property boundaries, and natural or man-made features such as lakes, ponds, swamps, streams or rivers, woodlots and gravel pits. This is a map of your farm, which may be drawn by you. It does not have to be professionally drawn, but we would ask that it be as legible as possible.

E. Signature(s):

(17) If more than one owner is involved, or the applicant is a corporation, either all owners' signatures or one signature (and title) representing all owners must appear on the form. The date must be indicated at the time the signature is affixed to the application form.