

FARM, FOREST AND OPEN SPACE LAND VALUATION SUBCOMMITTEE

MEETING MINUTES

January 8, 2010

1:30 PM

USDA/NRCS Conference Room

60 Quaker Lane

Warwick, RI 02886

Ken Ayars called the meeting to order at 1:45 pm.

In attendance were: Ken Ayars, Dick Went, Linda Cwiek, Suzanne Kogut, Charlene Randall, Chris Modisette, James Savage, Tom Abbott, Al Bettencourt, Ramona LeBlanc.

I. Minutes

A motion was made to accept the minutes of the February 12, 2009 meeting as written: Dick Went/Suzanne Kogut, unanimous.

II. Appointments

There are currently two vacancies of the Farm, Forest and Open Space (FFOS) subcommittee, both of which need to be appointed by the Governor and approved by the Senate.

One must be filled by a member of a land trust and the other by a landowner currently enrolled in the forest portion of the FFOS program. Also, the terms of all three tax assessors currently serving on the subcommittee have expired. The State Conservation Committee formally requested that the vacant seats be filled from a list of recommended candidates and that the tax assessors be reappointed. To date, an appointment has been made for the forest seat and is awaiting Senate approval. The others are pending.

III. Forest Values

Calculated with the most current data available the recommended value for forest land enrolled is \$101.72. This is a reduction from the current values and is based on a 5 year rolling average of stumpage rates.

IV. Farm Values

Data from the 2007 USDA Agricultural Census, which was released in 2009, was applied to the existing methodology as approved by the subcommittee to determine recommended values for farm lands enrolled in FFOS. The values that

resulted were dramatically higher than the existing values and led to an examination of the methodology. It was reviewed by a certified real estate appraiser and was found to be consistent with methods used in Massachusetts and Connecticut. One difference about agricultural land in RI that was noted was that a significant amount of it is in areas of the State with high real estate values. Other states tend to have agricultural zones. Another element that was examined was the farm rent rate that is used in the existing formula. It was based on a survey that got a very limited response and there is concern that the rate is not an accurate reflection of rent rates throughout the State. The rate may be further skewed if zero dollar rental agreements (barter) were not included.

A motion was made to hold all rates (forest, farm, open space) at current values until a more comprehensive survey can be completed: Suzanne/Dick, unanimous.

The last survey was sent by tax assessors to all farms in their towns. The new survey will be sent by either the Farm Bureau or the Conservation Districts and will encourage response by addressing the higher projected values based on existing data.

If the new data does not result in reasonable rates, the methodology itself will need a complete review.

V. Farm Applications

Farm conservation plans are required under the farm designation of FFOS. These plans have traditionally been developed by USDA/NRCS. Due to personnel shortages over the past several years, many farms do not have conservation plans. The State Conservation Committee has been developing a new application process for farms and will be hiring technical service providers (TSP) to complete the plans.

Not all details have been finalized, but the outline is as follows: 1) an application will be submitted to the Conservation Districts for signature; 2) the application will be sent to RI DEM for approval; 2) the SCC will be notified that the application has been accepted and will have a TSP contact the farmer; 4) after a plan is completed, a copy will be held on file at the SCC office and a letter to that effect will be sent to both DEM and the tax assessor. DEM will continue to collect a \$10.00 application fee and the SCC will collect a \$300.00 fee which will cover administrative costs and the development of a conservation plan.

VI. Litigation

A ruling was recently made in a legal case in which a farmer in Westerly sued the Town because his farm was assessed at a high rate because the property was waterfront. The judge ruled that the aesthetic

value of the property was irrelevant and that it should be assessed at the same rate as any other farm. The case may be in an appeal process.

VII. Outreach to Tax Assessor

Charlene will bring a request by the subcommittee to the executive board of the RI Tax Assessors Association to address the assessors at one of their regularly scheduled meetings about FFOS issues.

VIII. Public Outreach

The Citizens Guide to FFOS will need to be revised to reflect changes in the program. Chris noted that some states include a section for tax assessors. A Frequently Asked Questions section may be considered including references to court rulings.

This possibility will be discussed if a meeting with the assessors can be arranged.

A motion to adjourn was made at 3:15: Dick/Jim, unanimous.