## 2012









# PECATONICA AEA

Lafayette County WI: Argyle, Blanchard & Lamont Townships

2012 Agricultural Enterprise Application (AEA) Petition submission to DATCP illustrating local and regional economic impacts to the area's proposed agricultural activities.



UW Extension and Lafayette County Land Conservation

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Cover Photo credits: Michael Berg

ARM-LWR-456 (Rev. Nov. 2011)



Wisconsin Department of Agriculture, Trade & Consumer Protection Division of Agricultural Resource Management P.O. Box 8911 Madison, WI 53708-8911 (608) 224-4500

### Agricultural Enterprise Area Petition

The undersigned persons hereby petition the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP), pursuant to s. 91.86, Wis. Stats., to create an Agricultural Enterprise Area (AEA) under s. 91.84, Wis. Stats. We have read the guidance provided and submit the following information in support of the petition (use the space provided or check the appropriate box):

### PART I. GENERAL INFORMATION

A. Name of AEA.			a AEA	
B. County or counties in which the proposed AEA is located.			County	
C. All towns, villages or cities in which the proposed AEA is located.			nont,&	
D. Number of owners of eligible farms, within the p who are signing this petition.	roposed AEA,	Blanchard,Twps. 93		
E. Total number of acres in the proposed AEA.				
F. All parcels in the proposed AEA are located within a farmland preservation area designated in the certified county farmland preservation plan.			⊠ No	
G. All parcels in the proposed AEA are contiguous.			☐ No	
H. The proposed AEA is primarily in agricultural us	e.	Yes	☐ No	
I. Primary agricultural land use in proposed AEA.		yes		
J. Designated contacts for the AEA. Please list at least two contacts for the AEA; preferably at least one staff contact (county, town, UWEX, etc.) and one landowner representative. <sup>2</sup> You may have more than two contacts. Attach a separate page if necessary.				
Name: Jack Larson Name: Lisa Trumble				
Address: 7240 E. Lamont Rd. Address: 1900 Ervin Johnson Darlington, WI 53530		on Dr.		
Phone number: (608)574-1997 Phone number: (608) 776-38				
Email: jacklarson@gmail.com				

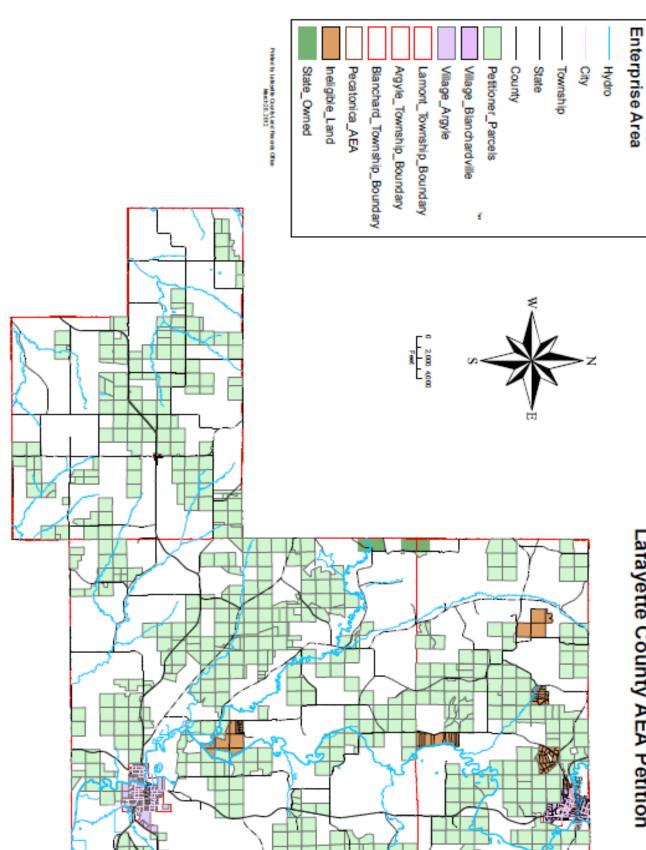
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<sup>&</sup>lt;sup>1</sup>Personal information you provide may be used for purposes other than that for which it was collected, s. 15.04(1)(m), Wis. Stats. 
<sup>2</sup> The listed contacts should be willing to:

Communicate with other petitioners and partners in the AEA, with the Department of Agriculture, Trade and Consumer Protection and with contacts in other AEAs

Engage in activities within the AEA

Pecatonica Agricultural



# Lafayette County AEA Petition

### PART II: PURPOSE AND RATIONALE FOR AEA

### Introduction

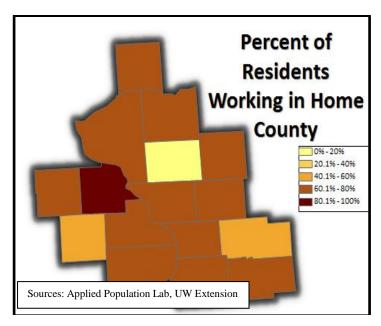
150 years ago, southwestern Wisconsin was the political and economic hub of Wisconsin with the first territorial capitol, flourishing lead mines and close proximity to the travel confluence of the Mississippi and Wisconsin Rivers. Some of the Midwest's wealthiest communities were in the region. With time, however, lead mining and river travel gave way to new industry and travel modes, and the local economy became predominantly agricultural. The state capitol was relocated, as was the railroad and many employers soon followed. The region's efforts to adapt to this gradual economic shift have met with varying degrees of success, and today the future remains uncertain.

The 120-mile-long Pecatonica River that originates in the Driftless Area of rural southwestern Wisconsin and flows into the industrialized lands of northern Illinois offers economic strengths in agricultural production, manufacturing, and food processing which lie in striking distance to urban commercial markets. With growing external economic pressure and overall out-migration, the region is interested in exploring ways to apply local resources and regional strengths towards job creation and economic stability. Lafayette County, WI and the proposed Pecatonica Agricultural Enterprise Area lie at the heart of these economic strengths and offers development opportunities to target future growth industries. In particular, opportunities revolve around subsequent cluster development around value/supply chains approaches in: 1) local food production, 2) bio-product development, 3) renewable energy production, and 4) entrepreneurial and workforce development as well as the added incentives of farmland preservation and environmental stewardship. More specifically, emerging economic development opportunities include:

- Entrepreneurship technical training to retool local workers for emerging professions in bio-products and food-related industries
- Expanded market development and expansion for local food processing, new product development and locally branded foods
- New product research and development in corn and soybean based products for non-food, bioindustrial products
- Project potential for energy efficiency and renewable energy technologies leading to economic sector growth on farm operations and rural areas
- Demonstration projects related to innovative, sustainable practices for land, soil, and water management.

### **Lafayette County's Economic and Demographic Conditions**

Lafayette County is the most agricultural dependent county in the state and subsequently suffers a limited diversified economy aside from outside agricultural production. The Wisconsin Department of Workforce Development in 2008 estimated that Lafayette County's per capita personal income (total county income/# of people) was only \$25,169 compared to the State's average of \$34,405. The UW-Extension Center for Community Economic Development ranks Lafayette County as fifth in the state's Top Ten "Exporters of Labor," as the region suffers from "brain drain" of youth leaving to find jobs in urban areas. Approximately 86% of the County's residents commute out of the county for employment. (see following graph next page left)



Concern: Every county in Rural Areas is losing the race for talent.

Change in Share of Population 1996 to 2006

Change in Share

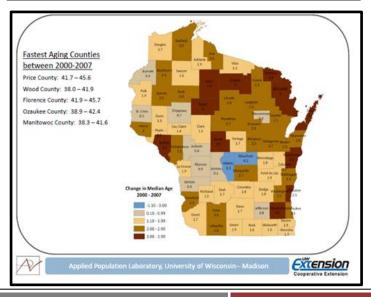
Large Increase
Small Increase
Large Decrease
Large Decrease
Source: Riverlands presentation for Driftless Initiative

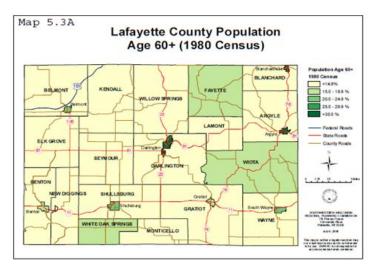
Sources: Applied Population Lab, UW Extension

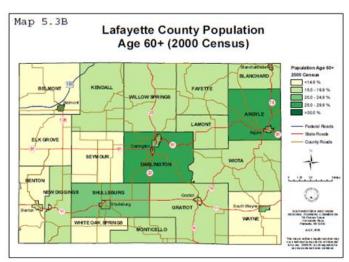
Human capital flight known as "brain drain," is the large-scale emigration of individuals with technical skills or knowledge usually regarded as an economic cost and parallel of financial capital flight. While brain drain is not exclusively a rural phenomenon (see graph top right), the picture is particularly bleak for rural farm dependent Southwest Wisconsin (see graph to middle right). Economic growth has stalled in brain drain communities due to the lack of resources—financial, human, technological, and physical. In a common scenario, small towns feel victimized by forces beyond their control and passively wait for external assistance in the form of expected state or federal funds instead of looking inward to find assets and strengths with limited resources. Creativity and talent cultivation involves fostering an environment that is conducive to creative ideas (innovation), people, and enterprises; increasing the pool of knowledge workers; equipping people with higher order skills; and preparing people for community leadership.

**Rural Farm Dependent County** Lafayette County: Net Migration Rates -1970s -1960s 0.3 Steady Loss of Younger Population 0.2 0.1 -0.1 Working Age -0.2 Future Population 2 .03 Working Age Also -0.4 Population Childbearing Age Population -0.5 (to ~ 44 vo) -0.6

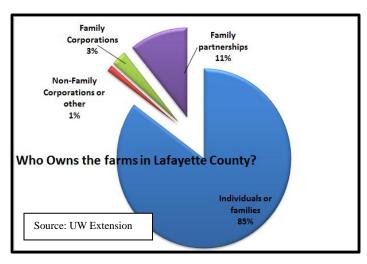
Additionally Lafayette County's population is aging faster than that of the rest of the state (see graph bottom right). Upon closer look the three townships in the Pecatonica AEA are aging at a faster rate than the rest of the county. (see graphs below provided by Southwest Regional Planning Commission (SWWRPC). At the same time, these areas are looking to pass on farming resources and practices to their next generations.



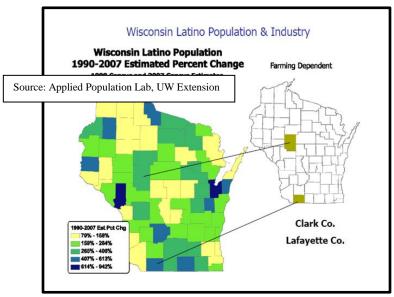




Agriculture is an important economic force in Lafayette County as it is the most agricultural dependent county in the state and the number one farm serviced county in the nation. Out-migration of college-educated people



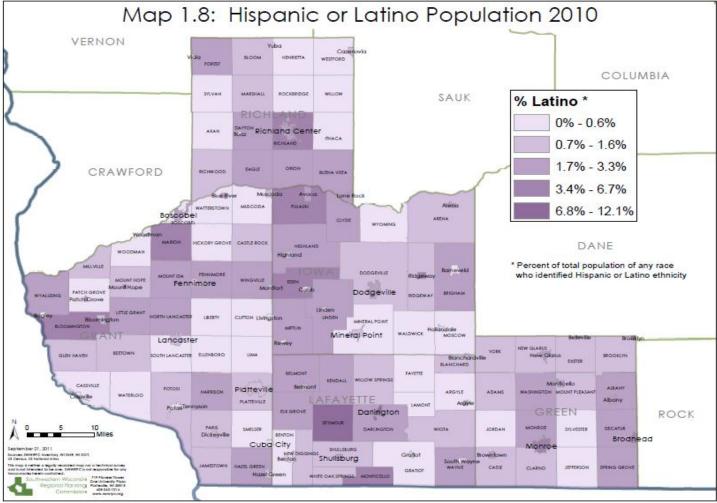
tends to be most pronounced in counties that lean heavily on mining or farming, which is why states such as Pennsylvania, Illinois, Iowa and North Dakota struggle with chronic brain drain. Wisconsin has only two counties —Lafayette and Clark—which are considered farming-dependent by the U.S. Department of Agriculture, which factors only on-farm employment in making the designation. While the job outlook looks to improve in emerging agricultural and environmental industries such as bioenergy, more investment in renewable energy is likely to bring new generating facilities and jobs to rural areas rich in potential sources of energy such as cropland, wood and paper waste, wind, and water.



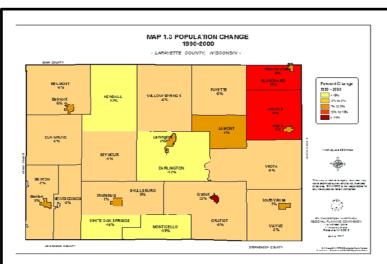
Interestingly in Lafayette county, the number of farms has increased with more family-owned farms, related businesses and industries that provide equipment, services and other products farmers need to process, market and deliver food and fiber to consumers (see middle graph left). The production, sales and processing of Lafayette County's farm products generate employment, economic activity, income and tax revenue. In turn the county is seeing a greater return of young people wanting to take over the family farm however applying agriculture in a different manner. Neglecting these key opportunities of new ideas and enterprises puts young people on an inevitable path toward leaving. This can diminish competitiveness and

<sup>&</sup>lt;sup>1</sup> Berry, Bill. 2011. "Gaining on the Drain." CALS GROW Magazine, January 3<sup>rd</sup>, 2011 http://news.cals.wisc.edu/communities/2011/01/03/gaining-on-the-drain/

rural towns' ability to recruit new industry and thus incumbent workers can be economically pitted against immigrants through a region's overreliance on one industry such as agribusiness; in which labor cost have been cut aggressively (see graph bottom left page 6). Overall Lafayette County has experienced growth in Hispanic populations (see graph below) of about 6% which was due primarily to agricultural sector growth.<sup>2</sup> Southwestern Wisconsin region grew by 2.5% according to the 2010 census despite previous projections of outmigration due to increases in Hispanics and Amish populations.



Upon closer look, (see graph to bottom right) the townships of Argyle, Blanchard and Lamont have experienced the greatest population growth in the county likely due to the proximity of Dane with the urban center of Madison, and Green County's Monroe and New Glarus. Currently the Pecatonica AEA borders three counties: lowa, Dane and Green, all of which are currently experiencing development and represent potential future growth pressures for these townships.



<sup>&</sup>lt;sup>2</sup> Rural Policy Research Institute, 2006. "Demographic and Economic Profile of Wisconsin," <a href="http://www.rupri.org/Forms/Wisconsin.pdf">http://www.rupri.org/Forms/Wisconsin.pdf</a>

LAFAYETTE COUNTY

### Playing to the Region's Strengths

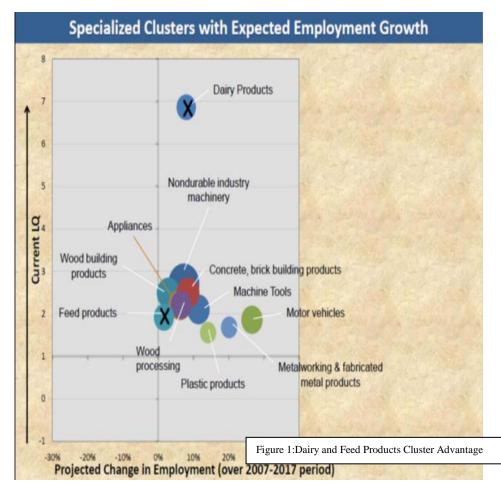
Lafayette County, like many rural communities in the Midwest, has sustained job losses resulting from the economic downturn. However, the area has opportunities in local value added production around food and renewable energy, entrepreneurship, and tourism. It ranks 67th out of 72 counties in terms of wealth because as the state's highest agriculturally dependent county, there is little economic diversity – the county has no stoplight! Like most rural counties it has a shrinking tax base despite increased costs and demand for services from local government at a time when elected officials and county departments are under intense pressure to reduce their overall budgets due to lessened state and federal aid.

However, by assessing the region's strengths and playing to those niche industries and developing resulting clusters of supporting supply chain industries, the region can work to re-establish itself as a "destination" for food processing and multiple forms of value added agriculture production. And by focusing on developing homegrown entrepreneurs by working with existing educational institutions in the region (UW-Platteville and Southwest Wisconsin Technical College), support would be provided for the development of entrepreneurial and technical training programs in such emerging markets. Additionally, these areas have been identified by the region's youth as preferred work potential and the capacities of existing institutional assets such as the UW Discovery and Pioneer Research Farms would support on the ground training, demonstrations, and seminars.

# Regional Cluster Establishment & how it fits with State Economic Development Goals

The Doyle Administration undertook an analysis of Wisconsin industries to identify which sectors Wisconsin has a "comparative advantage." That initiative identified eight "Established Wisconsin Clusters" (wind energy, biotechnology, dairy, food products and processing, paper and wood products, plastics, printing and tourism). Southwest Wisconsin and particularly Lafayette County have these cluster advantages in Dairy, Feed Products and potentially food products, plastics, and wind energy (as well as other renewable energies).

For example, dairy farmers and cheese makers find that it is to their own self-interest (i.e., profits) to be located in the same general geographic areas. By "co-locating" they can build a "critical mass" that improves the profitability



<sup>3.</sup> Deller, Steven and David Williams, 2009. The Contribution of Agriculture to the Wisconsin Economy http://www.aae.wisc.edu/pubs/sps/pdf/stpap541.pdf

of individual firms. Porter offers a "diamond model" of four characteristics or drives of how regional clusters can develop and promoted<sup>4</sup>:

- Sophisticated local demand for cluster products and services. For example, the demand for specialty cheeses and organic milk can spur the dairy industry to be more innovative and competitive and may encourage the development of industry subsectors such as dairy goats and sheep.
- Local supply inputs from related and supporting industries. For dairy this might include a critical mass of large animal veterinarians, dairy, forage and manure handling equipment dealers, educational opportunities or specialized labor and professional services.
- Favorable factor (resource) conditions. There are adequate supplies of water and terrain that is suitable for forage production for dairy feed and manure spreading, or a local road system that can manage the demands of milk trucks.
- A competitive context for firm rivalry, further driving innovation and productivity. Specialty cheese makers enter spirited competitions to see who makes the best products.

The next step would be in developing an agricultural supply chain around the types of food products, bio based products, waste stream recapture, or renewable energies. A supply chain is a system of organizations, people, technology, activities, information and resources involved in moving a product or service from supplier to customer. Supply chain activities transform natural resources, raw materials and components into a finished product that is delivered to the end customer. An illustration of an agricultural supply chain is seen in the below example (though each entity can have multiple partners & supporting industries as well):

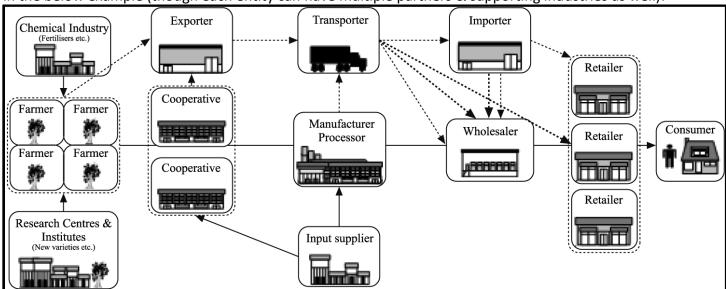


Image schematic representation of the agri-food supply chain from emeraldinsight.com or <a href="http://empathetic-unplugged.blogspot.com/2010/03/spring-cleaning.html">http://empathetic-unplugged.blogspot.com/2010/03/spring-cleaning.html</a>

Based on the newly formed Wisconsin Economic Development Corporation (WEDC) and its strategic plan<sup>6</sup> six key strategies were identified as focus areas of which three are areas that the southwest Wisconsin Region,

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<sup>&</sup>lt;sup>4</sup> Dept. of Administration, 2002. Planning for Agriculture in Wisconsin <a href="http://www.doa.state.wi.us/dir/documents/ag\_guide.pdf">http://www.doa.state.wi.us/dir/documents/ag\_guide.pdf</a>

<sup>&</sup>lt;sup>5</sup> Nagurney, Anna. 2006. Supply Chain Network Economics: Dynamics of Prices, Flows, and Profits. Edward Elgar Publishing.

<sup>&</sup>lt;sup>6</sup>Wisconsin Economic Development Corporation, 2011. Strategic Plan. wedc.org/docs/wedc-strategic-plan.pdf

Lafayette County and the Pecatonica AEA are working in tandem as key areas to grow as well. (Examples of regional efforts follow the WEDC identified strategies)

# STRATEGY 4: Implement a focused target industry advancement capability in which resources are concentrated on high value industry and emerging business consortia opportunities.

Cluster development in agriculture, local food processing, and renewable energy have been identified by regional stakeholders with the next step being in identifying the network of participants in order to build the supply chain. Current initiatives with regional partners include: (all projects will be explained in the following sections)

- A vegetable feasibility study for the tri-state region
- A regional renewable energy opportunity plan for the region in which the Pecatonica AEA was highlighted for as being a community ready for renewable energy development.
- A USDA/HUD Sustainable Communities Grant working to identify other regional economic opportunities secured by SWWRPC in which they are leveraging additional grants and projects to building farm to school programs, broadband to provide access to farmers around marketing development and networking, transitioning infrastructure needed for aging communities.
- Dairy Clustering around milk volume production, cheese processors, collectors, builders, as well as waste management including bio-digestion

# STRATEGY 5: Accelerate entrepreneurship and innovation in Wisconsin through aggressive development of R&D and early-stage capital availability and managerial talent development.

The goal of the Green Cheese project is the development of a decision aid for dairy farmers, dairy processors and policy makers, to quantify the energy intensity and environmental impacts of integrating dairy and biofuels production systems as well as the implications of implementing selected new technologies and management practices on the energy and nutrient balance as well as global warming potential of individual farms and aggregated for the state of Wisconsin. Synergies are considered between dairy production systems and renewable energy development that lead to benefits for the dairy and bio-fuels industries in the state of Wisconsin.<sup>7</sup>

Cottonwood Dairy located in the neighboring township of Wiota to the Pecatonica AEA, has been engaged in a public (University of Wisconsin-Madison) and private (Cottonwood Dairy; Soil Net, LLC; Braun Electric; Resource Engineering Associates, Inc.) collaboration that encompasses both R&D and prototypical farm-based demonstration of the four components:

- 1. Feedstocks Development: The bioenergy generated will derive primarily from recycled cellulosic components of dairy manure, which have minimal food/fuel issues.
- 2. Bio-Fuels and Bio-based Products Development through multiple sub-processes and associated "value added" biobased co-products -- vegetable oil/meal; oil/biodiesel; cellulosic ethanol; biogas/ manure digestion; recycled rinse water; low and high P (phosphorus) crop nutrients; and multiple cellulosic manure fiber "fractions" (for mulches, bedding, etc.)
- 3. Bio-Fuels and Bio-based Products Development Analysis looking at the economic, environmental, lifecycle, process efficiency, and mass balance analysis and incorporate these into a business decision/management framework. In particular, an analysis of the economics of scale of the various system components will form a major part of the research effort.

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fyi.uwex.edu/greencheese/the-green-cheese-project/

4. Use of Oil/Biodiesel for the Production of Grain or Cellulosic Ethanol: The proposed system will be capable of producing oil/biodiesel from vegetable oil seed produced on the farm. Research will determine the economic benefits of biodiesel vs. purified vegetable oil for direct use in operating farm vehicles and machinery.

Southwest Technical College, UW Extension (UWEX), CESA 3, and the Southwest Wisconsin Small Business Development Center (SBDC) are collaborating in identifying the region's assets and needs in order to meet the workforce needs for the future. They are in partnership with the local agricultural sector and with the school districts to engage in youth entrepreneurship, co-op job and school programs, and curriculum development for emerging fields around the bio-based production, renewable energies, and local foods.

UW Platteville (UWP) Pioneer Discovery Farm and the Center for New Ventures have recently been selected as one of 10 USDA regional agricultural research stations as they are working to enlarge the student enrollment and become more of a research institution to meet the region's emerging cluster development around agriculture, dairy, bio-based products, and renewable energies. UW Extension and local farm petitioners are working with the farm to establish pilot projects that can be carried out at the community level and work closely with university faculty in test plots.

Southwest Badger Research and Development Council has been engaged in the region with biomass, swtichgrass and other feedstocks studies to identify the economic impacts of small scale decentralized biofuels conversion and renewable energy production. Along with Southwest Wisconsin Regional Planning Commission (SWWRPC), UW Madison, UWEX, WI Bioenergy Initiative, Great Lakes Bioenergy Research Council, this regional collaboration is working to offer farms, businesses, and communities in SW Wisconsin alternative approaches to energy independence and economic development opportunities that play to the region's strengths.

### STRATEGY 6: Expand Wisconsin's international business development opportunities and resources.

Currently, Lafayette County is home to four cheese producers that engage in commercial endeavors at the international stage:

- Darlington Dairy Supply which works with start-up cheese operations in China and Ecuador in setting up mobile and decentralized cheese processing units
- Mexican Cheese Producers currently located in Darlington WI is looking to expand their markets not only in ethnic enclaves or urban areas but into Mexico as well.
- Lactalis is located in Belmont WI and is ranked the No. 2 cheese producer and marketing firm in the world and ranked No. 3 in the United States behind Kraft. It is a French owned company that has been a long standing producer in Lafayette County for and is currently expanding its operations in Belmont.
- Montechevre also located in Belmont, WI (Lafayette County) draws from regional goat milk producers
  to make the products its ships nationally and internationally. Additionally it has been expanding its
  waste management operations using a series of wetlands and bio-digestion finishers. It is a partner
  with the village of Belmont in working with the infrastructure needs.

Moreover, playing to the region's strengths are dependent on the social acceptance from local folks and government as to the type of economic development that is engaged and supported. Positive social indicators from the public and elected officials demonstrated from surveys in the County and Township Comprehensive plans illustrate local support in this type of asset based agricultural economic growth. As a result, implementation barriers are lessened.

### Economic Development

Please give us your opinion about economic development in your community. Your selections for questions 24-28 are Strongly Agree (SA), Agree (A), Disagree (D), Strongly Disagree (SD), No Opinion (NO), and No Response (NR).

		SA	A	D	SD	NO	NR
28.	Lafayette County jurisdictions should pursue						
	alternatives as a form of economic						
	development:						
a.	Ethanol plants	33%	36%	11%	5%	8%	7%
b.	Solar energy	35%	39%	7%	1%	9%	9%
c.	Wind energy	48%	37%	3%	2%	5%	5%

29. Rate the importance of the following: Your selections are Essential (E), Very Important (VI), Important (I), Not Important (NI), No Opinion (NO), and No Response (NR).

			E	VI	I	NI	NO	NR
$\triangleleft$	a.	Agricultural related businesses	53%	29%	12%	1%	2%	3%
	Ъ.	Commercial and retail development	25%	39%	26%	3%	3%	4%
[	C.	Downtown development -main street	19%	30%	35%	7%	5%	4%
	d.	Home based businesses	9%	20%	44%	14%	8%	5%
	e.	Industrial and manufacturing development	24%	36%	28%	4%	3%	5%
	f.	Tourism and recreation	23%	31%	30%	7%	4%	5%

### Entrepreneurial/Workforce development – Types of Jobs the Future Generation Want

In an effort to keep local knowledge and expertise living and working in the region, Lafayette County is working to spearhead the development of partnerships between industry, higher education, and the local school districts through agricultural education through UW Extension's 4H program. These partnerships will provide alternative curriculum and potentially additional courses that would prepare students for careers in local food production, bio-processing, "green" energy, or other new opportunities.

These decisions were determined by outcome from a 2011 youth survey conducted a survey in all seven school districts grades 9-12 for a total of 847 students which was a 100% response rate! The survey asked questions about needs for youth to return or stay in the area Lafayette County along with the degree of interaction and perception of their local community, long term plans and interests, and vision for the county for job growth. Under the guidance of UW Extension, students devised the questions, contacted their school administrators, administered the survey, and compiled the data. The survey illustrated the top three industries that youth wanted to work in were: medical fields, green technologies or businesses around bioproducts or energy, or working for themselves with their own business. About 84% of students wanted to come back to the county to live and work, while only 6% wanted to go into traditional farming, though 92% loved that Lafayette County was an agricultural community and did not want to change the "Cows and Plows Image" and 72% supported the growing Hispanic population. Based on the survey results, the students created a county vision statement with recommendations on how local government can reflect current and future community needs: Lafayette County is a historic rural county with rolling hills, great farmland, low crime, involved schools, and caring communities. Over the next 20 years, we will work to improve and restore the county by: (http://www.schooltube.com/video/27ddefd40108f4b065c9/)

With entrepreneurial training and workforce development programs in place, Lafayette County would

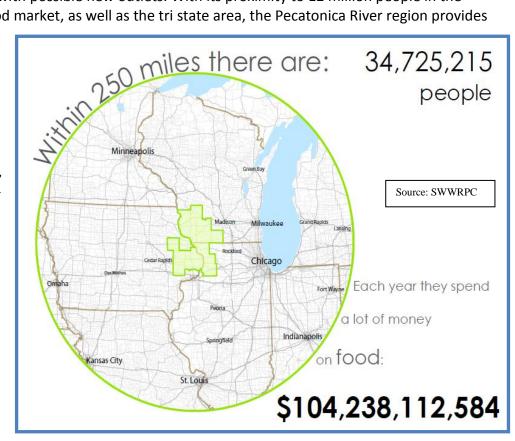
encourage start-up companies to locate in the area, providing a source of jobs for Lafayette County's young people who have developed an interest in renewable energy and bio-based technology in school but further expertise through additional training at local universities or technical colleges.

To ensure the successful advancement of entrepreneurial and technical training, Lafayette County is working through economic development practitioners and regional agencies to provide support and resources for individuals, businesses, and educational institutions. Lafayette County intends to develop strategies in the creation of onfarm incubator spaces, services to assist start-up enterprises, information resources, and networking opportunities through local examples and small placed based enterprises emerging from the proposed Pecatonica AEA. As a result of these efforts, much needed job growth in the food processing and production arena will be positioned to grown in new opportunities of bio-based products and energy.

### Local Foods and Food processing/development

Regional partners with Lafayette County are working to link consumers with local food producers to build on the proximity of opportunities (see figure to bottom right). Lafayette County is well-positioned to take advantage of this movement as an economic, farmland preservation, and community health initiative. The rise of the organic and local food market, in particular, has sparked renewed vigor and interest in agriculture. Such farms produce higher-value products and fit into areas with steeper slopes or rolling hills, such as those found in Lafayette County. The AEA and surrounding region would take advantage of the expanding meat, cheese, and other potential markets based on the volume of raw materials already produced in the area, existing outlets that would be expanded with possible new outlets. With its proximity to 12 million people in the Chicago-Milwaukee megacity food market, as well as the tri state area, the Pecatonica River region provides

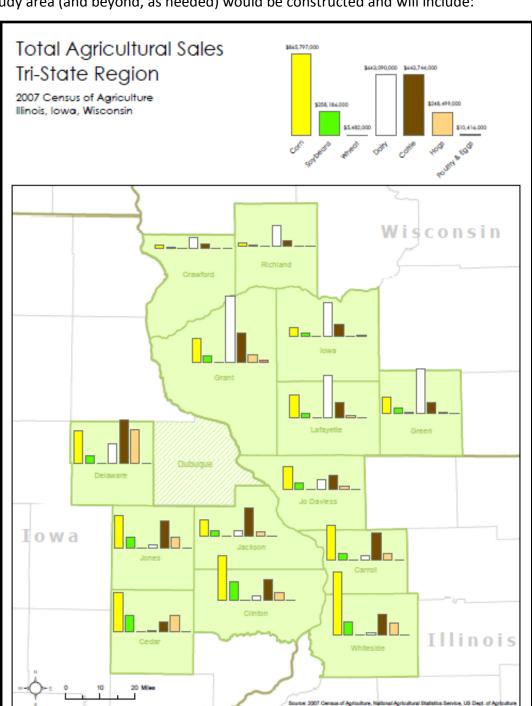
an emerging opportunity to enhance regional food consumption of locally produced and processed foods. The "Slow Food" way of preparing food (using local ingredients, making dishes from scratch, and focusing on providing nourishing, healthy food) is a way that smallscale farms, and producers and restaurateurs are using to get their products into niche markets. Local outlets such as farmers markets, community supported agriculture operations, schools, hospitals, and other local institutions, restaurants, and groceries which in turn enhance local tourism and jobs.

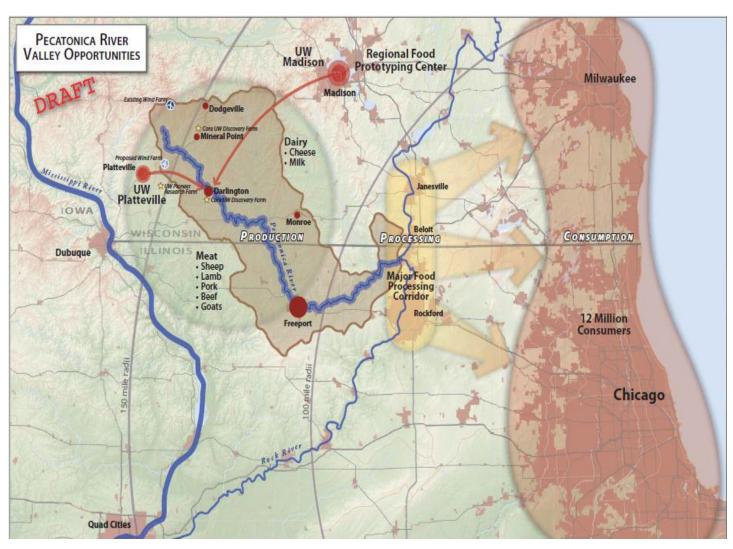


Spearheading such a study is Southwest Wisconsin Regional Planning Commission (SWWRPC) in which Lafayette County is a member. SWWRPC obtained a USDA Rural Development, Rural Business Opportunity Grant (RBOG) to look at Vegetable Production Feasibility Study for the Tri-State Region. The project goals of the vegetable study are to: 1) Identify whether vegetable production in the area can compete regionally at conventional wholesale prices 2) Identify what barriers are currently preventing wholesale vegetable production in the area and 3) Develop a 10-year financial plan for increasing wholesale production and sale of vegetables within the area. To carry out this work, outreach meetings would be conducted to gauge current efforts and interest among stakeholders within region. From there a comprehensive Access database of agriculture resources within study area (and beyond, as needed) would be constructed and will include:

- Infrastructure (warehousing, storage, distribution, processing facilities)
- People (buyers, producers, partners)
- Online (mapped) version of resource database
- A Literature review and summary of relevant studies and literature
- Reports summarizing general information about these resources, e.g. commonalities and networks

In order to achieve the goal of identify whether vegetable production in the area can compete regionally at current and projected conventional wholesale prices, determinations will be made on what 10-15 vegetables tend to grow best in the area, the cost of production and production potential for such vegetables, market demand pricing relative to existing commodity markets, and any barriers preventing these potential occurrences.





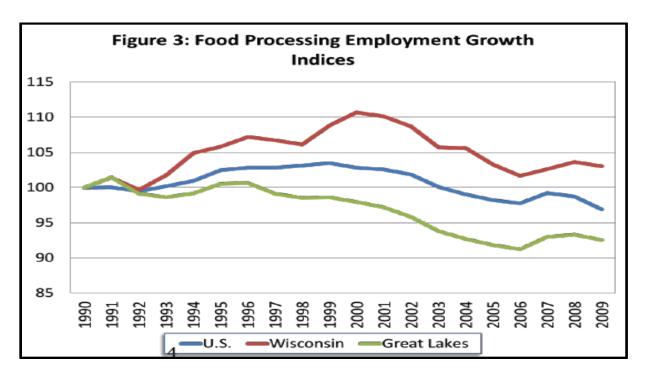
Lafayette County is uniquely positioned within the regional food supply chain (see the Pecatonica River Valley Opportunities Map above)<sup>8</sup> to take advantage of the millions of consumers in the Chicago/Milwaukee Metro Area. The close proximity between the food source, processing, and consumption creates a value chain based on food demand which in turn would lead to the economic expansion of the regional supply chain around food processing and value added agriculture products.

Processing Infrastructure would also be assessed based upon low, base, and high-level production including processing methods, quantities needed to achieve wholesale market access for the produce, and facilities and methods in terms of needs, pros and cons, scale and cost estimates. Lastly, financial investments are needed to achieve processing infrastructure and production and therefore a feasibility study looking at the cost of investment, needed returns to incent private capital on a risk adjusted basis, methods for mobilizing larger scale farm production through mechanization such as pooling resources, Contract/Price mitigation for producers, production, handling, and transportation. Once production growth is deemed achievable, identifying a timeline in which production will likely saturate existing infrastructure or support a larger scale and/or more specialized facility would be the next step.

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<sup>&</sup>lt;sup>8</sup> Vanderwalle and Associates, 2009, "Pecatonica River Valley Opportunities Map,"

Overall Wisconsin has a high employment history and comparative advantage in the food processing sector which is contributes to its high manufacturing base (see graph below). While this has lagged due to the economic downturn, it still remains higher comparatively to the greater Great Lakes region and the national arena.



The next step would be in economic marketing strategy on the local/regional food movement, including attracting new businesses, processors, and tourists. While other communities have successfully branded themselves, there is no cohesive local foods "image" of Lafayette County. The intent is that by beginning an AEA identity would begin a consortium and network around these long term economic development goals. Taking advantage of this opportunity will require retention of and support for existing area farmers and small-scale cheese and meat processors. Farmers have begun to organize themselves in other areas through farm cooperatives and non-profit organizations that focus on providing quality, regionally unique products.

### **Expanding Agricultural Products: Bioplastics**

Lafayette County and its Pecatonica AEA are located in the proximity to two of five UW Core Discovery Farms in the nation. In Wisconsin, researchers from the University of Wisconsin and other agricultural agencies and associations collaborate with existing commercial farms to conduct on-farm systems research on these Discovery Farms. Lafayette County's location near the University of Wisconsin campuses in Madison and in Platteville provides a nexus of engineering training, experimentation, while the Pecatonica AEA and surrounding land area provides a location to implement new agricultural production techniques. In short, the proximity of agricultural research and development near the Pecatonica AEA provides an opportunity for economic development initiatives linked to these activities.

Advances in technology are opening up new markets for traditional agricultural products. A region rich in biomass, the Lafayette County area can supply and process raw materials for emerging economies in biofuels, bio-based plastics, and potentially biogeochemical processing. To compete with east and west coast efforts to

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<sup>&</sup>lt;sup>9</sup> Deller, Steven and David Williams, 2009. The Contribution of Agriculture to the Wisconsin Economy <a href="http://www.aae.wisc.edu/pubs/sps/pdf/stpap541.pdf">http://www.aae.wisc.edu/pubs/sps/pdf/stpap541.pdf</a>

capture this emerging economy, many mid-nation states are assembling initiatives to produce and commercialize bio-based products since as a production capital, there would be an inherent comparative advantage and eventual economic independence.

The Pecatonica AEA's strategic location close to a major research and development center in Madison, surrounding agricultural producers, and the manufacturing centers of north and central Illinois lends itself to processing of bio-based products, with raw materials coming in from surrounding farms. A strategy for positioning and marketing Lafayette County as a location for industries that process such materials capitalizes on the proximity but also takes steps towards diversifying agricultural production in the County. The utilization of biofuel production would enhance Lafayette County's marketability towards green businesses and jobs.

### **Enhancing Farm & Community Based Renewable Energy Technologies**

As a region rich in renewable resources, Southwestern Wisconsin has an opportunity to develop renewable energy for use both within the region and as supplier to the many larger urban areas within close proximity. By using its full range of energy resources and staying at the forefront of emerging energy technologies and practices, Southwest Wisconsin has the potential to increase production of locally produced clean energy while creating and retaining jobs. This approach will help the region find new ways to satisfy domestic energy demand, minimize environmental impact, and attract service and supply side industries and businesses that rely on energy resources to grow and sustain jobs.

UW Extension (UWEX) has organized key players with ties to communities, government and industry such as Southwest Wisconsin Regional Planning Commission (SWWRPC), SW Badger Resource Conservation & Development (SW Badger), and UW Madison Urban and Regional Planning (URPL) Program as project partners to create a Renewable Energy Opportunity Plan (REOP) for Southwest Wisconsin. Looking at the general feasibility of community-scale renewable energy projects, the goal is envisioned as a three-phased project: Year one developing a regional plan, year two creating plans for pilot communities identified in year one and year three developing implementation within those pilot communities. The project is designed to map out the inventory of renewable energy sources of solar, wind and biomass in the nine counties, assess current and expected energy demand, infrastructure, potential industry growth and jobs creation, recommend areas for potential energy potential expansion, inventory of other energy plans to compare/contrast, and assess local public perception and engagement through surveying and focus groups. UWEX has collaborated with Wisconsin's energy entities including the Wisconsin Bioenergy Initiative, Bill Johnson of Biomass Consulting, The New North, Sara Walling of DATCP, Virent Energy, Energy Law Wisconsin, UW Madison Biological Systems Engineering Faculty, and an extensive array of UWEX specialists.

The REOP's goals are to develop regional renewable energy strategies and identify opportunities to accommodate the changing energy market environment and assess the Region's broad energy picture. The goal of these activities is to develop community infrastructure that builds local demand and grows markets for clean energy enterprises, generating new energy jobs in Southwestern Wisconsin. The specific strategic objectives are:

- Promote more renewable energy use in Southwestern Wisconsin to enhance the region's economic competitiveness.
- Increase the use of renewable energy resources to develop alternative transportation fuels, electricity, and heat.
- Build the local energy production industry and improve energy reliability to enhance job creation, develop new and existing industries, and encourage entrepreneurial opportunities and investment.

Clusters of agricultural businesses that would use farm-scale energy efficiency/renewable energy technology, would show opportunities for supply chain development focused on manufacturing these technologies and their component parts. Further, incorporation of innovative technologies such as farm sources of renewable energy can support sustainable economic growth and provide a competitive advantage to the Pecatonica River region. For example, in order to have adequate wind speed potential, a 6.5 megawatts/second threshold is needed. Lafayette County has been recognized as suitable location for wind farms due to its proximity of military ridge. Depending on the number of wind towers, each tower can generate between 2 and 8 jobs through construction workers and additional jobs in supporting service industries over the lifetime of the project. It also helps make rural lands more viable by allowing non-farm income opportunities on farmland. In addition, technological advances have increased the feasibility of small-scale wind generators. Area farms, businesses, rural homes, and existing community facilities, such school districts property would be candidates.

### 1. State the goals of the proposed AEA for: a) preservation of agricultural land use

- To support Multi-generational farming by alleviating pressure with high and variable start-up farming costs for younger generations looking to develop agriculture
- To keep the rural subdivision in order to protect the historic and cultural character of the landscape
- To encourage diversity of farming practices, program use and diversity of land management
- To provide an added layer to the comprehensive plan and continue the dialogue around local landuse
- To protect against development pressures down the road from Dane, Iowa and Green county

### b) agricultural development are:

- · Attract small scale cottage agricultural industries
- Entrepreneurship technical training to retool local workers for emerging professions in bio-products and food-related industries
- Expanded market development for local food processing
- New product development and market expansion for locally produced, locally branded foods
- New product research and development in corn and soybean based products for non-food, bioindustrial products
- Project potential for energy efficiency and renewable energy technologies leading to economic sector growth on farm operations and rural areas
- Demonstration projects related to innovative, sustainable practices for watershed management, conservation practices

Based on the goals of the Pecatonica AEA and the regional opportunities illustrated, the next steps collaboratively would be to:

- Identify and pursue federal, state, and other funding to advance these opportunities
- Collaborate with UW-Platteville and Southwest Wisconsin Technical College to develop curriculum and training opportunities to advance entrepreneurship and technical skills in food and bio-product production, processing, and energy. Also to continue building relationships with research/ development expertise with alternative energy development
- Participate in a region-wide effort to identify the comprehensive set of regional assets in food production and processing, bio-products, and alternative energy to further shape and develop opportunities
- Continued public outreach with the Pecatonica AEA petitioners and advisory group leading the way in these discussions

These goals are supported in the public priorities of the county's comprehensive plan as shown below: 10

### Quality of Life

1. What are the three most important reasons you and your family chose to live in Lafayette County?

28%	Agriculture	26%	Near job (employment opportunity)
2%	Appearance of homes	6%	Property taxes
4%	Community Services	12%	Quality of neighborhood
20%	Cost of home	20%	Quality of schools
2%	Historical significance	6%	Recreational opportunities
19%	Low crime rate	51%	Small town atmosphere
23%	Natural beauty	59%	Near family or friends
8%	Other	14%	No response

### Natural and Cultural Resources

4. How important is it to protect the following. Your selections are Essential (E), Very Important (VI), Important (I), Not Important (NI), Not Applicable (NA), and No Response.

		E	VI	I	NI	NA	NR
a.	Air quality	49%	33%	15\$	1%	1%	2%
<b>b</b> .	Farmland	45%	35%	15%	2%	1%	2%
c.	Forested lands	35%	35%	24%	2%	1%	2%
d.	Groundwater	58%	29%	10%	1%	0%	2%
e.	Historic and cultural sites	16%	30%	41%	9%	1%	3%
f.	Open space	25%	28%	35%	6%	1%	5%
g.	Rivers and streams	45%	33%	19%	1%	0%	2%
h.	Rural character	29%	33%	29%	4%	1%	4%
i.	Scenic views and undeveloped hills/bluffs	29%	29%	30%	8%	1%	3%
j.	Wetlands	28%	25%	32%	9%	2%	4%
k.	Wildlife habitat	32%	30%	28%	5%	1%	4%

# 2. Describe (a) all current land uses within the proposed AEA (The proposed AEA must be primarily in agricultural use.)

Type of Farming	No. of Farmers in proposed AEA (overlap)
Crops	83
Timber	14
Livestock	31
Horses	1
Dairy	14
Specialty	2
CRP	6

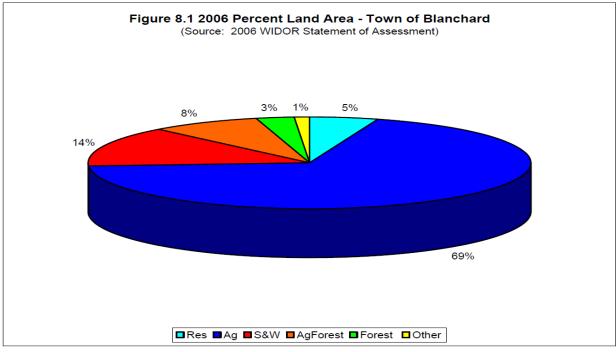
Table 8.1 Town of Blanchard Land Use - 2006

Classification	Land in Acres	Parcel Count	Average Parcel Size	Percent of Land Area
Residential	510	136	3.8	5%
Commercial	11	2	5.5	0%
Manufacturing	0	0	0.0	0%
Agricultural	7469	342	21.8	69%
Undeveloped (formerly				
Swamp/Waste)	1569	201	7.8	14%
AG-Forest	885	97	9.1	8%
Forest	301	35	8.6	3%
Other (Federal, State,				
County, School, Cemetery)	153	57	2.7	1%
Real Estate Totals	10898	870		100%

(Source: WI Department of Revenue, 2006 Statement of Assessments)

**LAFAYETTE COUNTY** 

 $<sup>^{10} \</sup> Southwest \ Wisconsin \ Regional \ Planning \ Commission, "Lafayette \ County \ Comprehensive \ Plan," \ adopted \ 2007 \ \underline{http://www.swwrpc.org/complan/lafayette/county.php}$ 



(Source: WI Department of Revenue, 2006 Statement of Assessments)

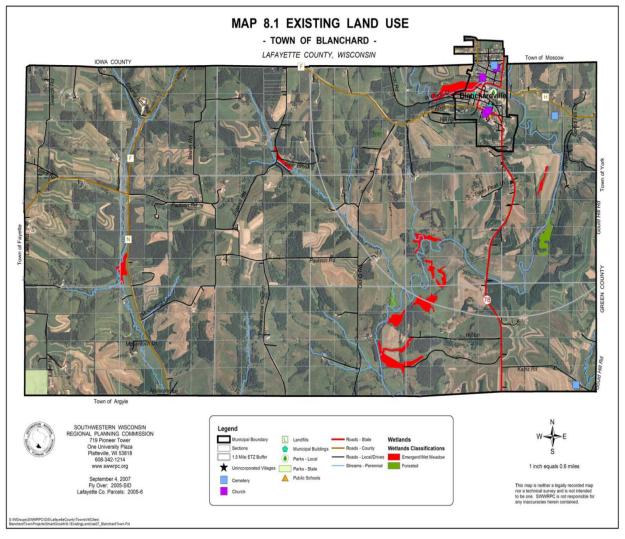


Table 8.1 Town of Argyle Land Use - 2006

Classification	Land in Acres	Parcel Count	Average Parcel Size	Percent of Land Area
Residential	319	160	2.0	1%
Commercial	100	11	9.1	0%
Manufacturing	0	0	0.0	0%
Agricultural	16722	738	22.7	79%
Undeveloped (formerly				
Swamp/Waste)	2702	455	5.9	12%
AG-Forest	941	67	14.0	4%
Forest	597	51	11.7	3%
Other (Federal, State,				
County, School, Cemetery)	308	124	2.5	1%
Real Estate Totals	21689	1606		100%

(Source: WI Department of Revenue, 2006 Statement of Assessments)

Table 8.3 Town of Argyle Land Use Assessment Statistics - 1988

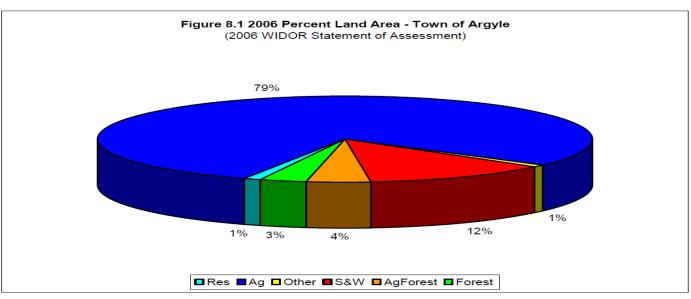
Classification	1988 Total Acres	1988 Parcel Count	1988 Percent of Land Area (Acres)
Residential	254	104	1%
Commercial	14	2	0%
Manufacturing	12	1	0%
Agricultural	19539	713	90%
Undeveloped (formerly Swamp/Waste)	937	131	4%
AG-Forest	0	0	0%
Forest	965	78	4%
Other (Federal, State, County, School, etc.)	0	0	0%
Real Estate Totals	21721	1029	100%

(Source: WIDOR, 1988 Statistical Report of Property Values)

Table 8.4 Town of Argyle Land Use Assessment Statistics - 1993

Classification	1993 Total Acres	1993 Parcel Count	1993 Percent of Land Area (Acres)
Residential	251	102	1%
Commercial	14	2	0%
Manufacturing	12	1	0%
Agricultural	19348	737	89%
Undeveloped (formerly Swamp/Waste)	982	142	5%
AG-Forest	0	0	0%
Forest	1024	86	5%
Other (Federal, State, County, School, etc.)	0	0	0%
Real Estate Totals	21631	1070	100%

(Source: WIDOR, 1993 Statistical Report of Property Values)



Source: WI Department of Revenue, 2006 Statement of Assessments)

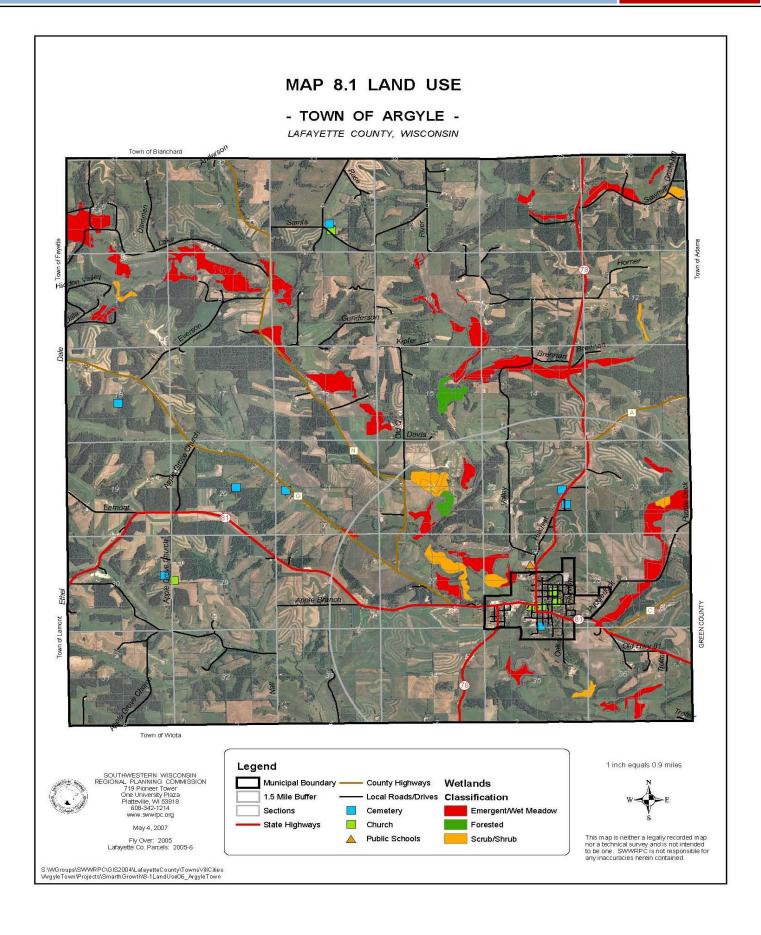


Table 8.1 Town of Lamont Land Use - 2006

Classification	Land in Acres	Parcel Count	Average Parcel Size	Percent of Land Area
Residential	67	56	1.2	1%
Commercial	1	2	0.5	0%
Manufacturing	0	0	0.0	0%
Agricultural	11123	401	27.7	89%
Undeveloped (formerly				
Swamp/Waste)	397	211	1.9	3%
AG-Forest	483	50	9.7	4%
Forest	213	19	11.2	2%
Other (Federal, State,				
County, School, Cemetery)	148	90	1.6	1%
Real Estate Totals	12432	829		100%

(Source: WI Department of Revenue, 2004 Statement of Assessments)

Table 8.3 Town of Lamont Land Use Assessment Statistics - 1977

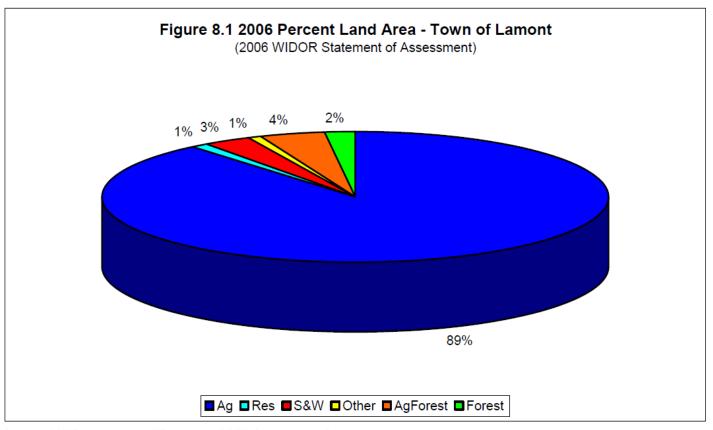
Classification	1977 Total Acres	1977 Parcel Count	1977 Percent of Land Area (Acres)
Residential	40	27	0.3%
Commercial	4	4	0.0%
Manufacturing	0	0	0.0%
Agricultural	12575	383	100.0%
Undeveloped (formerly Swamp/Waste)	0	0	0.0%
AG-Forest	15	0	0.1%
Forest	10	3	0.1%
Other (Federal, State, County, School, etc.)	0	0	0.0%
Real Estate Totals	12644	417	100.6%

(Source: WIDOR, 1977 Statistical Report of Property Values)

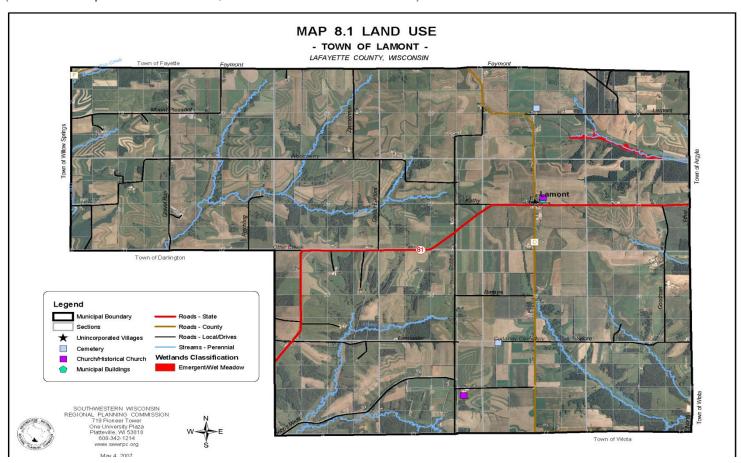
Table 8.7 Town of Lamont Land Use Assessment Statistics - 2003

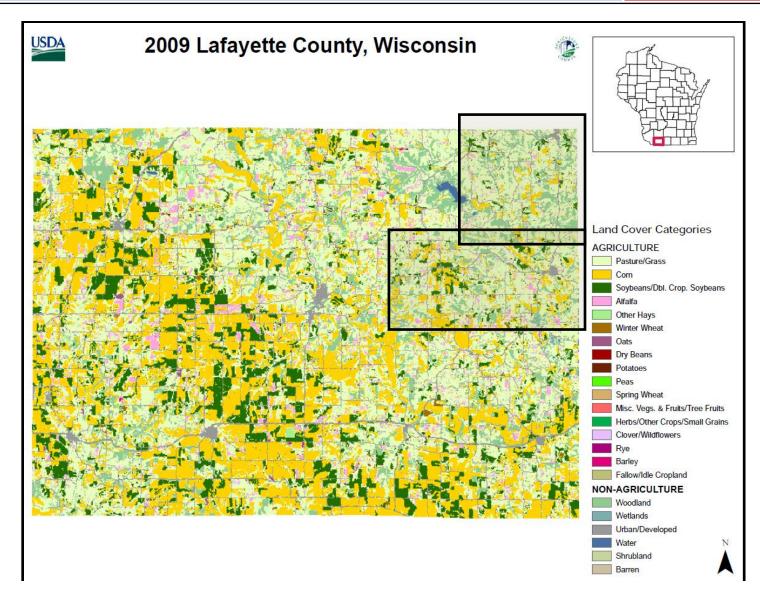
Classification	2003 Total Acres	2003 Parcel Count	2003 Percent of Land Area (Acres)
Residential	47	42	0.4%
Commercial	1	2	0.0%
Manufacturing	0	0	0.0%
Agricultural	11222	396	90.1%
Undeveloped (formerly Swamp/Waste)	298	210	2.4%
AG-Forest	0	0	0.0%
Forest	731	74	5.9%
Other (Federal, State, County, School, etc.)	154	94	1.2%
Real Estate Totals	12453	818	100.0%

(Source: WIDOR, 2003 Statement of Assessments)



(Source: WI Department of Revenue, 2006 Statement of Assessments)





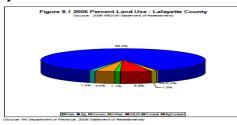
The above Map was provided by the National Agricultural Statistical Service for Wisconsin for landcover for Lafayette County. (A full map is provided in the appendix and digitally) All previously provided existing landuse maps were cited in each of the township comprehensive plans under the landuse section and created by Lafayette County Land Records and Southwest Regional Planning Commission. To access them online please follow the provided links:

Blanchard: <a href="http://www.swwrpc.org/complan/lafayette/town-of-blanchard.php">http://www.swwrpc.org/complan/lafayette/town-of-blanchard.php</a>

Argyle: <a href="http://www.swwrpc.org/complan/lafayette/town-of-argyle.php">http://www.swwrpc.org/complan/lafayette/town-of-argyle.php</a>
Lamont: <a href="http://www.swwrpc.org/complan/lafayette/town-of-lamont.php">http://www.swwrpc.org/complan/lafayette/town-of-argyle.php</a>

In the proposed AEA has a total acreage amounts of 45,962 of which 17,281.85 acres are held by signed petitioners. Additionally based on the county's soils and flooding frequency along with its steeper slopes (these maps are provided in the appendix for further desired reference), it is clear that this unglaciated portion of the state has physical development limitations but is exceptionally suited for agricultural pursuits. Additionally any development is subject to review and must conform to the comprehensive plans adopted by the townships. Lastly, historic landuse assessment statistics illustrate not only the past use of the land being primarily dominated by agriculture but also local feedback showing the preference for continuing this trend.

### (b) Provide information about land use trends in and around the AEA.



The approximate landuse for Lafayette county based on the 2006 report from the Department of Revenue is:

- Agriculture 86% (blue)
- Sewer & Water 5% (green & orange)
- Ag Forest 4% (Red)
- The remaining 1%:
  - o Residential, Commercial, and other (light blue & white)

Table 8.2 Lafayette County Land Use Assessment Statistics - 1975

Classification	1975 Total Acres	1975 Parcel Count	1975 Percent of Land Area (Acres)
Residential	986	3129	0.3%
Commercial	326	339	0.1%
Manufacturing	0	0	0.0%
Agricultural	331638	10099	97.7%
Undeveloped (formerly Swamp/Waste)	3074	424	0.9%
AG-Forest	0	0	0.0%
Forest	3514	257	1.0%
Other (Federal, State, County, School, etc.)	0	0	0.0%
Real Estate Totals	339538	13181	100.0%

(Source: WIDOR, 1977 Statistical Report of Property Values)

Table 8.6 Lafayette County Land Use Assessment Statistics - 2003

Classification	2003 Total Acres	2003 Parcel Count	2003 Percent of Land Area (Acres)
Residential	3910	4738	1.0%
Commercial	1016	673	0.3%
Manufacturing	92	33	0.0%
Agricultural	337057	12324	87.6%
Undeveloped (formerly Swamp/Waste)	19278	7000	5.0%
AG-Forest	0	0	0.0%
Forest	18588	2318	4.8%
Other (Federal, State, County, School, etc.)	4681	2290	1.2%
Real Estate Totals	384622	29376	100.0%

(Source: WIDOR, 2003 Statement of Assessments)

The rating selections for questions 11-16 are Strongly Agree (SA), Agree (A), Disagree (D), Strongly Disagree (SD), No Opinion (NO), and No Response (NR).

		SA	A	D	SD	NO	NR
11.	Productive agricultural land should be allowed to be used for:						
a.	Agricultural use	73%	18%	1%	0%	1%	7%
ъ.	Residential use	6%	28%	31%	15%	4%	16%
c.	Commercial use	7%	24%	31%	18%	4%	16%
d.	Any use	8%	9%	30%	28%	9%	16%
12.	Large scale farms (300 or more animal units) should be allowed to expand:						
a.	Anywhere in Lafayette County	10%	18%	28%	20%	4%	20%
ъ.	Nowhere in Lafayette County	11%	11%	32%	17%	7%	22%
C.	Outside a 2 mile radius of incorporated areas	23%	35%	12%	9%	6%	15%
13.	Landowners should be allowed to develop land any way they want.	13%	20%	41%	18%	3%	5%
14.			52%	8%	2%	5%	5%
15.	It is important to require driveways that will meet standards for providing emergency services.		49%	5%	2%	3%	4%
16.	There should be a minimum lot size on residential development in rural areas.	26%	41%	18%	5%	6%	4%

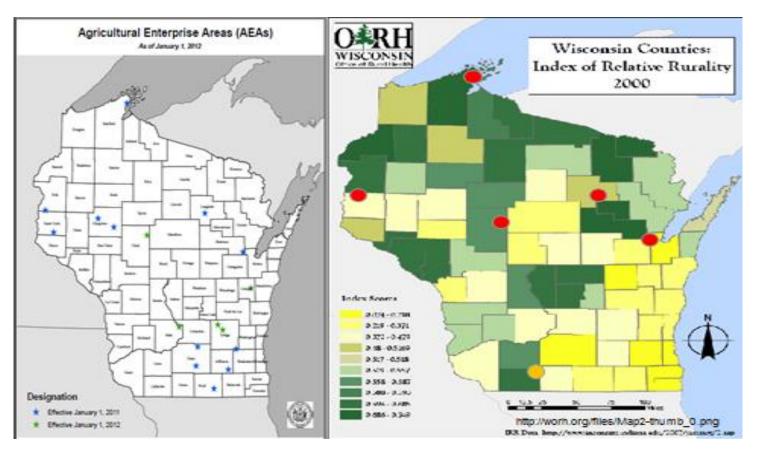
(Question 3 will discuss further the county & region landuse trends in reflection to agricultural development)

### 3. How did you determine the boundary (location and size) of the proposed AEA?

When the petition was submitted the first time in 2011 as the Mudbranch AEA, one of the problems was that the area pursued was too small, that the boundaries were to irregular, and the need to understand the context for greater agricultural development. This year when the advisory committee met again, the number of other landowners aware of the program and interested had increased. From there several townships discussed collaboration and 3 townships stepped forward to move ahead in this direction. While other expressed interest, there was no formal step made and thus the 3 continued by forming an advisory committee in conjunction with land conservation and university Extension. In designating the boundary, the decision was to include the entire townships of Argyle, Blanchard, and Lamont. This simplified drawing the boundaries and included the majority of landowners signed up for the AEA from others expressing interest to become part of the AEA. As a result, we drew the boundaries of the AEA large enough that those in who wanted to be included would not have to file a new petition later for an addition to the AEA. (Most of the gaps in the AEA occur because the parcels were not in agricultural use or petitioners could not be reached to be included in the AEA)

The purpose of the working lands initiative program is to promote agriculture and this conversation certainly included non-petitioner support of local businesses. Farming infrastructure includes businesses and services that feed mills, equipment vendors, cheese factories, seed dealers, or veterinarians might supply. Farm supply businesses and food processing facilities represent important resources to area farmers as well as the broader local economy. Thus next a series of open houses were conducted to determine the type of interest of participating landowners had with their agricultural enterprises to see what kind of connections could be forged and networks created. The advisory committee then met with landowners one on one along with area businesses to discuss the intent of the Pecatonica AEA and gather petitioner support. From there the goals arose (see question 1) and given the historic and cultural nature of the area and county along with the current economic impacts that agriculture provides, the Pecatonica AEA is a natural stepping stone towards added growth in emerging agricultural, energy, economic industries while fostering the next generation in its cultural roots.

SW WI is a unique location whose identity to agriculture extends back both historically and culturally. Historically is has been the point of beginnings for the state with the first state capital located in Belmont, Lafayette County. The region drew a great number of Swiss, Norwegian and Swedish who began the rich tradition of cheesemaking which has built one of the largest concentrations of cheese producers in the state. Also the unglaciated region and rich loess of the Mississippi Driftless area has made the area a fertile river valley that consistently allows farmers high yields of production. The farming heritage has cultivated a new growing population of Hispanic immigrants who work primarily in the dairy industry who choose to come to rural areas because they too hail from rural areas of Mexico and central America. Another growing population are Old Order Amish who hail specifically from the Lancaster Pennsylvania. Farming is the ideal for the Amish way of life and due to development pressures in Pennsylvania and combined with low land prices that have high nutrient fertility, Amish numbers are growing in the region. Thus the culture is one that continues to be of a pioneering spirit as the region is still considered to be "remote rural" and thus fiercely proud of its independence. Currently, there is no AEA in Southwestern Wisconsin (defined as Green, Lafayette, Grant, Iowa, Richland, and also includes Crawford and Vernon counties) with the closest being in Sauk and Dane Counties. And of the AEAs granted, only 4 are truly considered "rural" with most facing aspects of development pressures. (Following are figures comparing the locations of current AEAs in respect to relative rurality.)



### **Current Agricultural Economic Impacts**

Dairy production and subsequent cheese processing are the major agricultural sectors that affect the county's economy (see Figure 1). Located in southwestern Wisconsin, Lafayette County is ideal for dairies because of its access to cheese processing plants, numerous large pastures and good soil. Eight cheese manufacturers are located in the county with dairies additionally contracting milk out to surrounding cheese plants in neighboring counties. Specialty cheese makers have located in the area because of the quality of milk available including premiere goat cheese producer Montchevre and the world's #2 ranked cheese producer Lactalis (both located in Belmont, Lafayette County). Dairy is a key industry in LC  $\rightarrow$  on-farm milk production generates \$126.6 million in business sales. Processing milk into dairy products accounts for another \$543.1 million.

- 13 plants process dairy products in LC with 9 cheese plants located directly in the county
- On farm milk production accounts for 759 jobs and dairy processing accounts for 1501 jobs
- At the county level, each dairy cow generates \$3571 in one farm sales to producers
- At the state level, each dairy cow generates about \$21,000 in total sales (combined effect of direct, indirect and induced) (Photo Credits: Roger Lange, Lisa Trumble LCD)

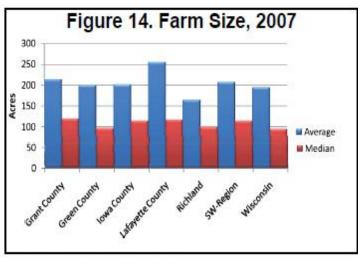


Mark Drabenstott 2009.:Weighing the Strategic Options for RiverLands: High Location Quotients."
RUPRI Center for Regional Competitiveness <a href="http://www.swwrpc.org/Ag%20Investment%20Roundtable%205%2009.pdf">http://www.swwrpc.org/Ag%20Investment%20Roundtable%205%2009.pdf</a>

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Lafayette County is also No. 2 in sheep and goat production and is looking to build its potential to ethnic markets in urban areas as well as sheep and goat cheese whose markets are burgeoning and reflect high market values. The county ranks No. 4 in swine production as well as in cattle and calves, is first in the number of bee colonies, third in alfalfa hay production and fourth in corn for grain. Horticulture sales of trees, fruits, vegetables, greenhouse house, nursery and floriculture products add up to \$1.2 million. With the growing number of Amish and CSA owners, these local farmers sell directly to consumers through roadside stands, farmers markets, auctions, and pick your own operations which in all add about \$147,000 in directmarketing sales.

Lafayette County has about 1340 farms, 11% more than a decade ago with the average farm size of 255 acres with ownership still staying at the locally owned level (see figure 14)<sup>12</sup>. Agriculture provides 54% of the county's workforce that stays within the county. Jobs include farm owners, and managers, farm employees, veterinarians, crop and livestock consultants, feed, fuel, and other crop input suppliers, farm machinery dealers, barn builders, agricultural lenders and other professionals to name a few. It also includes those employed in food processing



Source: USDA, U.S. Census of Agriculture, 2007

Income generated by Agriculture							
Sales tax	\$4.1 million						
Property tax	\$5.4 million						
Income Tax	\$1.6 million						
Other	\$8.8 million						
Jobs	3,560 Jobs						
Business Sales	\$841 million						
County Income	\$215 million						

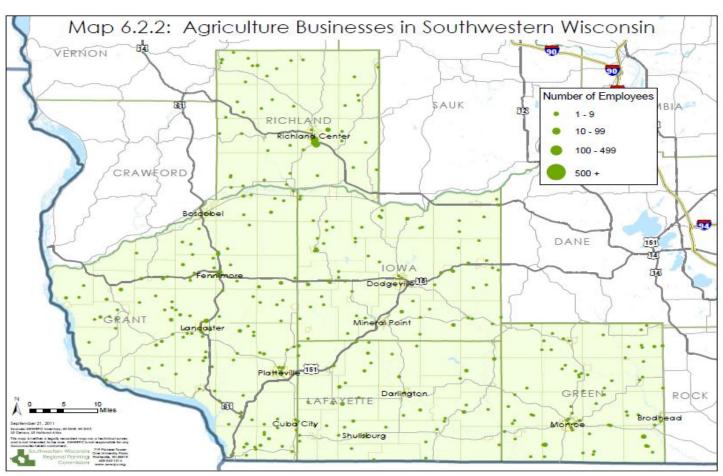
and other value added industries. Every job in agriculture generates an additional .65 jobs in the county. 13 Agriculture equals about 85% of the county's total business sales. Every dollar of sales from agricultural products generates an additional \$.37 of business sales in other parts of the county's economy (see chart on Income Generated by Agriculture)

- Direct effect of AG equals \$611.9 million and includes the sale of farm products, processed and other value added products
- Purchases of agricultural and food processing inputs, services and equipment add another 212.4 million in business sales. For example, this includes business to business purchases of fuel, seed, and fertilizer, feed, and farm machinery, as well as vet services, crop and livestock consultants and financial services
- Business to business activity then generates another \$16.3 million in sales when people who work in agricultural related businesses spend their earnings in the local economy and utilize supporting service industries. (See chart detailing the county's top commodity's)

Lafayette County's Top Commodities	(sales by dollar value, 2007)
Milk	\$100.6 million
Grains	\$67.4 million
Cattle & Calves	\$38.3 million
Hogs& Pigs	\$6.3 million
Other crops & Hay	\$2.4 million

Deller, Steven, 2011.Lafayette County Agriculture: Value & Economic Impact." University of Wisconsin Cooperative Extension http://www.uwex.edu/ces/ag/wisag/documents/agimpactbrochLafayetteCoFINAL.pdf Ibid

LAFAYETTE COUNTY



The above graph provided by SWWRPC illustrates the density of agricultural businesses in the region and thus the trend for how the Pecatonica AEA is well positioned in the regional agricultural network.

### **Historic Agricultural Trends**

Below are how historically, the region has remained primarily agricultural based and continues to do so<sup>14</sup>:

Table 3.1.2 (cont.) Trends in Farm Numbers 1987 - 2002

Lafayette County	1959	1968	1978	1987	1992	1997	2002
Number of farms by size - 500	NA	NA	NA	128	126	112	103
to 999 acres							
Number of farms by size - 1,000	NA	NA	NA	34	39	48	57
acres or more							
Total cropland (farms)	NA	NA	NA	1,256	1,143	1,014	1,029
Total cropland (acres)	NA	NA	NA	294,200	282,410	262,873	264,340

(Source: 1987, 1992, 1997, 2002 US Census of Agriculture)

Table 3.1.4 Trends in Farm Products 1959 - 2002

Crops (Acres Harvested)	1959	1968	1978	1987	1992	1997	2002
Alfalfa Hay	64,540	74,716	83,652	67,000	56,300	45,800	41,500
All Other Hay/All Hay (Dry)	3,762	1,109	1,419	72,000	58,500	50,300	45,200
All Field Corn	82,761	89,340	126,223	99,400	109,000	102,900	99,900
Oats for Grain	44,054	34,276	23,532	15,600	10,400	6,500	4,900
Soybeans	42	426	3,484	5,000	16,900	43,100	57,600
Corn Silage	7,810	10,584	14,377	13,500	19,700	14,200	13,900
Hay Silage	1,560	11,398	NA	NA	NA	NA	NA

(Source: 1959 - 1978, Assessors Farm Statistics, WIDATCP, 1987, 1992, 1997, 2002, US Census of Agriculture)

**LAFAYETTE COUNTY** 

<sup>&</sup>lt;sup>14</sup> SWWRPC, 2007. Lafayette County Comprehensive Plan, Landuse section, <a href="http://www.swwrpc.org/complan/lafayette.php">http://www.swwrpc.org/complan/lafayette.php</a>

Table 3.1.3 Trends in Dairy Farms 1987 - 2002

Lafayette County	1959	1968	1978	1987	1992	1997	2002
Milk cows (farms)	NA	NA	NA	752	468	490	353
Milk cows (number)	39,927	40,556	38,456	44,054	39,947	33,830	30,090

(Source: 1959 - 1978, Assessors Farm Statistics, WIDATCP, 1987, 1992, 1997, 2002, US Census of Agriculture)

Table 3.1.3 Trends in Dairy Farms 1987 - 2002

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Milk cows (number)	39,927	40,556	38,456	44,054	39,947	33,830	30,090

(Source: 1959 - 1978, Assessors Farm Statistics, WIDATCP, 1987, 1992, 1997, 2002, US Census of Agriculture)

Table 3.1.3 shows clearly that both the number dairy farms and dairy cows in Lafayette County dropped dramatically (53% and 32 % respectively) between 1987 and 2002.

Table 3.1.4 shows crop trends in Lafayette County over the 43-year period. Soybeans show an incredible increase since 1959 while Oats for Grain acres have dropped 88%. All Field Corn acres have stayed fairly stable with a spike in acres in 1978.

Table 3.1.4 Trends in Farm Products 1959 - 2002

Crops (Acres Harvested)	1959	1968	1978	1987	1992	1997	2002
Alfalfa Hay	64,540	74,716	83,652	67,000	56,300	45,800	41,500
All Other Hay/All Hay (Dry)	3,762	1,109	1,419	72,000	58,500	50,300	45,200
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Corn Silage	7,810	10,584	14,377	13,500	19,700	14,200	13,900
Hay Silage	1,560	11,398	NA	NA	NA	NA	NA

(Source: 1959 - 1978, Assessors Farm Statistics, WIDATCP, 1987, 1992, 1997, 2002, US Census of Agriculture)

### 3.1.5 LAND SALES STATISTICS AND GRAPHS

As required by the comprehensive planning process, statistics and graphs of land sales information are included below. Unfortunately, the data does not document land sales at the town level, nor is it as current as one would like. However, despite these limitations, it is clear from Table 3.1.5 that the value of land (both Ag and land sold for non-Ag uses) has been rising and for some time, too. This trend of the last decade is no doubt continuing and therefore it is likely to affect future efforts by farmers to compete for the land base needed to remain in agriculture.

Table 3.1.5 Lafayette County Agricultural Land Sales: Total Agricultural Land

	Agricultural land continuing in agricultural use										
	1999	2000	2001	2002	2003	2004					
Number of transactions	54	51	43	59	58	61					
Acres sold	7,986	7,033	7,370	8,521	6,687	7,803					

Table 3.1.5 Lafayette County Agricultural Land Sales: Total Agricultural Land

Agricultural land continuing in agricultural use						
	1999	2000	2001	2002	2003	2004
Number of transactions	54	51	43	59	58	61
Acres sold	7,986	7,033	7,370	8,521	6,687	7,803

Table 3.1.5 (cont.) Lafayette County Agricultural Land Sales: Total Agricultural Land

Agricultural land continuing in agricultural use						
Dollars per acre	\$1,609	\$1,727	\$1,933	\$2,157	\$2,285	\$2,916
	Agricultural land diverted to other uses					
Number of transactions	19	17	19	23	1	1
Acres sold	1,070	951	1,204	1,740	57	16
Dollars per acre	\$1,862	\$1,799	\$1,787	\$2,150	\$2,600	\$2,800
Totals						
Number of transactions	73	68	62	82	59	62
Acres sold	9.056	7,984	8,574	10,261	6,744	7,819
Dollars per acre	\$1,639	\$1,735	\$1,912	\$2,156	\$2,287	\$2,916

(Source: 2006, National Agricultural Statistics Service)

With the changes in development pressure and the transition out of farming by many, the nature of the industry is rapidly changing. Some of the conflicts and threats are within local control and some are tied to state, national and global decisions. While Pecatonica AEA cannot impact decisions such as commodity prices, which are set on the world market and the reduced marketing opportunities as a result of consolidation, this local collaboration can start to respond to local conflicts and issues identified in the county comprehensive plan such as:

- A. Conflicts with new residents with non-agriculture backgrounds, including smells and odors, traffic conflicts, animal waste disposal, trespassing, dust, manure and mud on the roads, chemical applications, equipment noise, lights, and fencing requirements.
- B. Fragmentation of farm fields as new parcels are created.
- C. Agricultural land values exceeding possible agricultural income opportunities.
- D. The challenges of developing a new generation of farmers.

Each township has a different philosophy and approach to working with Lafayette County. Agriculture is changing rapidly and it is likely to continue to do so. It appears that the future will include three types of operations: larger commodity producers, niche/specialty producers, and life-style farming operations. In the past, the commodity producers were dominant, but this is changing as traditional dairy producers and older farmers are leaving the business and other types of farming and agricultural landuses are being encouraged.

### 4. Confirm that the proposed AEA is consistent with any existing local comprehensive plan.

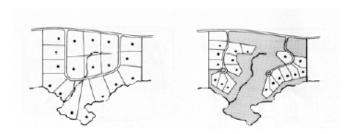
- ✓ Lafayette county of has a comprehensive plan and the proposed AEA is consistent with this plan.
- ✓ The Towns of: Argyle, Blanchard and Lamont have comprehensive plans and the proposed AEA is consistent with this plan.

### Wisconsin State Statute 66.1001(2)(e)

### (e) Agricultural, Natural and Cultural Resources.

A compilation of objectives, policies, goals, maps and programs for the conservation, and promotion of the effective management, of natural resources such as groundwater, forests, productive agricultural areas, environmentally sensitive areas, threatened and endangered species, stream corridors, surface water, floodplains, wetlands, wildlife habitat, metallic and nonmetallic mineral resources, parks, open spaces, historical and cultural resources, community design, recreational resources and other natural resources.

10. Would you prefer housing built in a traditional design (Option A, or a cluster design (Option B)?



30%	Option A
53%	Option B
17%	No Response

Above is an example of the rural subdivision which illustrates the public interest in keeping open land for farming uses. Also the townships of Argyle, Blanchard and Lamont have taken pains to identify agricultural specific elements is to present agricultural data and provide direction for land use decisions influencing agriculture for the next 20 years. This is identified in each townships vision statement, agricultural, landuse policies as well as their future landuse maps from their comprehensive plans.

### Argyle:

### Table 1.5a Vision Statement

### Arayle

The residents of the Town of Argyle envision that in the future the township will remain a distinctively rural community, preserving its beautiful natural settings. It is expected that residents will develop and maintain family farms and the working of productive agricultural land while increasing the diversity of new housing. In addition, the Town of Argyle will encourage the development of recreational use of the Pecatonica River area. The township is a diverse and progressive rural community whose residents work collaboratively to address issues of local importance and are flexible in considering opportunities that increase access to diversity of goods and services for residents of the township.

Table 3.1.1a Agricultural Resource Policies – Town of Argyle

### Argyle

- Encourage land to remain in productive farm operations or land capable of productive agricultural uses, while
  exploring and encouraging innovative methods of preserving land for agriculture.
- Maintain the rural and agricultural character of the community.
- Encourage the preservation of prime farmland for agricultural uses.
- Encourage proper separation distances between urban and rural land uses to avoid conflicts.
- Encourage residential, commercial, and industrial development to areas least suited for agricultural purposes.
- Encourage the location of necessary rural non-farm land uses on soils and sites judged to be of relatively low value for agricultural purposes.

### Table 8.1a Land Use Policies - Town of Argyle

### Aravle

- Maintain the small-town character of the jurisdiction by avoiding developments that would alter its character.
- Encourage new development to be harmonious with the surrounding natural landscape.
- Support land uses, densities, and regulations that result in efficient development patterns.
- Recognize the critical role that farmland, open space, historical architecture, scenic vistas, land-and
  riverscapes, natural resources and designated features, scenic roads, archeological, and cultural features
  play in defining and enhancing the community's distinctive rural character.
- Encourage the protection of active agricultural lands and forestry in the community as this land use helps realize the vision for the future.
- 6. Encourage the preservation of agricultural fields in the community from encroachment.
- Explore the establishment of a Town density standard.
- Encourage the preservation of green space and environmentally sensitive areas.
- Avoid disturbance to wetlands, shorelands, and floodplains and discourage disturbance to other environmentally sensitive areas and corridors.
- Development including roadways, driveways, and buildings on steep slopes should be avoided to minimize soil erosion, disruption of important wildlife habitat, and to keep maintenance costs for foundations, roads, utilities, and waste disposal systems to a minimum.
- Recognize that sensitive environmental features such as lowlands, floodplains, wetlands, and steep slopes
  are extremely important in helping to define the distinctive character and scenic beauty of the community.
- Recognize that ridge tops are important groundwater recharge areas. Concentrated sources of pollution such as landfills and truck yards will not be allowed in these areas.
- 13. Recognize that while flat valley bottoms are often the most desirable areas for new development, theses areas frequently contain highly productive and irreplaceable agricultural soils. Therefore, care must be taken to ensure that development occurs on the least productive valley soils.
- 14. Building placement and lot layout should be designed to provide a functional relationship to the site's topography, existing vegetation, and other natural features. The conservation of mature plant species, hedgerows, prairies/oak savannas, and woodlots should be encouraged to preserve the rural character of the community.

### Table 8.1a (cont.) Land Use Policies – Town of Argyle

### Arayle

- 15. Building placement and lot layout should be designed to provide a functional relationship to the site's topography, existing vegetation, and other natural features. The conservation of mature plant species, hedgerows, prairies/oak savannas, and woodlots should be encouraged to preserve the rural character of the community.
- 16. Discourage new development from areas shown to be unsafe or unsuitable for development due to natural hazards or contamination, unless these sites can be remediated to an acceptable condition.
- 17. For new development in the community, surface water run-off shall be minimized and detained on site if possible or practicable. If it is not possible to detain water on site, down stream improvements to the channel may be required of the developer to prevent flooding caused by the project. The natural state of watercourses, swales, floodways, wetlands, or right-of-way should be maintained as nearly as possible.
- Encourage development in areas where adequate utilities and community services exist or can be provided in a cost efficient manner.
- Assure that the pace of development does not exceed the capacity of utilities, roads, and community facilities.
- Require detailed neighborhood development plans and phasing plans prior to zoning, platting, and development of planned residential areas.
- 21. Encourage the use of clustering design strategies for rural residential development in appropriate areas.
- Direct rural residential development toward existing platted subdivisions.

### DRAFT MAP 8.2 PROPOSED LAND USE - TOWN OF ARGYLE -LAFAYETTE COUNTY, WISCONSIN Town of Blanchard GREEN COUNTY Town of Wiota Note: Proposed Development Pending Legend Parcels: <5 Ac., 5-35 Ac. and >35 Ac. Municipal Boundary Stream - Perennial Wetlands with hydric and wetland classified soils. Sections Roads - State Classification Emergent/Wet Meadow 1.5 Mile Buffer Roads - County Roads - Local/Drives 1 inch equals 0.9 miles Cemetery Scrub/Shrub Church/Historical Church SOUTHWESTERN WISCONSIN REGIONAL PLANNING COMMISSION 719 Pioneer Tower One University Plaza Platteville, WI 53818 608-342-1214 www.swwrpc.org Soil Classification Hydric Landfills Lafayette Co. Parcels Municipal Buildings Water Utility Parcel Sizes <5 Acre Parcel 5 - 35 Acre Parcel Parks - State >35 Acre Parcel April 30, 2007 Fly Over: 2005-SID Lafayette Co. Parcels: 2005-6 Public Schools

Recyding Centers

WGroups\SWWRPC\GIS2004\LafayetteCounty\TownsVillagesCities\ yleTown\Projects\SmartGrowth\8.2ProposedLandUse-Hydric-5\_ArgyleTown

This map is neither a legally recorded map nor a technical survey and is not intended to be one. SWWRPC is not responsible for any inaccuracies herein contained.

### **Blanchard:**

Table 1.5d Vision Statement

### Blanchard

A diverse and progressive rural agricultural community, promoting sensible and orderly residential, recreational, commercial, and agribusiness development that supports a healthy rural economy, while encouraging good stewardship, rural family values, and a neighborly environment.

Table 3.1.1d Agricultural Resource Policies - Town of Blanchard

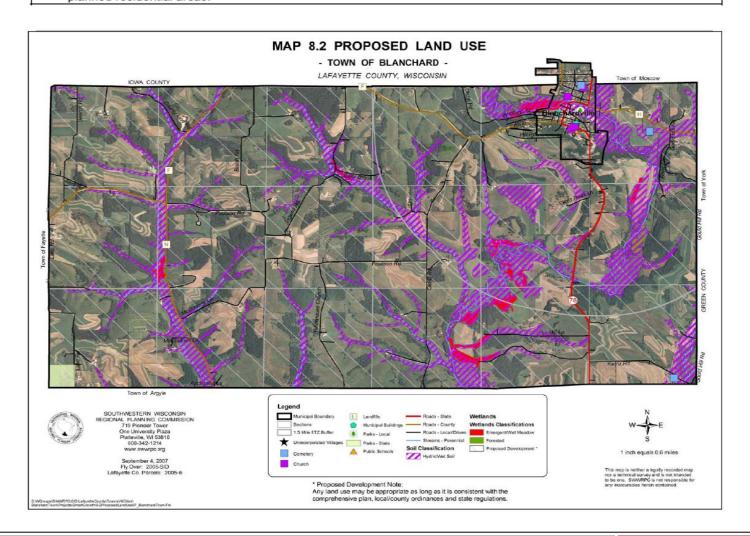
### Blanchard

- Encourage educational programs about the importance of agricultural resources for local residents.
- Encourage the rural and agricultural character of the community.
- Encourage the preservation of the family farm and farmland in the community.
- Encourage prime farmland for agricultural uses.
- Encourage residential, commercial, and industrial development to areas least suited for agricultural purposes.
- Encourage new agricultural supply or service uses to locate in areas where they can economically and efficiently serve the farm community.

### Table 8.1d Land Use Policies - Town of Blanchard

### Blanchard

- Encourage new development to be harmonious with the surrounding natural landscape.
- Encourage development in areas where adequate utilities and community services exist or can be provided in a cost efficient manner.
- Require detailed development plans and phasing plans prior to zoning, platting, and development of planned residential areas.



### Lamont:

Table 1.5i Vision Statement

### lamont

Lamont Township is an agricultural community with natural scenic beauty, made up of productive family farms and the potential for new opportunities with growth that protects the rural character of the township.

### Table 3.1.1i Agricultural Resource Policies - Town of Lamont

### Lamont

- Maintain land in productive farm operations or land capable of productive agricultural uses, while exploring and encouraging innovative methods of preserving land for agriculture.
- Maintain the rural and agricultural character of the community.
- Encourage the preservation of the family farm and prime farmland for agricultural uses and not allow encroachment by incompatible development on agricultural fields.
- Encourage all rural landowners to become cooperators with the Lafayette County Land Conservation Department (LCD) and to implement conservation plans worked out between landowners and the LCD and encourage innovative methods of soil and water conservation.
- Encourage residential, commercial, and industrial development to areas least suited for agricultural purposes.
- Direct necessary rural non-farm land uses to areas where they will cause minimum disruption of established farm operations and located on sites and soils of relatively low value for agricultural purposes.
- Utilize county, state, and federal programs or grants to conserve, maintain, and protect agricultural resources, where and when appropriate.
- Rezoning of agricultural land will take all the agricultural policies in this plan into consideration to preserve prime farmland for agricultural purposes.

### Table 8.1i Land Use Policies - Town of Lamont

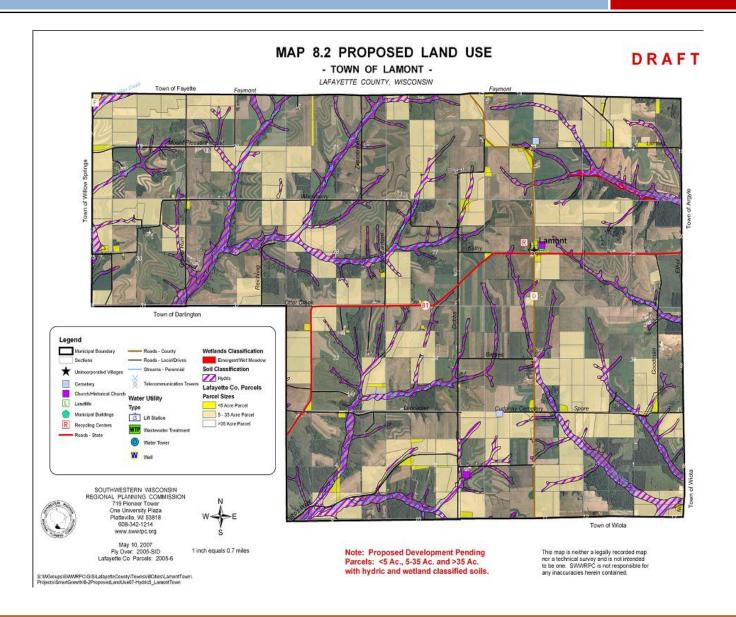
### Lamon

- Maintain the small-town character of the jurisdiction by avoiding developments that would alter its
  character.
- Support land uses, densities, and regulations that result in efficient development patterns.
- Recognize the critical role that farmland, open space, historical architecture, scenic vistas, land-and
  riverscapes, natural resources and designated features, scenic roads, archeological and cultural features
  play in defining and enhancing the community's distinctive rural character.
- Recognize that active agricultural lands and forestry land uses in the community helps realize vision for the future.
- Encourage the preservation of agricultural fields in the community from encroachment by incompatible development.
- Development including roadways, driveways, and buildings on steep slopes be done to minimize soil
  erosion, disruption of important wildlife habitat, and to keep maintenance costs for roads and waste
  disposal systems to a minimum.
- Recognize that sensitive environmental features such as lowlands, floodplains, wetlands, and steep slopes are extremely important in helping to define the distinctive character and scenic beauty of the community.
- Recognize that ridge tops are important groundwater recharge areas. Concentrated sources of pollution should not be allowed in these areas.
- Recognize that while flat valley bottoms are often the most desirable areas for new development, theses
  areas frequently contain highly productive and irreplaceable agricultural soils. Therefore, care must be
  taken to ensure that development occurs on the least productive valley soils.
- The community will require all proposed public recreational development to conform to all of the policies in this Comprehensive Plan, particularly those aimed at protecting the agricultural character and farm vitality of the community.

### Table 8.1i (cont.) Land Use Policies - Town of Lamont

### Lamont

11. For new development in the community, surface water run-off shall be minimized and detained on site if possible or practicable. If it is not possible to detain water on site, down stream improvements to the channel may be required of the developer to prevent flooding caused by the project. The natural state of watercourses, swales, floodways, wetlands, or right-of-ways should be maintained as nearly as possible.



The Agricultural Resource Goal, one of the fourteen Smart Growth Planning Goals required by the planning grant contract states that that the area must: **Protect economically productive areas, including farmland and forests**. The following agricultural resource objectives and policy recommendations support the above goal which will guide agricultural resource decisions over the next 20 years:

- 1. Encourage educational programs about the importance of agricultural resources for local residents.
- 2. Encourage the rural and agricultural character of the community.
- 3. Encourage the preservation of the family farm and farmland in the community.
- 4. Encourage prime farmland for agricultural uses.
- 5. Encourage residential, commercial, and industrial development to areas least suited for agricultural purposes.
- 6. Encourage new agricultural supply or service uses to locate in areas where they can economically and efficiently serve the farm community.

Based on the Agricultural Resource goal which is similar in all the township comprehensive plans, the goals of Pecatonica AEA is consistent with this.

# 5. Describe any recent investments made to support agriculture and agricultural-related business in or near the proposed AEA.

### Within Pecatonica AEA:

- Holmesville Dairy: Owners, Tim and Penny Holmes. Tim began farming with his father in 1980. In 1989 Tim and Penny purchased 450 acres of the 650 acre farm. Over the years the Holmes have installed an impressive list of conservation practices. They include 215 acres of contour strips, grade stabilization structure, 5 grassed waterways, a crossing, 500 ft. of diversions and 2 barnyard systems. In the late 90s Tim and Penny decided to expand their operation and built a new free stall barn and milking parlor. They also installed a manure storage structure and developed a Nutrient Management plan. Their son Travis and Tim's brother Jim are involved in the operation and they have since added another free stall barn. The total expansion/ improvement costs are over \$1.8 million. Holmesville Dairy is a family run operation. Tim will pass the farm on to his children. His plan for the next 5 years will be to transition the farm to them while making continued improvements which include another free stall barn and another manure storage structure. Projected costs for the expansion would range from \$600,000 to \$700,000.
  - o Milk from the 400 dairy cows goes to Rolling Hills Dairy (also located in the Pecatonica AEA).
  - Meylor Custom Farming chops the hay, and
  - o Bill Smith Custom Farming combines the corn.
  - There are 6 full and part time employees and currently 650 acres are managed with another 400 acres rented of neighboring land.
- Rolling Hills Dairy started in 2006 with 14 dairy farm members. They have since grown to 76 farms.
  Their producers milk anywhere from 20 to 750 cows in a five county area. Milk from these farms
  goes to 10 dairy product processors mainly in Illinois and Wisconsin. Most of the milk goes to
  processors making cheese who don't have their own producers. Rolling Hills contracts with three
  independent milk haulers to haul the milk.
- The Lower East Branch Pecatonica Watershed which is located in the Pecatonica AEA. The County Land Conservation Department has done 36 contracts with landowners between state to cost share for the conservation practices. This program is where the state pays for 70% with landowners paying for 30% which amounts to over half a million dollars that owners have spent on land improvements. These improvements help keep the topsoil on the uplands, manure and other pollutants out of the streams while providing stream bank stabilization and fish habitat. The cost sharing also has allowed almost \$1.5 million to stay with farmers so that money could be added towards additional improvements and be circulated in the local economy.
- Brulhill Dairy recently installed a new barn in order to grow from 150 to now 400 cows. It is also family owned and operated.
- Land Conservation has worked with roughly 15 farms in the AEA within the past 10 years doing barnyard construction which has served to save manure. Farmers have stated that these practices have increased their manure storage 3 fold and as a result have alleviated the costs for fertilizer/
- Niemann Prairie Farms has invested in solar panels and wind turbines on their farm.
- Jean Margaret Beech is a small "niche" farmer in the proposed PEC AEA who raises sheep for both

wool and meat. She markets the meat and produce she raises to local customers and retailers. When needed lambs are hauled 60 miles to a locker in Lodi where USDA inspectors are working. She has invested in apiary equipment in order to build pollinators to production of her fruit trees. She works with local bee keepers to have hives located on her farm.

### Around the Pecatonica AEA: (some discussed earlier in greater detail in the Introduction)

- CottonWood Dairy has currently acquired a USDA grant in conjunction with the University of Madison for \$7.3 million and is raising an additional \$1.2 in order to meet the diversified enegy and manure separation for their 1800 cow dairy operation
- Montchevre-Betin cheese plant in Belmont is a pioneer in renewable energy generation. The plant's anaerobic digester uses byproducts from cheese processing to create energy to power the creamery and are working with the village of Belmont to partner on funding (in millions of dollars)
- Lactalis is also expanding their cheese operation (in millions of dollars)
- Mexican Cheese Factory is also expanding their cheese operation (in millions of dollars)
- Green Cheese Project in both Green and Lafayette Counties:
- Local Agricultural Businesses: http://lafayette.uwex.edu/files/2010/05/BountiesofLafayetteCountyBrochurewithCalendar-09.pdf
- SWWRPC produce study: <a href="https://sites.google.com/a/swwrpc.org/growingsouthwestwisconsin/">https://sites.google.com/a/swwrpc.org/growingsouthwestwisconsin/</a>
- SWWRPC Sustainability Planning \$525,000 for the five county region <a href="https://sites.google.com/a/swwrpc.org/project-produce/home">https://sites.google.com/a/swwrpc.org/project-produce/home</a>
- The Innovation Kitchen in Mineral Point: <a href="http://www.wi.innovationkitchen.org/">http://www.wi.innovationkitchen.org/</a>
- UW Platteville is expanding its base into a research University
- \$300,000 from UW Madison in partnership with SWWRPC and SW Badger RC&D to pursue Renewable Energy Development in the region including cluster studies in biogas

### 6. Soil and Water Conservation

<ol><li>Indicate the approximate level of petitioner compliance with state soil and water standards.</li></ol>	
Nearly all petitioners are in compliance	
More than half of the petitioners are in compliance	
Few or no petitioners are in compliance	
Compliance status of petitioners is unknown	

### 7. Describe the level of non-petitioner cooperator support for the petition.

Currently we have 4 landowners within the AEA that provided a letter of support that stating that they would not participate in the program at this time. All the necessary political subdivisions suthorized the needed documenting support per the request of the petition.

As for Non-Petitioner Cooperator Support Letters, the following list illustrates the support from area businesses both in and surrounding the AEA as well as large regional support as to the broad vision that the Pecatonica AEA is helping to unify. Attached following this petition are cooperator agreements as well as detailed letters of support from the various supporting regional institutions. Additionally there were pledged verbal support but these entities were unable to send back the necessary documentation in time due to legal requirements or procedures.

Non-Petitioner	Cooperator Support Letters		
State Governmental Support	Cheese Producers		
WI State Senator Dale W Schultz	Brunkow Cheese of Wisconsin Inc. (Fayette)		
WI State Representative Howard Marklein	Klondike Cheese Co.		
DNR Wildlife Biologist Yellowstone Area	Roelli Cheese Co. Inc.		
Local Energy Developers	Agricultural Support Businesses		
Badger State Ethanol, LLC	Bytec Resource Management Inc.		
Pecatonica Coop Oil Company	Center Hill Vet Clinic		
Scenic Rivers Energy Cooperative	Greg's Feed & Seed		
	K & L Bobcat Inc.		
<u>Financial Institutions</u>	Ritchie Impl. Inc.		
First National Bank & Trust (Argyle Br.)	Smith Custom Farming		
First National Bank (Darlington Br.)	Washington Implement Co. Inc.		
Talmer Bank and Trust	Verity Resources (Landmark)		
Woodford State Bank	Argyle Veterinary Services S.C.		
	Robin Gilbertson + J & R Underground LLC		
<u>Local Businesses</u>	Argyle Fiber Mill, LLC		
Ubersox Pre-Driven	Tollakson Pioneer		
Virtues Auto Tech Inc.			
Mathys Hardware Inc.	<b>Local &amp; Regional Governments/ Organizations</b>		
Curry Electric % Phillip Daniel Curry	Village of Argyle		
Chandler Realty	Village of Blanchardville		
Blancharville Mini Mall	Lafayette County UW Extension		
Toby's Place	Small Business Development Center (SWSBDC)		
Emberson Market	Pecatonica Area School District		
Avon Locker Plant	Southwestern Wisconsin Regional Planning Commission		
	University of Wisconsin Madison		
	Southwest Technicial Institute (SWTC)		
	Southwest Badger RC&D		
	Lafayette Development Corporation (LDC)		

### 8. Activities Tables

A. Farmland Preservation Agreement Strategy			
Activity	Summarize these outreach efforts, including who will provide assistance (attach an additional page if necessary)		
	In 2011, a core of individuals formed an AEA called Mud Branch but the application was denied. Thr group reformed in 2011 and met early in		
Mailing	2012 and started planning again based on the evaluations provided by DATCP. They included the County Land Conservation and UW Extension		
	staff along as partners to create an advisory committee. Starting Jan 18, 2012 informational meetings were held in Argyle which were documented		
Newsletter/media	in local newspapers (pls see folder showing outreach) The group also sent out over 800 letters to landowners in the three townships explaining the		
Other emails	program, benefits, and asking for their support of the proposed AEA project. The core group also went door to door asking for support and		
○ Other social media and radio spots	explaining the program tolandowners and local businesses who have also pledged their support.		

B. Land Use Controls			
Type of Control	Timeframe (past, ongoing, future)	Provide details about the selected control (attach an additional page if necessary)	
	Ongoing	Lafayette County's Farmland Preservation Zoning Ordinance has been adopted by Lamont and Argyle Townships. Blanchard Township has not adopted the ordinance. The Farmland Preservation Ordinance is currently being updated, and will be adopted in 2012.	
Other zoning ordinances  Specify: Animal Waste Storage	Ongoing	Regulates the construction & abandonment of manure containment structures to ensure they meet the requisite standards of the Natural Resources Conservation Service (NRCS). Permitting and regulation is a combined effort that includes both the Land Conservation Department and the Planning and Zoning Department.	
	Ongoing and future	There are currently eight Farmland Preservation Agreements in Blanchard Township and two such agreements in Argyle Township. Numerous landowners claim income tax credits under Exclusive Agriculture zoning in Argyle and Lamont Townships.	
Purchase of development rights and/or easements (donated or purchased)	Ongoing	Four NRCS Conservation Reserve Enhancement Program Perpetual Easements currently exist in the in the Proposed AEA area.	
Transfer of development rights	None	None at this time	
Subdivision ordinances	Ongoing	Provides for a public hearing process, strict review of development standards, and rezoning procedures for new residential subdivisions. The Lafayette County Subdivision Ordinance is more restrictive than the state statute, reflecting the county's goal of maintaining prime agriculture land.	
Cooperative boundary agreements	None	None at this time	
Natural area protections	Ongoing	The Shoreland and Wetland Zoning Ordinance regulates certain activities along the shores of navigable rivers, lakes,	

		and wetlands abuting these waterways. With the goal of reducing soil erosion and topsoil loss, the Ordinance restricts shoreland clearing of trees and vegetation up to 35' shoreward of the Ordinary High Water Mark.
Other (specify)	Ongoing	Regulates development in mapped floodplains. Restriction of development is generally limited to residences, with
Floodplain Zoning		agriculture use permitted and structures accessory to agriculture permitted in portions of the floodplain.

### Part C & D – Agricultural Development and Other AEA Activities

### Past activities:

- Develop/keep agricultural investments through public-private partnerships (as described in part 5 and Introduction)
- Preserved farmland through the adoption of agricultural zoning ordinances.
- Conservation Innovation Grant: working with the Department of Natural Resources and local land owners to do value added and lowland watershed management <a href="http://www.futurelafayette.com/cig/uwex%20CIG%20Grant%20letter%20of%20support.pdf">http://www.futurelafayette.com/cig/uwex%20CIG%20Grant%20letter%20of%20support.pdf</a>
   <a href="http://www.futurelafayette.com/cig/Lafayette%20county%20land%20Conservation%20Dept.pdf">http://www.futurelafayette.com/cig/Lafayette%20county%20land%20Conservation%20Dept.pdf</a>
- Lafayette County Land Conservation Department (LCD) has assisted many farmers in the proposed AEA to plan and implement conservation practices to reduce soil erosion and improve surface and groundwater quality. In the past years, LCD has reviewed dairy farmer operations for compliance with soil and water conservation standards for the farmland preservation

### Ongoing Activities:

- Preserve farmland through the adoption of agricultural zoning for the town of Blanchard under discussion with the AEA advisory committee
- Promote development of existing new businesses relationships among the farm petitioners and the agri-business community Private landowners
- Adopt and implement Soil and Water conservation standards Private Landowners, LCD, Natural Resources Cooperative Services (NRCS)
- Document existing relationships between producers, processors and consumers UW Extension and SW Regional Planning, Lafayette Development Corporation (economic) (LDC),
- Conduct farm expansion and modernization and field days to promote the expansion of the agricultural economy and associated infrastructure
- Implement public outreach programs that inform and educate the general public about the goals and objectives of the Pecatonica AEA
- Create business plans for agricultural producers and agri-businesses within the AEA Southwest Wisconsin Small Business Development Center (SWSBDC), UWEX, LDC
- Identifying and applying for grant opportunities that will be used by producers and agribusiness to expand the agricultural economy through UW Extension and the Lafayette Development Corporation
- Barn Quilts as rural agricultural tourism which paint quilt patterns on barns which can be seen from the road. A network has been established in the county with a number located in the Pecatonica

AEA: http://barnquiltsoflafayettecounty.com/

 Continue the AEA advisory committee as a outreach and educational entity to discuss the goals of the Pecatonica AEA.

### Future activities:

- Develop and increase agricultural infrastructure and strengthen public-private partnership investments
- Extend the AEA boundary into surrounding towns and counties since the Pecatonica is at the corner
  of 3 other counties (Dane, Green, Iowa) to enlarge the AEA. The area may develop
  growth/development pressure from the nearby Madison, Iowa and Green Counties since the area
  is near a 4 lane which allows for easy access to these metropolitan areas, making the location
  desirable for commuters.
- Utilize the AEA as a vehicle of opportunity to formalize relationships between petitioners and the agribusiness community
- Create new agribusiness ventures that grow the local economy and advance State and local agricultural goals
- Assist other landowners, towns, and counties with developing farmland preservation strategies through the use of AEAs
- Promote the concept of agribusiness parks and research to assist with new research and development agribusiness incubation – LDC, UWEX, Town officials, UWP
- Encourage agricultural producers and agribusinesses to partner together to invest and adopt new conservation-oriented technologies that efficiently utilize the economies of scale created by the preservation.
- Establishing a website on the UW Extension website to inform other landowners about the Pecatonica AEA and its progress
- Continued discussion around other townships concerning future landuse
- Develop Direct Access to the Tri state economy with potential growth in urban centers of the eastern Wisconsin Corridor including Fox Valley, Milwaukee, Racine, Kenosha, Chicago, and then Madison, and Minneapolis.
- Soil & Water Considerations: Educate how the area's underlying geologic/soil conditions make it an undesirable area for future housing development, but perfect for continued agricultural use.
- Educate how diversified and successful agricultural enterprises, many of which are generational family farms, or provide value-added products in addition to primary products. These producers are committed to the growth and expansion of agriculture in the Town and surrounding areas.
- Connect these operations to the larger education of not only our communities (through offering school tours) but national and international communities as well through industry leader tours.
- Educate and outreach on biogas projects and how direct and future affects on the way producers
  may process animal waste in an environmentally safe manner while creating a renewable source of
  energy.

PART III: MAPS AND SPATIAL LOCATION DATA

PART IV: IMAGES FROM PROPOSED AEA: 42 Pictures and Outreach materials used

PART V: SIGNATURE PAGES AND LOCAL RESOLUTIONS