

Balancing Development, Agriculture, and Preservation: Evaluating the Success of the Old Mission Peninsula's Purchase of Development Rights Program

Jessie Williams

Advisors: Jen Maigret and Richard Norton

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ABSTRACT

The rapid population growth of the Traverse City micropolitan region has led to a need to balance smart growth while protecting sensitive natural resources and the local agricultural industry. The Old Mission Peninsula, a unique agricultural microclimate, is a productive agricultural region, as well as a sought-after vacation and relocation destination; these attributes can conflict as more farmland is taken out of production in favor of increased residential development, and more interspersed residential use interrupts agricultural use. The scope of this project is to examine the success of Peninsula Township's Purchase of Development Rights (PDR) program, which seeks to protect designated farmland in perpetuity by permitting the township government to purchase the right to develop from the landowners. Through a 1994 ballot initiative, Peninsula Township adopted an Agricultural Preservation Plan that incorporated nearly 10,000 acres of agriculturally important land with a goal of preservation under conservation easements. This initiative has since been renewed, and is up for renewal again in 2022. This project evaluates the degree to which major new development has been precluded from this area, and it describes land development control methods used to accomplish that outcome. In conclusion, though the Purchase of Development Rights program has been effective in preserving over fifty percent of the land it originally aimed to protect, it is limited by administrative and financial capacity — both issues proponents hope will be mitigated by the revisions of the ordinance completed over the last three years.

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INTRODUCTION AND CONTEXT

Study Site

The Old Mission Peninsula is an 18 mile-long, 31.8 square mile land mass which divides the Grand Traverse Bay in Grand Traverse County, Michigan. It comprises its own township, Peninsula Township, but is considered part of the informal Traverse City micropolitan region, as it is bordered directly at the south by the City of Traverse City. This report uses the colloquial term “the Peninsula” to refer to Peninsula Township for ease of reference.

The Peninsula is a high-production agricultural area, producing stone fruits including the Traverse City area’s famed cherries. The land has been consistently farmed since original occupancy by the Anishinaabe people, with Old Mission’s settlement led by Ojibwe Chief Ahgosa, who cultivated “corn, pumpkins, beans, potatoes, [... and] apple orchards.”¹ Many of these crops continue to be cultivated today, though the Peninsula is substantially dominated by cherry farming. Cherry farming became the predominant industry of the Old Mission Peninsula

¹ Peninsula Township Planning Commission (Old Mission, Mich.). Stewardship of a Special Place: Peninsula Township [Draft] Master Plan, page 19.

in 1903, and it has remained so ever since. Over time, the price per pound of cherries has decreased from its peak in 1982, as farming practices have continued to change. Westphal points to the introduction of the cherry shaker in the mid-1970s as a turning point for the makeup of Old Mission Peninsula farms; as manual labor was replaced by automation, many small family farms became consolidated into fewer, larger farms.² Today, out of the fifty-six parcels on the Peninsula that are larger than 50 acres, forty-eight are zoned for agricultural (or exempt, owned by the State of Michigan for parkland) use.

Figure 3 displays that the Peninsula's agricultural use remains dominated by cherry orchards (highlighted in bright pink), though apple orchards and, increasingly, wineries also comprise a large portion of agricultural use. The Peninsula has increasingly become a major wine production and grape-growing area. In 1987, the Old Mission Peninsula American Viticultural Area was established by the U.S. Bureau of Alcohol, Tobacco, and Firearms, after Chateau Grand Traverse winemaker Edward O'Keefe applied to obtain the appellation. Since the founding of Chateau Grand Traverse, eleven new wineries have been established on the Peninsula (as of November 2021). These wineries comprise 789 total acres on the Peninsula.

Peninsula Township's economy is driven by both its agricultural market and its scenery; the Traverse City area generated \$1.18 billion in 2012 from tourist activities (a number that has definitely increased since the last study, as the area has grown increasingly popular).³ The Old Mission Peninsula is a key contributor to that economic growth, with a close proximity to town, and increasingly popular wine tours and outdoor recreation. Center Road, or M-37, was designated as the "Old Mission Peninsula Scenic Heritage Route" in 2008, owing to its rolling

² Joanne M. Westphal (2001). Managing Agricultural Resources at the urban-rural interface: A case study of the Old Mission Peninsula. *Landscape and Urban Planning*, 57(1), 13-24. [https://doi.org/10.1016/s0169-2046\(01\)00185-2](https://doi.org/10.1016/s0169-2046(01)00185-2)

³ *Traverse City, MI Economic Impact: Local Business & Tourism*. Traverse City. (n.d.). Retrieved April 6, 2022, from <https://www.traversecity.com/about-traverse-city-tourism/economic-impact/>

hills of vineyards and orchards, as well as its multi-directional views of both West Grand Traverse Bay and East Grand Traverse Bay.

The Agricultural Preservation Plan (APP) discussed in this work is exclusively limited to agriculturally zoned land. Though it has been successful in its goal of preservation of agricultural land, it is important to note that the Peninsula additionally has non-agricultural sensitive land that would be negatively impacted by increased residential development. Shoreland on the east and west sides of the Peninsula is of high value for residential use and an area of focus for citizen protection. Since it is not zoned for agricultural use, it is not part of the Agricultural Preservation Area. Residential development in these areas threatens erosion, soil quality, and other environmental concerns. Addressing threats to non-agricultural land is not the role of the APP specifically, however, but of other preservation entities. Several APP stakeholders, such as the Grand Traverse Regional Land Conservancy, are also involved in non-agricultural land preservation efforts. This is largely outside of the scope of this work, which focuses on Peninsula Township's goal of preserving agricultural land — but is nonetheless important.

The need to be deliberate about residential growth planning in the Peninsula's agricultural areas is more urgent than ever, as Peninsula Township has experienced substantial population growth in recent years. Between 2010 and 2020, the permanent residential population increased by 11.7%, compared to an increase of 3.2% between 2000 and 2010.⁴ The Michigan population as a whole decreased 0.3% between 2010 and 2020.⁵ Census numbers are an incomplete picture of land use on the Peninsula; though 6,068 residents listed Peninsula Township as their principal

⁴ U.S. Census Bureau (2020). "QuickFacts: Peninsula Township, Grand Traverse County, Michigan." Retrieved from <https://www.census.gov/quickfacts/peninsulatownshipgrandtraversecountymichigan>

⁵ U.S. Census Bureau (2020). "QuickFacts: Michigan." Retrieved from <https://www.census.gov/quickfacts/fact/table/MI/PST045221>

Figures 1 and 2: Peninsula Township

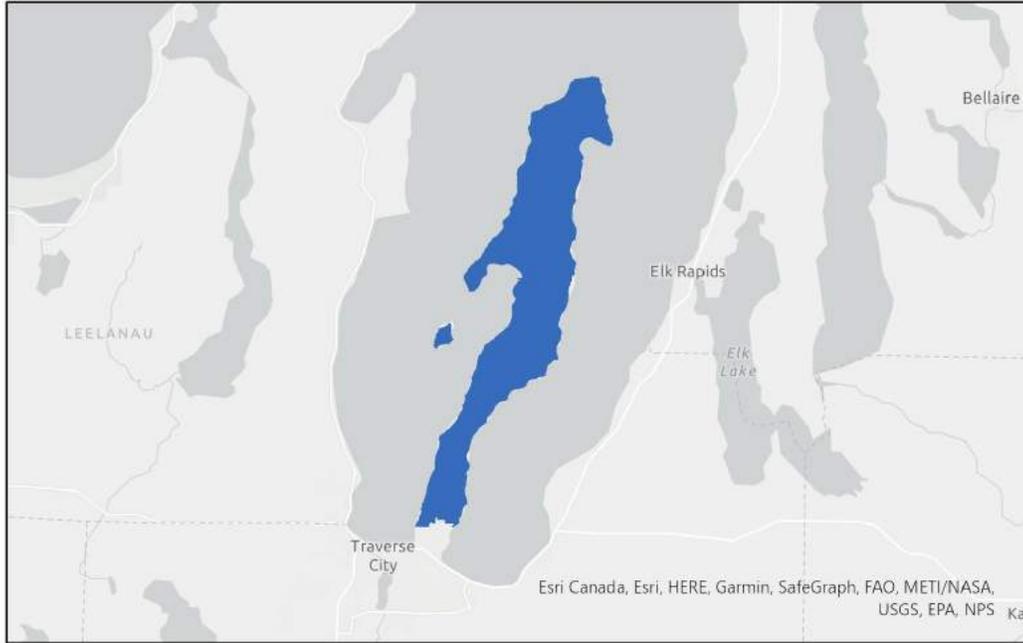
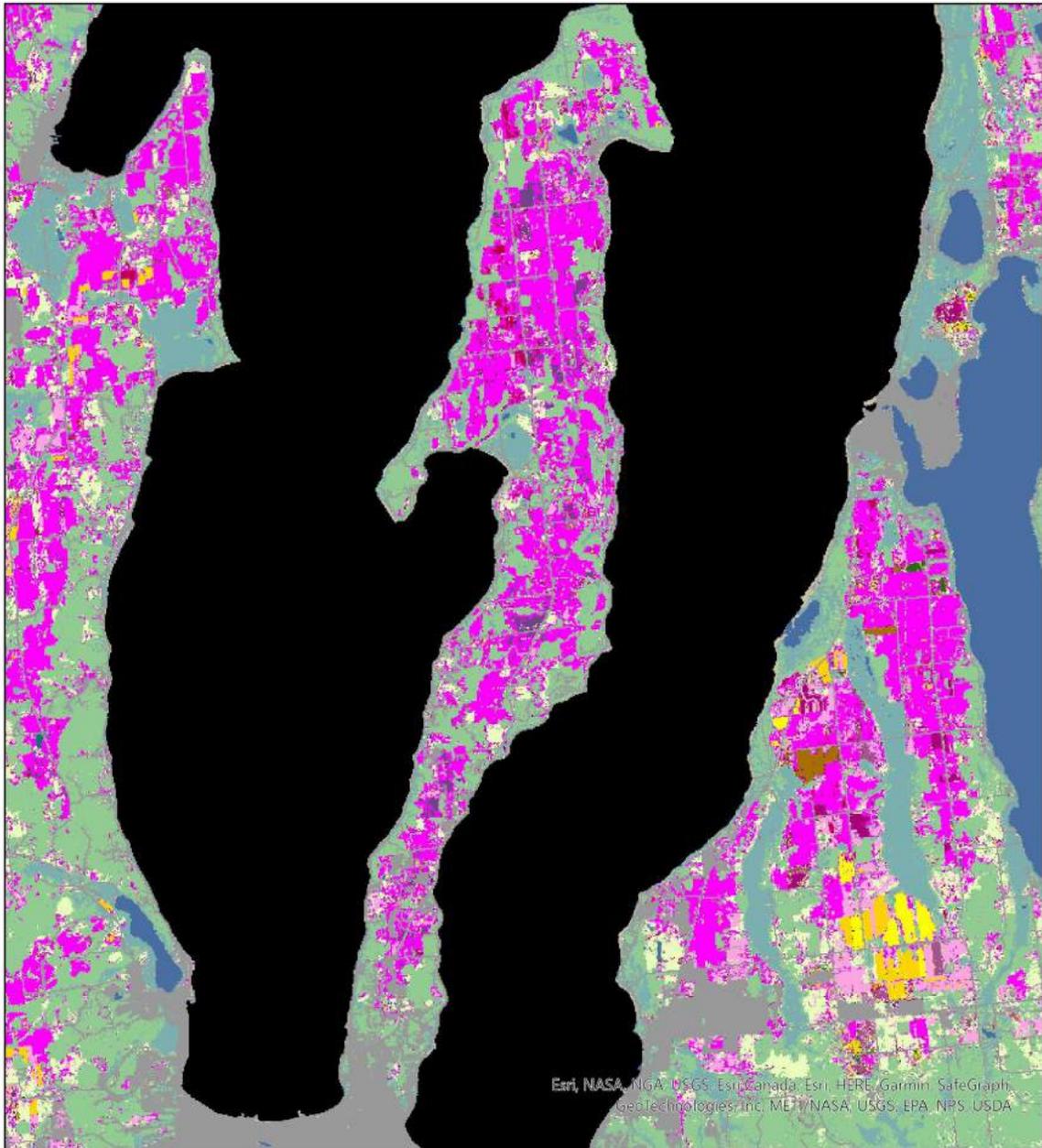


Figure 3: Dominant Crops Grown on the Old Mission Peninsula



USDA Cropland Data Layer									
Black	Background	Purple	Rye	Orange	Onions	Cyan	Aquaculture	Teal	Woody Wetlands
Yellow	Corn	Brown	Oats	Red	Cucumbers	Blue	Open Water	Light Teal	Herbaceous Wetlands
Orange	Sorghum	Dark Purple	Millet	Light Orange	Tomatoes	Grey	Developed/Open Space	Light Purple	Triticale
Dark Green	Soybeans	Light Purple	Speltz	Light Green	Clover/Wildflowers	Dark Grey	Developed/Low Intensity	Red	Carrots
Light Green	Sunflower	Light Green	Rape Seed	Light Green	Sod/Grass Seed	Medium Grey	Developed/Med Intensity	Light Red	Plums
Yellow	Sweet Corn	Light Green	Alfalfa	Light Green	Fallow/Idle Cropland	Dark Grey	Developed/High Intensity	Light Red	Squash
Light Blue	Mint	Light Green	Other Hay/Non Alfalfa	Light Green	Cherries	Light Brown	Barren	Light Red	Pumpkins
Purple	Barley	Light Green	Sugarbeets	Light Green	Peaches	Dark Green	Deciduous Forest	Dark Red	Blueberries
Light Brown	Spring Wheat	Light Green	Dry Beans	Light Green	Apples	Light Green	Evergreen Forest	Dark Blue	Blueberries
Dark Brown	Winter Wheat	Light Green	Potatoes	Light Green	Grapes	Light Green	Mixed Forest	Light Red	Celery
		Light Green	Other Crops	Light Green	Christmas Trees	Light Green	Shrubland	Light Red	Radishes
		Light Red	Misc Veggies & Fruits	Light Green	Pears	Light Green	Grassland Pasture		

place of address, significant numbers of individuals retain seasonal summer homes on the Old Mission Peninsula, which would not have been their place of residence on the Census Day of April 1, 2020.⁶ Even considering full-time residence numbers, Peninsula Township has changed since the last census. The Traverse City micropolitan region has seen a significant influx of individuals moving to the area in the year since the beginning of the COVID-19 pandemic. These numbers would also not be accounted for in the 2020 census, which was taken in April 2020.

In comparison with Grand Traverse County as a whole, Peninsula Township residents are wealthier, which is important when considering the ability to implement a taxation-based initiative. Peninsula Township was ranked as having the fifteenth highest median home value of any city or township in Michigan.⁷ The median household income in Peninsula Township between 2015 and 2019 was \$102,359, nearly two times Michigan's statewide median income of \$57,144.⁸ Compared to Michigan averages, relatively few Peninsula Township residents live in poverty; 5.7% of Peninsula Township residents are below the poverty line, compared to 13% of Michiganders as a whole.¹⁰ However, these numbers do not include seasonal or undocumented migrant workers who live on the Peninsula, often below the poverty line. Contextually, this is important to note when contemplating the community's ability to fund a PDR program, discussed more below, and the continued need to gain more funding for the program. The demographic makeup of the Peninsula contributes to its high land valuation; this means that the

⁶ U.S. Census Bureau (2020). "QuickFacts: Peninsula Township, Grand Traverse County, Michigan."

⁷ Julie Mack (2020, February 4). *See list of Michigan cities, townships with the most expensive homes*. MLive. Retrieved January 31, 2022, from <https://www.mlive.com/news/2020/02/see-list-of-michigan-cities-townships-with-the-most-expensive-homes.html>

⁸ Julie Mack (2019, December 21). *See list of Michigan's 62 richest cities and townships, based on New Census Data*. Live. Retrieved January 31, 2022, from <https://www.mlive.com/news/2019/12/see-list-of-michigans-62-richest-cities-and-townships-based-on-new-census-data.html>

⁹ U.S. Census Bureau (2020). "QuickFacts: Peninsula Township, Grand Traverse County, Michigan."

¹⁰ U.S. Census Bureau (2020). "QuickFacts: Michigan."

Old Mission Peninsula undoubtedly has more resources than most to fund a PDR program, but also must pay more per acre to purchase development rights.

Peninsula Township is within the Traverse City micropolitan area, but outside of city limits. As such, it is part of an urban-rural interface that is in danger of being developed into low-density urban sprawl if not properly protected.¹¹ Considering that the Traverse City micropolitan area is in the midst of a housing crisis, a focus on smart growth and meeting the need for abundant housing in a sustainable way is highly relevant. While housing prices nationwide increased by 31.9% during the last five years, prices for homes with a Traverse City address (which includes the Old Mission Peninsula) increased by 64.4%.¹² However, the vast majority of the construction that aims to solve this issue consists of single-family suburban residences, which are distant from the town center and car-dependent. Increases in land values and the cost of living, combined with potentially diminishing farm returns, have provided substantial pressure on farmers to sell their land in order for it to be converted into housing stock. Although Traverse City is in extreme need of increased housing stock, the Old Mission Peninsula should not be a reasonable option. Given the distance from the Traverse City town center and necessary amenities, Peninsula land development would serve as a continuation of its current car-dependent urban sprawl pattern, not in line with Traverse City's walkability- and bikeability-focused master plan.¹³

As the City of Traverse City's population greatly expands, the city faces a substantial urban sprawl problem in tandem with efforts to remedy its housing crisis. Population figures

¹¹ Mark R. Rielly (2000), Evaluating Farmland Preservation through Suffolk County, New York's Purchase of Development Rights Program Comment, 18 Pace Envtl. L. Rev. 197. Available at: <https://digitalcommons.pace.edu/pehr/vol18/iss1/7>

¹² Zillow. (2022). *Traverse City Mi Home Prices & Home Values*. Zillow. Retrieved March 31, 2022, from <https://www.zillow.com/traverse-city-mi/home-values/>

¹³ Patrick Rusz (n.d.). *Implications of urban sprawl*. MI Wildlife Conservancy. Retrieved April 7, 2022, from <https://www.miwildlife.org/implications-of-urban-sprawl.html>

reflect this; Traverse City is often described as a “small town of 15,000,” but the micropolitan area includes 150,000 residents due to the sprawl in neighboring areas. Neighboring areas, such as Peninsula Township and East Bay Township, are having housing stock built at a much greater rate than the City of Traverse City, even though many jobs are concentrated in Traverse City itself. The Michigan Spatial Mismatch Tool from Michigan State University quantifies the contradiction of where jobs are concentrated versus where individuals live, and demonstrates that more individuals live on the Peninsula than work there, whereas many more work in the City of Traverse City.¹⁴ Therefore, the Purchase of Development Rights program on the Peninsula serves a dual purpose; it maintains the viability of the agricultural and scenic character of the Peninsula, while ensuring the City’s master planning goals of limiting urban sprawl and incentivizing infill.

AGRICULTURAL PRESERVATION PLAN BACKGROUND

History

Farmland preservation has been a goal of Peninsula Township’s master planning process since the first master plan was introduced in 1968. Peninsula Township’s first zoning ordinance was established on June 5, 1972, with the original master plan also revised shortly after in 1974.¹⁵ Soon recognizing the need for immediate action towards a farmland preservation initiative, the Planning and Zoning Committee instituted public focus groups to address the topic prior to the master plan’s second revision.¹⁶ The updated 1983 master plan subsequently included an explicit prioritization of the “continued viability of agricultural production by protection of valuable farm land [sic].”¹⁷ The urgency of the need for an agriculture preservation strategy became most apparent in 1979, when a 500-acre farm at the tip of the Peninsula became

¹⁴ Michigan State University (East Lansing, Mich.) Michigan Spatial Mismatch Tool.

¹⁵ Peninsula Township Planning Commission (Old Mission, Mich.). 1983-2001 Master Plan.

¹⁶ Joanne M. Westphal (2001). Managing Agricultural Resources at the urban–rural interface: A case study of the Old Mission Peninsula. *Landscape and Urban Planning*, 57(1), 13–24.

[https://doi.org/10.1016/s0169-2046\(01\)00185-2](https://doi.org/10.1016/s0169-2046(01)00185-2)

¹⁷ Peninsula Township Planning Commission (Old Mission, Mich.). 1983-2001 Master Plan.

bankrupt and, if not for the purchase of the land by the American Farmland Trust, would have been converted into a subdivision.^{18, 19}

The public focus groups led by the Township, combined with the relevant discussions around the 500-acre farm, led to revisions to the 1983 Master Plan in order to include a “sub-plan” titled the Agricultural Preservation Plan (APP).²⁰ As part of the Agricultural Preservation Plan, the PDR program, the first township-level PDR program in the country, was created in 1994, after the ballot committee Concerned Citizens for PDR launched an initiative.²¹

²² The program passed by a margin of 1208-1081 (53%) at the time, with Protect the Peninsula, Michigan State University Extension, and the advocacy work of individual citizens and some key farmers conducting a strong citizen campaign to increase its popularity and increase local knowledge.²³ The Purchase of Development Rights program has been renewed once, amended and reapproved on August 23rd, 2003 at two mills. However, much has changed in statewide land use planning since the 2003 renewal, including the passage of the Michigan Planning Enabling Act and Michigan Zoning Enabling Act, and the growth and land use of the Traverse City micropolitan area has also changed since its last renewal. After a substantive three-year revision process, the PDR millage will be up for reapproval in a 2022 election.

¹⁸ Thomas L. Daniels (2008). An Evaluation of the Peninsula Township Farmland Preservation Program, report for the Grand Traverse Regional Land Conservancy.

¹⁹ M. Dettmer, personal communication, October 19, 2022

²⁰ Joanne M. Westphal (2001). Managing Agricultural Resources at the urban–rural interface: A case study of the Old Mission Peninsula. *Landscape and Urban Planning*, 57(1), 13–24.
[https://doi.org/10.1016/s0169-2046\(01\)00185-2](https://doi.org/10.1016/s0169-2046(01)00185-2)

²¹ Peninsula Township PDR Public Input Session, February 9, 2022

²² Peninsula Township PDR Public Input Session

²³ Westphal



Photo 1: The Old Mission Scenic Lookout on Center Road (M-37).

Photo: Creative Commons, "Old Mission Peninsula" by laudu. Provided by Openverse.

METHODS

For the purposes of this project, the Peninsula Township Clerk and Planning Department provided a complete list of parcels under full and partial PDR protection, and the Grand Traverse Regional Land Conservancy (GTRLC) provided a list of PDR-protected parcels not held by the township. These parcels were selected from the township's parcels in maps in the software platforms Regrid and ArcGIS. Additional shape layers were imported into ArcGIS for greater analysis; Grand Traverse County GIS and GTRLC provided the shape layers with parcel boundaries, Peninsula Township's zoning map, and the Agricultural Preservation Area. Regrid's comprehensive database of synthesized cropland and structure data on individual parcels allowed for further analysis of the use of land that has been designated under the PDR program. The USDA's Cropland Data Layer allowed for a clarification of what crops were actively being grown on land in farming use. Additionally, a literature review was conducted, focusing on

township documents such as the zoning and PDR ordinance and master plan, existing evaluations of the PDR program, and historical changes to the PDR ordinance over time.

STRUCTURE OF THE AGRICULTURAL PRESERVATION PLAN, INCLUDING THE PDR ORDINANCE

Purchase of Development Rights Program [Peninsula Township's Main Preservation Program]

The ownership of property includes the ownership of several distinct property rights, including oil, mineral, water, and development rights. A purchase of development rights agreement severs the right to develop land from the property, in exchange for compensation for those rights. The land is then placed under a conservation easement, which is incorporated into the deed and runs with the property, such that a third party like a land trust or governmental entity owns the development rights while the original landowner owns everything else, subject to the constraint on development. The landowner is able to continue to use the land for agreed-upon purposes (in Peninsula Township's case, those that are included in A-1 agricultural zoning that are not specifically restricted), and to continue to occupy any existing homestead on the property. However, the PDR agreement bars the land from any new development, with the exception of any additional buildable homesites or agricultural use buildings retained in the original PDR agreement (in Peninsula Township's case, a maximum of one per twenty acres). Specifically identified building envelopes may be designated for these buildings.

Agricultural Preservation Area Map

Figure 4 displays the Old Mission Peninsula's Agricultural Preservation Area, the 9,861 acres prioritized by Peninsula Township's Agricultural Preservation Plan as high priority. This land is eligible to be included in the Purchase of Development Rights program; not all of it is actively under protection.

Current PDR-Protected Lands Map

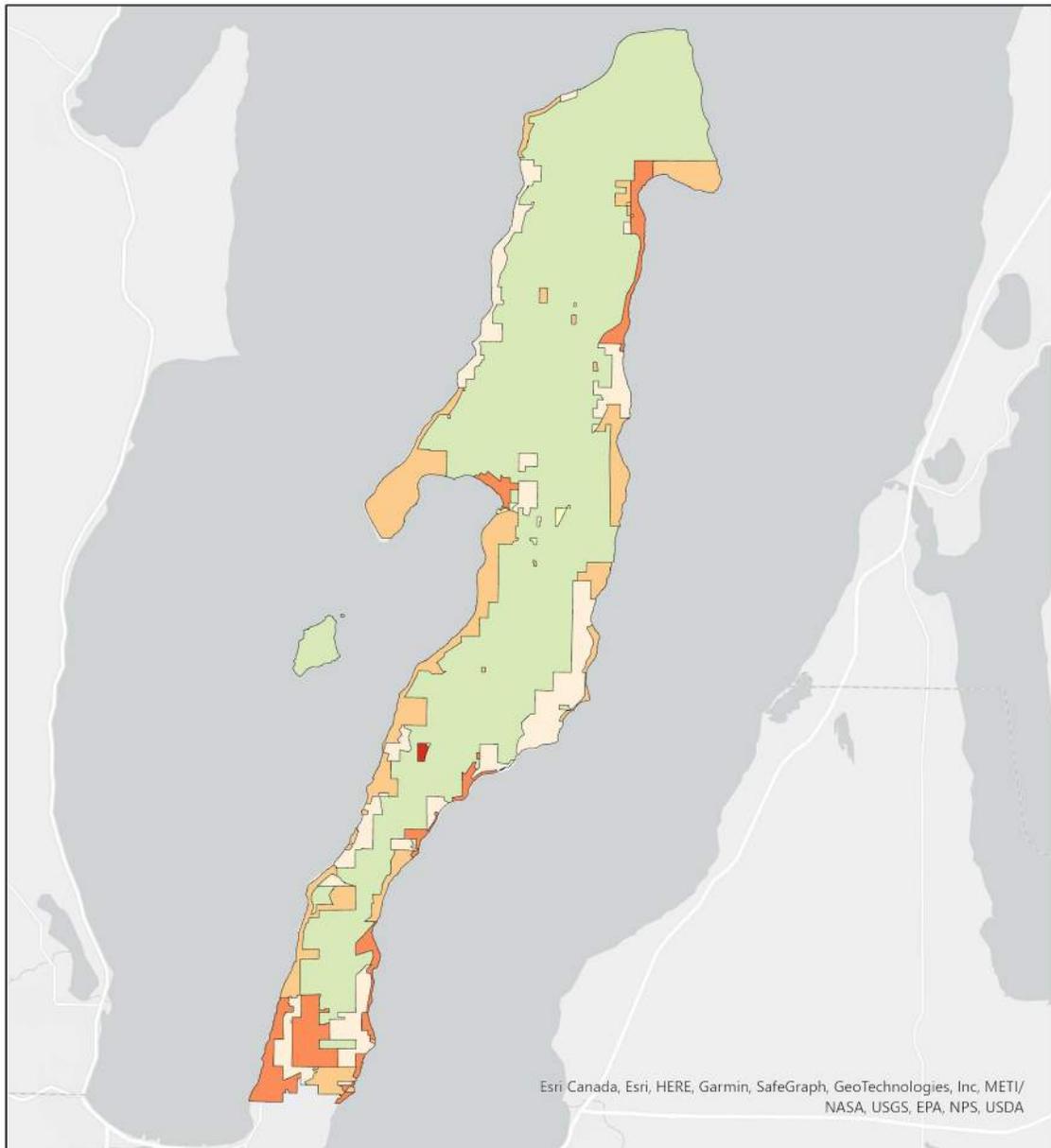
Figure 5 displays the land currently protected under PDR program conservation easements, overlaid on the APA (the land that Peninsula Township has prioritized for conservation, but has not conserved all of yet).

Application Process

As described in Peninsula Township Ordinance #23, the Purchase of Development Rights Ordinance, the PDR program is a voluntary program, open to landowners within the Agricultural Preservation Area. After a millage making PDR funds available, the Township begins a “selection round,” advertised in a “newspaper of general circulation in Peninsula Township.”²⁴ To initiate the process of sale of development rights, a farmer must own land within the Agricultural Preservation Area and submit a “written application” to the Selection Committee. The Selection Committee, a panel of five Peninsula Township residents (seven prior to the 2022 revision), then selects a first group of projects based on the projects’ rankings. Highest-ranking properties are appraised by a township-selected appraiser experienced in agriculture and PDR programs (with landowners having the option to also hire an appraiser for a second opinion).

²⁴ PDR Ordinance

Figure 8: Peninsula Township Zoning Map



- A-1 Agricultural Zoning
- C-1 Commercial Zoning
- R-1A Rural and Hillside Residential Zoning
- R-1B Coastal Zone Residential Zoning
- R-1C Suburban Residential Zoning
- R-1D Community Residential Zoning

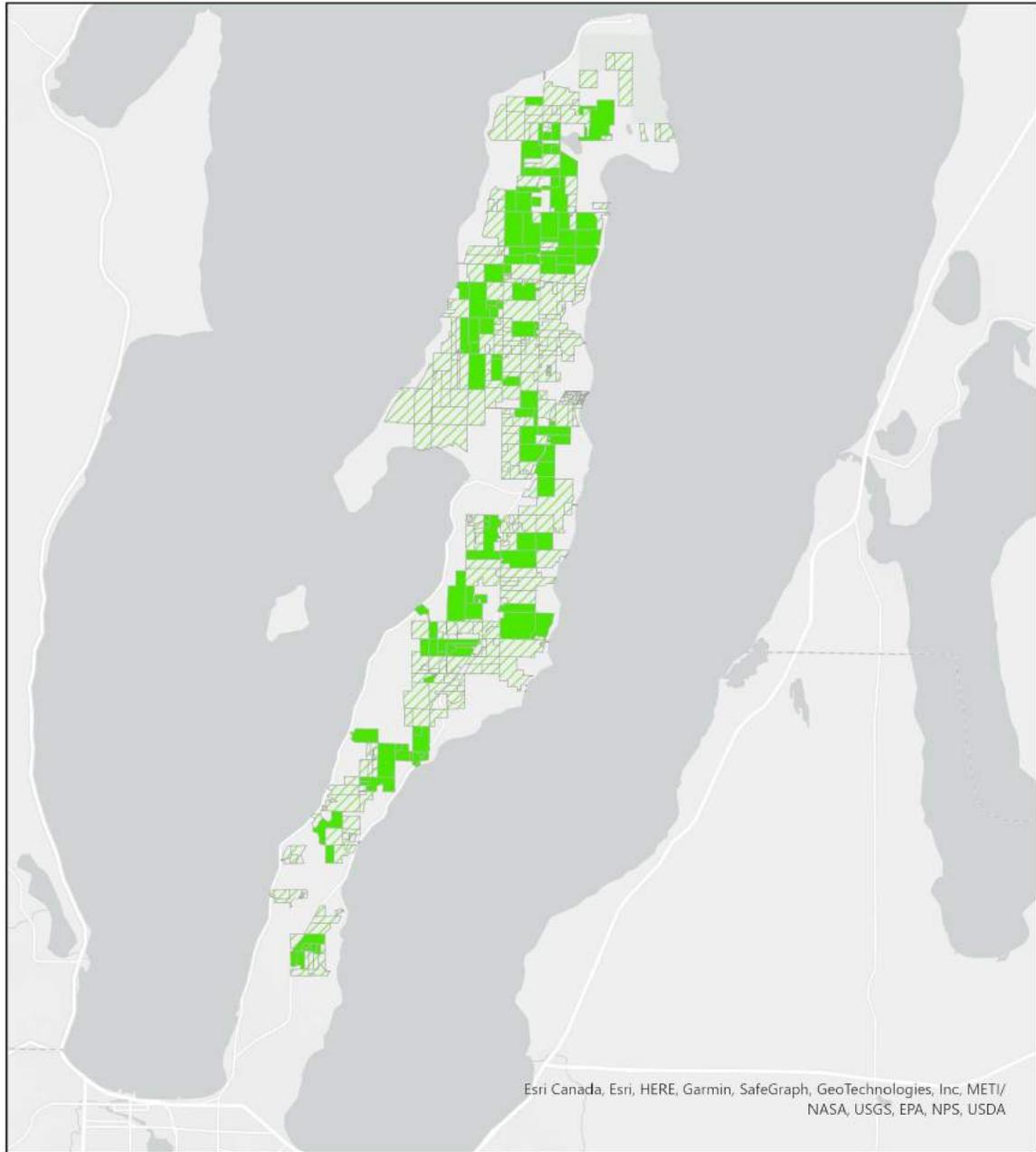
Figure 4: Peninsula Township's Agricultural Preservation Area



 Agricultural Preservation Area

This map highlights the Agricultural Preservation Area, the prioritized agricultural land that would be desirable to preserve. This does not represent the amount of land currently under conservation easements, although some land in this area is protected (see next figure).

Figure 5: Current PDR-Protected Lands in Agricultural Preservation Area



- Protected Parcels
- Agricultural Preservation Area

Criteria for Preservation

The PDR ordinance is a standalone ordinance from Peninsula Township’s zoning ordinance, with certain criteria limiting eligibility. All land included in the APA must be zoned for A-1 agricultural use. Within APA land, applications under the original PDR ordinance have been prioritized by the following criteria:

Original PDR Prioritization Criteria (prior to 2022 planned renewal):

- The inclusion of any part of the parcel in the “Scenic Viewshed Map” contained in Peninsula Township’s master plan. The Scenic Viewshed Map highlights views, from the road, of the bay, vineyards, and surrounding orchards.
- *[removed from the 2022 revisions]* The land’s inclusion in the USDA’s Grand Traverse County Red Tart Cherry Site Inventory. Evaluator Dr. Tom Daniels clarifies that “it is not common for a preservation program to single out a specific commodity,” but that the PDR ordinance prioritized the preservation of cherry orchards.²⁵
- The ranking of land by the National Resources Conservation System’s Land Evaluation and Site Assessment system: a ranking of agricultural importance based on “soil quality [...] proximity to other preserved lands, and agricultural improvements.”²⁶

The 2022 evaluation matrix prioritizes large parcels of land to a greater degree, as well as parcels of land that adjoin other land under conservation easements.²⁷ Additionally, the ordinance prioritizes parcels of land that are eligible for state or federal matching funds. The primary goal of the revision of the ordinance was to “be sure it met qualification for federal and state matching

²⁵ Thomas L. Daniels (2008). An Evaluation of the Peninsula Township Farmland Preservation Program, report for the Grand Traverse Regional Land Conservancy.

²⁶ Daniels

²⁷ Peninsula Township PDR Public Input Session, February 9, 2022

funds,” which will greatly increase the capacity of the program.²⁸ The new approach emphasizes the point scoring structure used to prioritize land, and establishes different criteria for the highest-priority land.

Updated PDR Prioritization Matrix

Cumulative Points	Criteria
0 or 10	Any part of the parcel is included in the Prime Scenic View Map (part of the Peninsula Township Master Plan).
0-100	Percent of the development rights purchase that can be funded from an outside (non-township) funding source, or percent donated if a landowner agrees to an amount “less than the appraised value.”
0 or 5	The parcel is adjacent to another parcel under a conservation easement.
~	Point per whole unit of area proposed to be included in the conservation easement (meaning larger parcels have greater priority points).

Figure 6: a modified version of Peninsula Township’s 2022 PDR evaluation matrix.

As an example: a 40-acre parcel adjacent to another preserved parcel, within the Prime Scenic View Map, and able to receive 50% state funding, would receive 105 points.

Retained Rights

The ordinance allows landowners who sell rights to the Township the option to retain limited development rights in the original PDR agreement, which would allow them to build one or more residential homes on their land. By number of acres and development right terms agreed to, each retained-rights parcel of land included in the PDR program has an allotted number of use-by-right homesites. The maximum number is one structure per twenty acres, with existing structures counting towards this limit. Though the landowners have greatest influence in choosing which portion of land on which to retain their residential building rights, the Township also states that landowners’ retained building rights may not compromise the Scenic Views

²⁸ J. Wunsch, personal communication, April 27, 2022

outlined in the master plan, thus constituting an additional limitation on the APA parcels also highlighted in the viewshed map.

Many farmers entering the PDR program at its inception in 1994 were “encouraged” to sell only part of their development rights to the Township; however, there are few instances of retained rights today.²⁹ This original encouragement to only sell partial rights was meant to keep land value high, despite the sale of development rights, which would result in less cost to the program and an ability to purchase a greater amount of land.^{30,31} Out of one hundred thirteen parcels in the PDR program, only sixteen have retained rights. Many landowners who retained development rights have not utilized them. As a result, in the 2022 PDR amendment, ten percent of the funds collected from the millage renewal are to be earmarked for purchasing remaining development rights from existing PDR parcels.

Figure 6 shows where the parcels under PDR protection with retained rights are located. The hatched green represents unprotected land within the Agricultural Preservation Area; the green represents fully protected land; the pink represents protected land with retained rights.

Severability

The Purchase of Development Rights program, as the ordinance states, is meant to be in “perpetuity.” Sales of development rights, as with other property sales, are irrevocable. In the past, there has not been a process for landowners to repurchase development rights if it becomes necessary; in the 2022 PDR revision, the Township outlines a new process for the repurchase of development rights under extenuating circumstances. Since the PDR program requires that farmers be able to sustain farming, landowners become eligible to repurchase their development

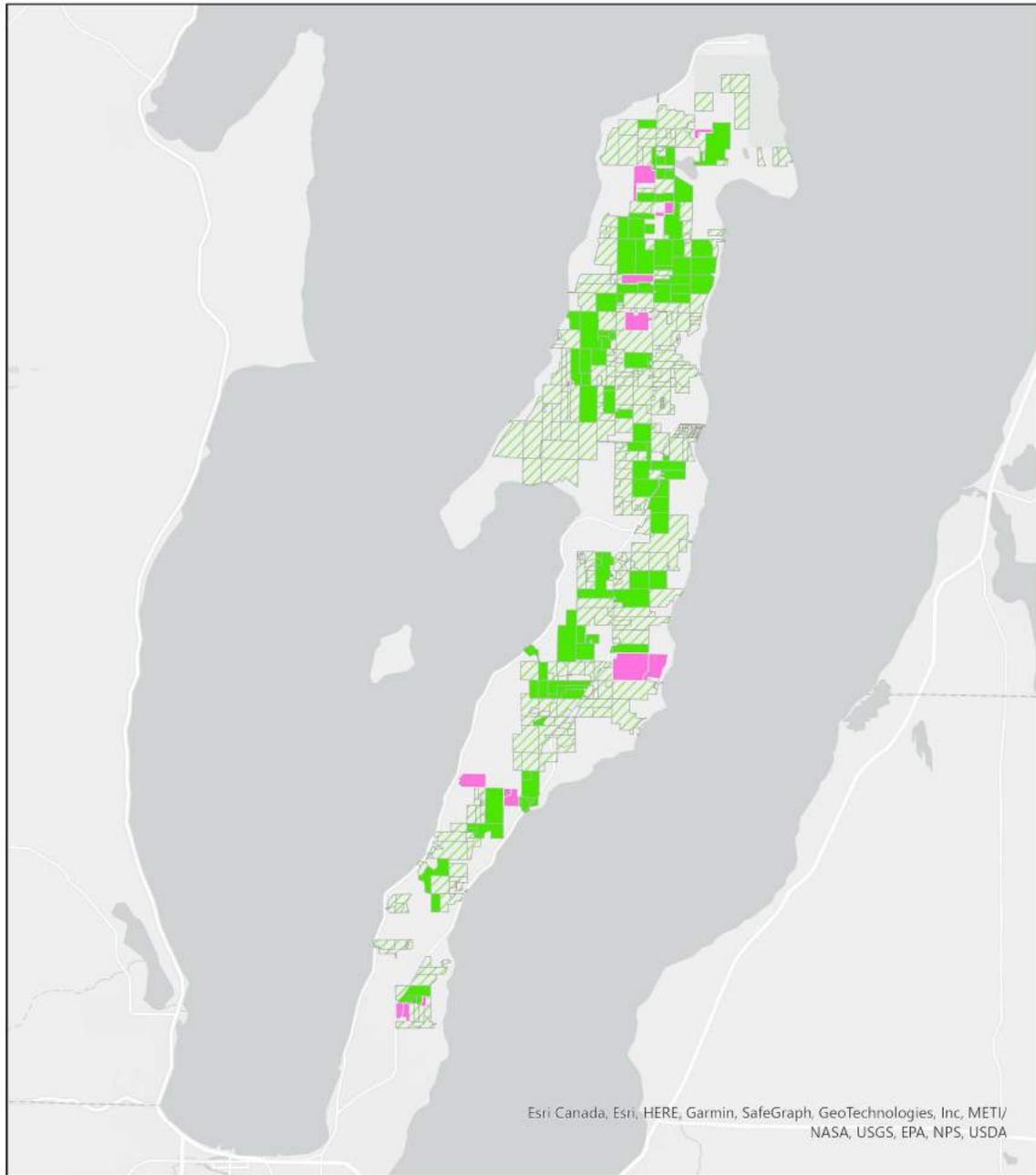
²⁹ Peninsula Township PDR Public Input Session, February 9, 2022

³⁰ Thomas L. Daniels (2008). An Evaluation of the Peninsula Township Farmland Preservation Program, report for the Grand Traverse Regional Land Conservancy.

³¹ J. Wunsch, personal communication, April 27, 2022

rights if it is impossible for the land to be farmed (e.g. in a case of extreme contamination). A public, township-wide election must approve of the repurchase, additionally. At that point, the landowner would pay current market value for the development rights if they wished to purchase them; this would likely be an amount exponentially more than what they were compensated for the

Figure 6: PDR-Protected Lands with Retained Development Rights



development rights when they originally sold them to the township, given the rising Peninsula Township real estate prices.

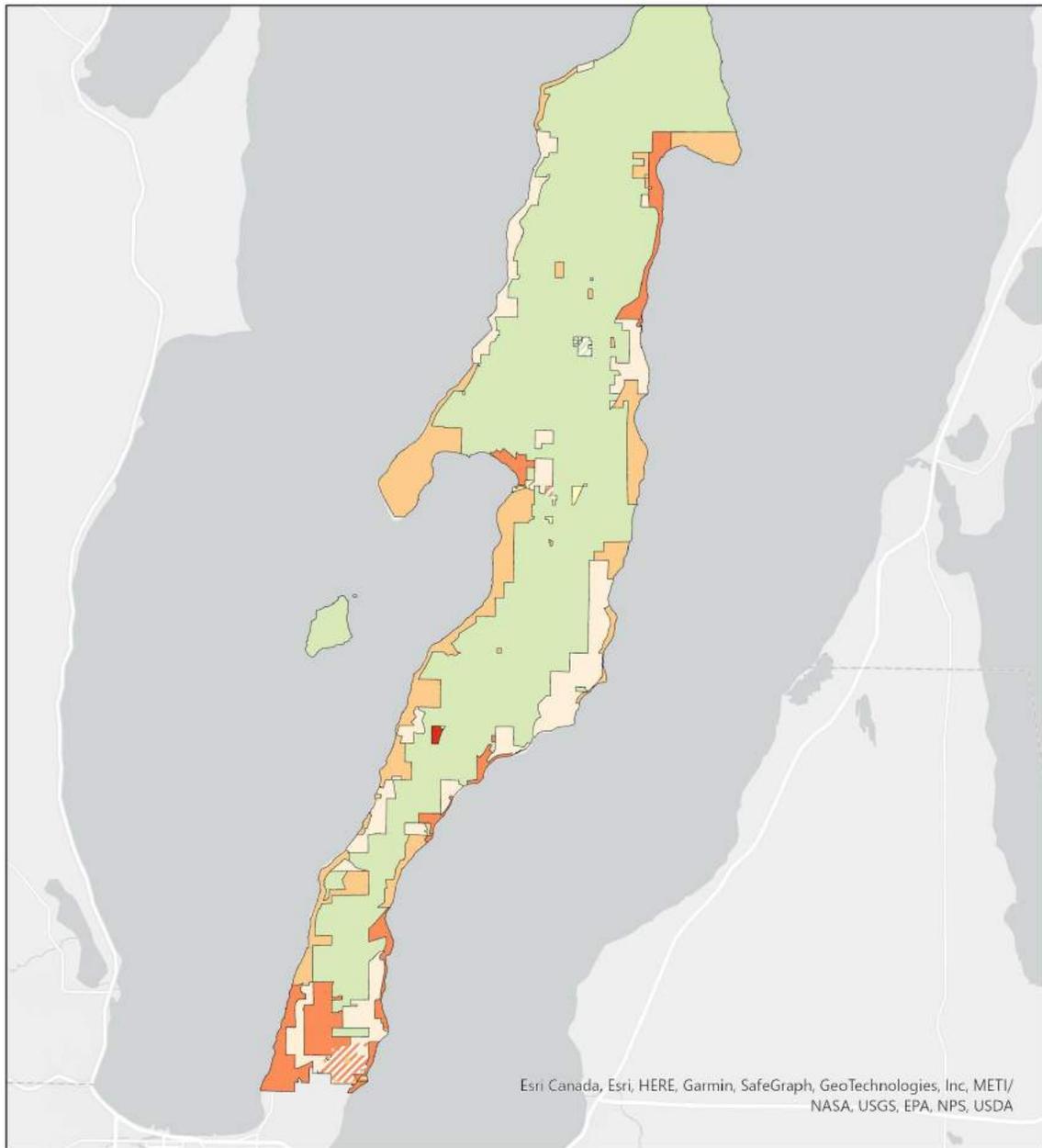
Use of Planned Unit Development

By far, the Purchase of Development Rights program is the most widespread part of the initiative. Even so, the creation of an “agricultural clustering” process through a Residential Planned Unit Development option is also an important part of the Agricultural Preservation Plan. This form of preservation can be implemented in land within the APA, as part of the APP, and outside of the APA for other preservation priorities.

The A-1 agricultural zoning designation allows for a Residential Planned Unit Development as a special use obtainable through a Special Use Permit and Planned Unit Development application. This is further promoted in R-1A and R-1B PUD zoned areas, designated for the establishment of PUDs (for both agricultural clustering and traditional densification uses). In the context of land preservation goals, Peninsula Township’s use of PUDs for agricultural clustering allows for a divergence from parcel size requirements. Under a PUD, the Township allows for the same number of units on smaller parcels, in order to preserve the remaining land. In order to preserve the maximum amount of deed-restricted agricultural land possible, the PUD reduces minimum parcel size to one acre rather than the typical five acres, in order for sixty-five percent of the land included in the PUD to be placed under a conservation easement. The landowner must agree to a conservation easement with Peninsula Township on this portion of the land.

The map below reflects the current existence of Residential and Agricultural PUD zoning, with Residential and Agricultural PUD zoning notated with a striped hatch over the applicable parcels.

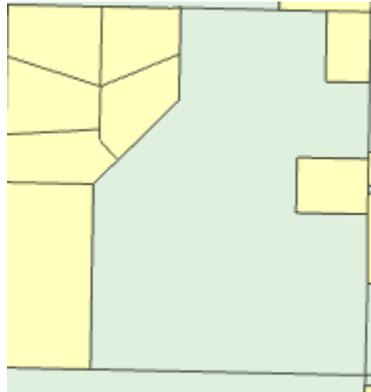
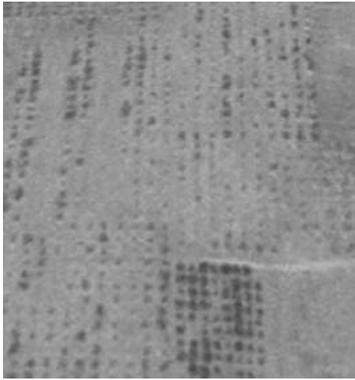
Figure 7: Peninsula Township Zoning Map with PUD Districts



-  Agricultural PUD Zoning District
-  Residential PUD Zoning District
-  A-1 Agricultural Zoning
-  C-1 Commercial Zoning
-  R-1A Rural and Hillside Residential Zoning
-  R-1B Coastal Zone Residential Zoning
-  R-1C Suburban Residential Zoning
-  R-1D Community Residential Zoning

Agricultural PUD Districts, such as Hill Rise Road on the north end of the Peninsula, reflect the ability to engage in "agricultural clustering" to preserve land while building available homesites.

Hill Rise Road is an example of agricultural clustering in practice, outside of the APA. The map excerpt below shows the development’s distribution of zoning. Sixty-five percent of the parcel (reflected in green below) has “Agricultural” as its class description and cannot be developed; the remainder is divided into parcels that remain zoned A-1 PUD (Agricultural PUD) but have “Residential” as their class description and have available homesites for development.



<p><i>A 1999 aerial photograph of the land on Hill Rise Road.</i></p>	<p><i>Agricultural clustering in practice with the Agricultural PUD (A-1 PUD) on Hill Rise Road.</i></p>	<p><i>A 2018 aerial photograph of the land on Hill Rise Road.</i></p>
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Peninsula Township allows landowners to apply for a PUD in tandem with a Special Use Permit, in order to initiate the agricultural clustering process. The Township Board and Planning Commission review an impact statement as part of the review process, which requires consideration of the following factors:

- The special use must be “harmonious and appropriate in appearance with the existing or intended character of the general vicinity” and “not change the essential character of the area in which it is proposed.”
- The special use must not involve any “hazardous” or “detrimental” functions. The Board may also require additional “safeguards” for any potentially hazardous uses.

- The special use must have adequate utility access without “excessive[ly]” requiring the public to subsidize the development.

Structure of the Remainder of the Agricultural Preservation Plan

The inaugural Agricultural Preservation Plan (APP), approved as a sub-plan of the 1983 master plan, contained four “prongs.” In addition to the Purchase of Development Rights program, the APP also included Transfer of Development Rights (TDR) and New Town Development (NTD) initiatives, along with a focus on implementing Planned Unit Developments (PUDs) as allowed in the zoning ordinance. So far, the Transfer of Development Rights and New Town Development portions of this plan have not been instituted; the local government acknowledges their potential to be implemented, but is not actively pursuing their implementation.³² While they are not actively pursuing the addition of a Transfer of Development Rights program, the 2022 reorganization of the PDR ordinance includes a provision about how the PDR will function if a TDR program were to exist someday.

Transfer of Development Rights and New Town Development

A Transfer of Development Rights program allows for development rights to be transferred between parcels, from one “sending site” to a “receiving site.”³³ Density is increased in select areas in exchange for the preservation of other land. Peninsula Township aimed to partner this with a New Town Development initiative, consisting of a specifically designated “village” with allowances for increased density, onto which development rights from agricultural parcels could be transferred. A TDR program coupled with an NTD would help to ensure housing stock is readily available by a larger number of buildable homesites than would be possible by relying on a PDR program alone; it would ensure that the housing stock being built is

³² Town Hall

³³ Huron River Watershed Council (2007) (Ann Arbor, Mich.). Potential Impacts of Transfer of Development Rights for Michigan Communities

not contributing to low-density urban sprawl, but is consolidated to a dense area. Again, the township is not currently pursuing a Transfer of Development Rights Program.

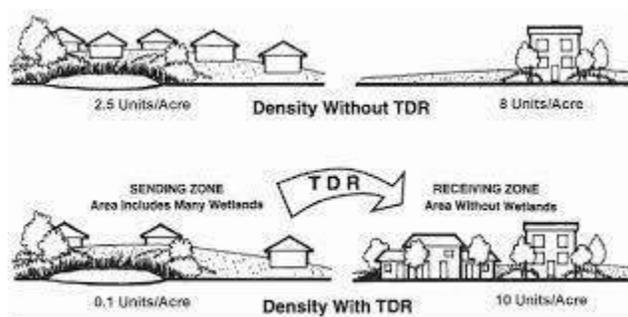


Figure 10: A graphic depicting the Transfer of Development Rights process for a wetland habitat.

In this hypothetical, prior to a TDR being initiated, the sending site is zoned at 2.5 units per acre and the receiving site is zoned at 8 units per acre. After the TDR in this example, the sending site is zoned at 0.1 units per acre, and the receiving site can build 10 units per acre.

Source: Michigan Department of Environment, Great Lakes, and Energy

The Transfer of Development Rights and New Town Development initiatives have not been implemented despite their inclusion in the original Agricultural Preservation Plan. At the time of the institution of the Agricultural Preservation Plan, “enabling legislation” for TDR programs at the local level did not exist, so the TDR was not implemented at the same time as the PDR program, and the administrative momentum has not occurred.³⁴ Additionally, later discussions around this issue have shown substantial citizen opposition.³⁵

However, the current zoning map reflects that the base of the Peninsula is zoned at higher density due to the availability of public water and sewer in these areas, possibly allowing it to serve as a receiving site for development rights should this plan be introduced in the future.

³⁴ Joanne M. Westphal (2001). Managing Agricultural Resources at the urban–rural interface: A case study of the Old Mission Peninsula. *Landscape and Urban Planning*, 57(1), 13–24.

[https://doi.org/10.1016/s0169-2046\(01\)00185-2](https://doi.org/10.1016/s0169-2046(01)00185-2)

³⁵ J. Wunsch, personal communication, April 27, 2022

Though the R-1D Community Residential zoning is not an instance of New Town Development, it does prioritize an increase in density with the goal of forgoing development in other areas of the Peninsula. As the zoning code portrays, the only current allowable residential development on the Peninsula is single- to two-family residential, without the potential for accessory dwelling units. This is the case throughout, even in the R-1D “moderately high density” zoning area. An increase in density in designated areas could support more individuals seeking to live close to Traverse City, while preserving productive agricultural land and other ecologically important features.

Zoning Ordinance

The Purchase of Development Rights (PDR) program is not codified in the zoning ordinance, but exists as a standalone ordinance. However, land must be zoned as A-1 agricultural in order to be eligible for the PDR program. The Agricultural Preservation Area (APA) is not codified in the zoning ordinance of Peninsula Township. Relatedly, not all A-1 agricultural land on the Old Mission Peninsula is included in the APA or eligible for the PDR program.

The following chart provides a list of uses permitted on varying types of land by the zoning ordinance. A-1 uses are those allowed in land under a conservation easement. It is important to note that some uses are permitted within this zoning ordinance, but do not and likely will never exist in Peninsula Township (for example, an airport is permitted, but Peninsula Township’s hilly terrain and the nearby Cherry Capital Airport would make this an unreasonable use). Those currently nonexistent uses are noted in gray.

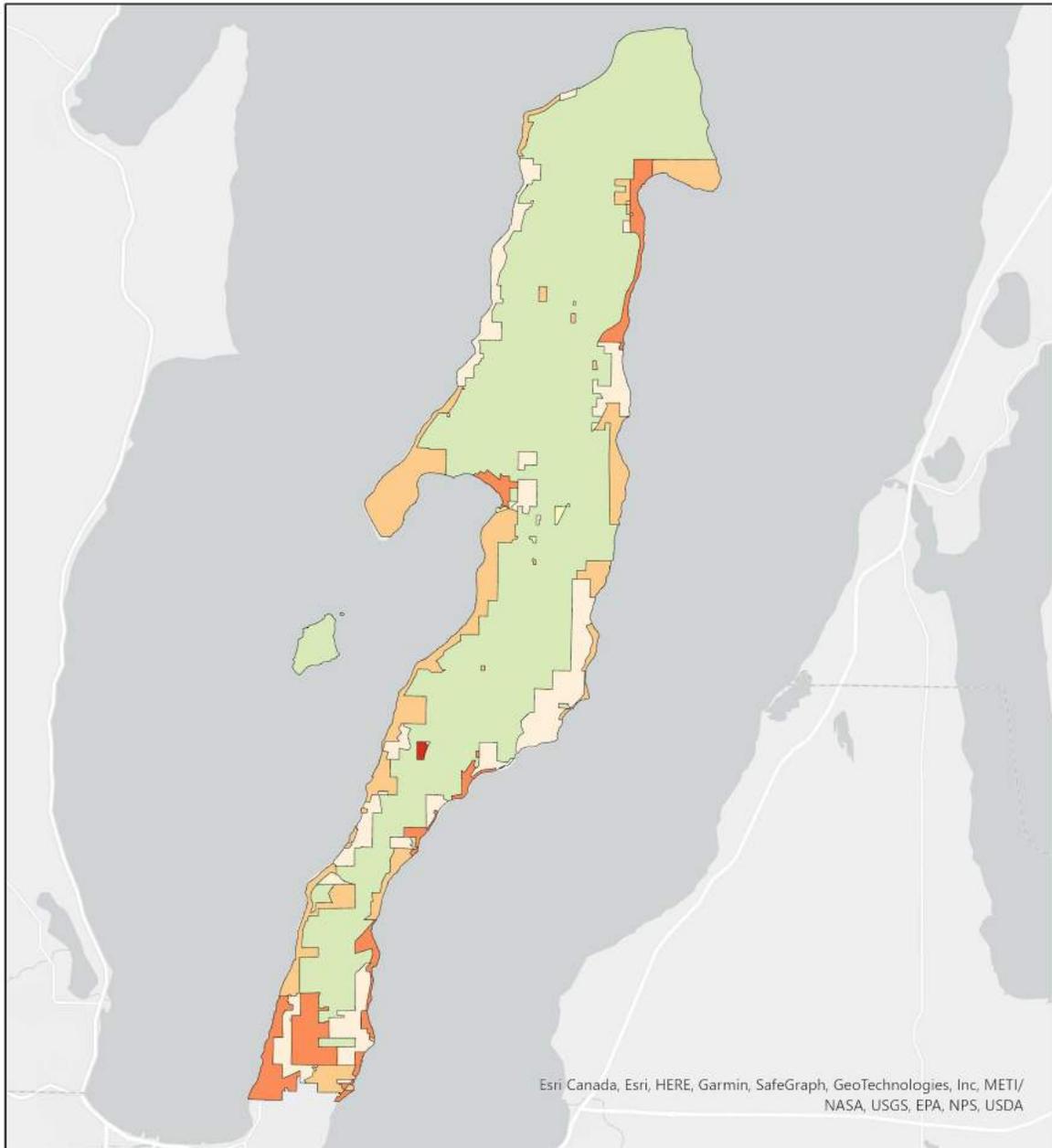
Zoning Type	Use By Right	Special Use	Under Special Conditions
Agricultural Zoning (A-1)	<ul style="list-style-type: none"> ● <u>Agriculture</u> <ul style="list-style-type: none"> ○ “field crop and fruit farming” 	<ul style="list-style-type: none"> ● Adult foster care ● Agricultural storage ● Airports 	-

	<ul style="list-style-type: none"> ○ animal caretaking ● Barn storage ● Farm Processing Facility ● Residential use <ul style="list-style-type: none"> ○ Single-family ○ Two-family ● Roadside stands ● Parks / conservation areas 	<ul style="list-style-type: none"> ● Bed and breakfast ● Food processing plants ● Golf courses and country clubs ● Greenhouses and nurseries ● Incinerators and sanitary fills ● Institutional structures: <ul style="list-style-type: none"> ○ Religious institutions ○ Schools / daycares ○ Public buildings ○ Mission Point Lighthouse ● Planned Unit Development ● Public utilities ● Raising of fur bearing animals, and game and hunting preserves ● Recreational Unit Park ● Remote winery tasting room ● Riding stables ● Sawmills ● Sewage treatment and disposal ● Special Open Space uses: <ul style="list-style-type: none"> ○ Public beaches / bathhouses ○ Recreational camps ○ “Other open space uses operated for profit” ● Veterinary hospitals ● Warehousing and light industrial ● Wind energy ● Winery-Chateau 	
<p>Commercial Zoning (C-1)</p>	<p>-</p>	<ul style="list-style-type: none"> ● Retail stores <ul style="list-style-type: none"> ○ Storage of products ● Sewage treatment and disposal ● Gasoline service stations ● Hotels / motels 	<p>-</p>

		<ul style="list-style-type: none"> ● Marinas ● Wind energy 	
Residential Zoning (R-1A)	<ul style="list-style-type: none"> ● <u>Single-family residential</u> <ul style="list-style-type: none"> ○ Accessory buildings ○ Guest houses ○ Boat docks ● Public recreation ● Storage of trailers ● “General farming and horticultural uses” ● Licensed daycare homes 	<ul style="list-style-type: none"> ● Bed and breakfast ● Golf courses and country clubs ● Institutional structures ● Mobile homes ● Planned Unit Development ● Sewage treatment and disposal ● Special open spaces ● Wind energy 	<ul style="list-style-type: none"> ● Temporary buildings ● Home occupations
Residential Zoning (R-1B)	<ul style="list-style-type: none"> ● <u>Single- and two-family residential</u> <ul style="list-style-type: none"> ○ Designated zoning for coastline areas ● R-1A uses by right 	<ul style="list-style-type: none"> ● Golf courses and country clubs ● Institutional structures ● R-1A uses by special permit <ul style="list-style-type: none"> ○ Including PUD 	<ul style="list-style-type: none"> ● R-1A uses under special conditions
Residential Zoning (R-1C)	<ul style="list-style-type: none"> ● <u>Single- and two-family residential</u> <ul style="list-style-type: none"> ○ <u>Specifically “medium-density” suburban</u> ● R-1A and R-1B uses by right, by special permit, or under special conditions, including PUD 	<ul style="list-style-type: none"> ● R-1A and R-1B uses by special permit <ul style="list-style-type: none"> ○ Including PUD 	<ul style="list-style-type: none"> ● R-1A and R-1B uses under special conditions
Residential Zoning (R-1D)	<ul style="list-style-type: none"> ● <u>Single family residential</u> <ul style="list-style-type: none"> ○ <u>Specifically “moderately high density development”</u> ● R-1A, R-1B, and R-1C uses by right, by special permit, or under special conditions, including PUD 	<ul style="list-style-type: none"> ● Mobile home park developments ● R-1A, R-1B, and R-1C uses by special permit <ul style="list-style-type: none"> ○ Including PUD 	<ul style="list-style-type: none"> ● R-1A, R-1B, and R-1C uses under special conditions

<p>PUD Residential Districts</p>	<ul style="list-style-type: none"> • “the planned development of areas of the township where conventional development practices are not suited to the terrain; or existing land use or natural environmental conditions make conventional development practices undesirable, yet the density allowed is suitable to the intent of the conventional district designated” 	<p>-</p>	
<p><i>Figure 5: uses by right and by special use in each zoning type.</i></p>			

Figure 8: Peninsula Township Zoning Map



- A-1 Agricultural Zoning
- C-1 Commercial Zoning
- R-1A Rural and Hillside Residential Zoning
- R-1B Coastal Zone Residential Zoning
- R-1C Suburban Residential Zoning
- R-1D Community Residential Zoning

Stakeholders in the PDR Program

The success of Peninsula Township's PDR program is driven by partnerships between governmental bodies at many levels, nonprofits, and private stakeholders. Though Peninsula Township is the primary arbiter of the PDR ordinance, township officials partner closely with the Grand Traverse Regional Land Conservancy for evaluation and prioritization. As the township cannot advocate for the PDR ballot initiative itself, the citizens' ballot committee Friends of PDR creates strong campaign messaging to promote the program. Nonprofit organization Protect the Peninsula serves as a watchdog and litigatory agent. Peninsula Township also hires professional firms or individuals to enforce the PDR program, ensuring compliance on parcels of land under conservation easements. Lastly, the agricultural businesses and farmers who benefit directly from the PDR ordinance also serve as strong advocates for the PDR program, both through their examples of success and their direct advocacy work.

Grand Traverse Regional Land Conservancy

The Grand Traverse Regional Land Conservancy (GTRLC), a 501(c)3 nonprofit organization advocating for land conservation in Northern Michigan, has teamed with Peninsula Township's government to do the primary implementation work for the PDR program. GTRLC monitors the efficacy of the PDR program, providing updated yearly metrics and maps with preserved land, and uses their extensive ecological knowledge to help the township prioritize parcels of land by agricultural productivity.

Volunteer support and Peninsula Township government

Peninsula Township's current governing bodies (specifically Peninsula Township's planner and Planning Commission) have supported a group of citizens, including area farmers and advocates, who have undertaken a two year process to revise the PDR ordinance and expand

both its capacity and efficiency. In the upcoming year, 2022, Peninsula Township citizens will vote on whether to renew the millage that sponsors the PDR program, which has not failed in the two prior elections on which it was voted. Peninsula Township government officials themselves are not allowed to advocate or campaign for the PDR ordinance's upcoming ballot initiative; therefore, citizen groups must do this.

Protect the Peninsula

Protect the Peninsula (PTP), a volunteer citizen organization, was established in 1979 in response to the proposed development of a bankrupt 500-acre historic farm. PTP continues to advocate — through citizen encouragement, and litigation — for preservation of the agricultural land and ecological protection of the Old Mission Peninsula, and educate the public about current land use issues. PTP was supportive of the development of the Agricultural Preservation Plan and PDR program at its inception in 1994, and it provided materials for citizen education in the 1994 vote and 2003 renewal. The organization plans to do the same for the 2022 renewal initiative. Protect the Peninsula is widely known in the Traverse City area and on the Peninsula, and some of its members have experience in creating advocacy campaigns.

Ballot Committee

Though Peninsula Township's planning commission and planner initially proposed the idea of the Purchase of Development Rights program, a coalition of township residents "buil[t] adequate support on the township board in order to get it on the ballot."³⁶ This coalition, Concerned Citizens for PDR, is able to do direct advocacy work and get-out-the-vote efforts where nonprofit organizations and governmental entities are unable to.

³⁶ J. Wunsch, personal communication, April 27, 2022

Peninsula Township farmers

Peninsula Township farmers have been highly involved in promoting and creating the Purchase of Development Rights program. Walter Johnson, father of Old Mission Gazette journalist Jane Boursaw, was one of the first farmers to commit to selling his farm's development rights during a time when the idea of selling development rights in a PDR program seemed preposterous. Johnson became the face of the initial citizen campaign, influencing many other Peninsula farmers and residents to agree to the program.³⁷ The perspective of farmers has been pivotal, as their lived experience outcomes of the PDR program have helped justify its expense in an anti-taxation political climate. The PDR program crosses political lines because people see their neighbors represented in its benefit. The trend of Peninsula Township farmers' activism in promotion of the PDR program continues today; Township Supervisor Rob Manigold, a farmer on the Peninsula himself, has spoken publicly about the program's benefits as a testimonial to the Grand Traverse Regional Land Conservancy, as well as through national publications. The Wunsch family (Josh and John) were involved in the initial PDR program formation, and Josh's sons Isaiah and John continue to be involved in current land preservation advocacy and the 2022 PDR ballot renewal.

Additionally, the Peninsula's farmers have the greatest expertise on the environmental background of the land and implications of changes to it. By closely monitoring soil conditions and temperature patterns, farmers are able to predict conditions that would best produce yield. Farm operations, such as the Local Yokels Farm and Bewitched Farms, also offer public engagement with their operations, increasing the personal connection both residents and tourists have with the land preserved under a PDR program.

³⁷ Walter Johnson (2019, August 31). *Once upon a time in Old Mission by Walter Johnson*. Old Mission Gazette. Retrieved April 6, 2022, from <https://www.oldmission.net/2019/08/old-mission-history-walter-johnson/>

Wineries

The Old Mission Peninsula's recent fame as a wine production area has led its wineries to become prominent agricultural stakeholders on the Peninsula. Some wineries are on PDR-protected land — specifically, Black Star Farms and Bonobo — and others are on other protected land, such as Chateau Grand Traverse which is under a conservation easement through Michigan Department of Agriculture and Rural Development. The wineries themselves do not receive PDR funding; however, as with other businesses and individuals in Peninsula Township, their taxes help to fund the program. The wineries' continuing profitability and notoriety highlights the financial viability of agricultural land. The program is therefore mutually beneficial, and Black Star Farms and Chateau Chantal support the PDR program.^{38, 39} Wineries' success and tourism are closely linked, and the PDR program's preservation of scenery as well as open land on which to expand their growing operations ties directly into their business model. It is important to note that the wineries are also stakeholders in a separate, ongoing land use issue with high stakes for Peninsula Township: a legal challenge to activities permitted in an A-1 agricultural area under the zoning ordinance, described later.

Peninsula Township residents

Peninsula Township residents undoubtedly have a substantial investment in how the land in their area is used, both from economic and social perspectives. Firstly, as taxpayers, Peninsula Township residents fund the program, and they need to see its results in order to consider it a good return on their investment. Longtime Peninsula residents have always been accustomed to an agricultural culture on the Peninsula, and they often are farmers themselves of several generations. Even for those without direct agricultural ties, however, a viable agricultural use and

³⁸ L. Lutes (personal communication, March 31, 2022)

³⁹ M. Dalese (personal communication, April 14, 2022)

the prohibition of urban sprawl on the Peninsula still contributes to the character of the land on which they live. Many of the most prominent Peninsula cultural events — for example, the Blessing of the Blossoms event at Chateau Chantal, as well as fall corn mazes and hayrides — are directly linked to an agricultural use of the land. Direct use aside, the forests, orchards, and vineyards on the rolling hills of the Peninsula make for extremely scenic views that would not be possible with residential development. The PDR program's focus on ensuring viewsheds remain in agricultural use has ensured that these views remain in the public domain rather than being blocked by development.

EVALUATION OF THE PDR PROGRAM

Evaluation Metrics

Peninsula Township's Purchase of Development Rights program has made substantial progress towards its goal from its inception. Out of 9,861 acres in the Agricultural Protection Area, 5,181 are currently under protection, comprising 52.54% of the target area. Peninsula Township acknowledges that, given the voluntary nature of this program, protecting all 9,861 acres is not realistic. This 52.54% number comes after two cycles of the PDR millage. Interest and momentum about the PDR persists, and these numbers will almost certainly increase after additional funding becomes available.

Peninsula Township is commensurate when compared to other successful PDR programs in the country. It is not accurate to draw direct acreage comparisons given that Peninsula's PDR program is a township-level program (rare in comparison to county-level programs), but proportional figures remain similar. Lexington, Kentucky, in comparison, has protected 61.1% of its PDR goal of 50,000 acres, with a total of 30,552 acres protected.⁴⁰ Suffolk County, New York,

⁴⁰ *Purchase of Development Rights*. City of Lexington. (n.d.). Retrieved April 6, 2022, from <https://www.lexingtonky.gov/departments/purchase-development-rights>

another prominent PDR program, does not have a publicly-stated goal but has protected 20,000 acres of its 39,000 total acres of farmland, 51.3%.⁴¹

In his 2008 evaluation of Peninsula Township's plan, Daniels describes the creation of "contiguous blocks of preserved land" as a goal of a successful PDR program.⁴² This is also highly emphasized by the Michigan Department of Agriculture and Rural Development, whose Agricultural Preservation Fund provides matching funds to local conservation easement programs.⁴³ Peninsula Township's PDR program strongly encourages this, particularly in the 2022 revisions to the ordinance, by prioritizing land which borders another piece of protected land. Peninsula Township has also been successful so far in this aim; 92.7% of land parcels protected under a conservation easement directly border another parcel of protected land.

Additionally, though there are several farmers who own more land covered under a conservation easement than their counterparts, the number of distinct landowners in the PDR program is quite large. Combined with the metric about neighboring parcels, it is likely that Peninsula Township residents are influenced by their neighbors in participation in the PDR program, and also that they see the economic payouts provided by the Township.

CONCLUSION AND RECOMMENDATIONS

As a whole, the Purchase of Development Rights program instituted by Peninsula Township has successfully promoted the maintenance of agricultural use on preservation-designated land. However, there are still significant limitations that need to be addressed in order to fully realize Peninsula Township's mission of protecting agricultural land.

⁴¹ Suffolk County Department of Economic Development and Planning (2015). (Suffolk County, NY). Suffolk County Agriculture and Farmland Protection Program - 2015.

⁴² Thomas L. Daniels (2008). An Evaluation of the Peninsula Township Farmland Preservation Program, report for the Grand Traverse Regional Land Conservancy.

⁴³ Michigan Department of Agriculture and Rural Development (2022). Michigan's Local Grants Scoring System.

As part of this evaluation of the program, some areas of current strength, opportunities of growth, and challenges faced by the program are listed below.

Strengths

Agricultural culture

The widespread popularity of the program and willingness of farmers to be involved in advocacy efforts shows that the community at large sees PDR as a tool to sustain the agricultural industry on the Peninsula. Moreover, the agricultural industry continues to have a substantial presence. With much of the land on the Peninsula zoned agriculturally, the rural character of the land means that it continues to be a predominantly agricultural community. As long as this exists, due in large part to the PDR program preventing land from being converted to other uses, the Peninsula will have a community of individuals who are employed by the agricultural industry and rely on land protection programs to assist in the continued viability of their employment. Additionally, even for those without direct economic ties to the industry, Peninsula Township residents have a great degree of investment in the agricultural character of their community.

Strong stakeholder engagement

Peninsula Township has high levels of engagement with local government, and many of its residents have the resources to help fund advocacy efforts due to a higher median income. Conservation efforts are a top priority for local residents, likely because many residents are employed by or benefit from local farming operations, and because residents also have a high degree of investment in the scenery and character of the Old Mission Peninsula. As a result, Planning Commission meetings and strategic sessions are well-attended, at times going into overflow seating. This is both due to local interest and due to the strong presence of journalists on the Peninsula.

The Old Mission Gazette, the local online newspaper run by former *New York Times* journalist Jane Boursaw, provides widely distributed meeting notices and summaries to the local population. The Old Mission Gazette frequently covers the issue of farmland conservation on the Peninsula, running opinion pieces by local conservation lawyers, and interviewing residential developers to discuss both sides of local land use controversy. As a result, the topic of land use and conservation is frequently top-of-mind and front-page news for Peninsula Township residents, much more so than in other communities that do not face pressing conservation threats.

Past success and precedent

The Purchase of Development Rights program's existence for nearly thirty years means that its upcoming renewal is essentially an incumbent election; this long span of time implemented allows for its residents to see its impacts, and has also allowed for the Peninsula's history to evolve around this program and recognizing its success. At the same time, this presents a challenge; if Peninsula residents have always had the PDR programs in place, it is easy to take its preservative measures for granted. However, the amount of township pride in this initiative means that it is difficult to overlook.

Recent climate around residential development

The increasing levels of interest and intensity in residential development have spurred several contentious encounters in protest of new subdivisions in sensitive areas on the Peninsula. Given that many residents have an oppositional stance to the subdivisions that have been implemented on the Peninsula, a PDR ordinance that prevents these kinds of developments from being implemented is likely to succeed. Granted, some of the subdivisions opposed by residents, including Peninsula Shores (formerly the 81 on East Bay) may not have been necessarily stopped

by the PDR program; regardless, interest in land protection in general has increased in the wake of these more controversial developments.

Challenges

Financial capacity and intensifying interest in land development

The issue of adequate funding for the PDR program will only continue to worsen as land prices rise rapidly on the Old Mission Peninsula; purchasing development rights will prove increasingly difficult for the township, with competition from non-agricultural interests continuing to drive up prices at increasing rates. The current 2022 proposal would renew the millage at the two mills level at which it was renewed in 2008. Peninsula Township land prices have increased exponentially since 2008; rising land prices mean that the same amount of funding will work to purchase less land than it previously had. It would be beneficial for the township to increase the level of funding for the PDR program; however, an increased level of taxation would likely diminish the support for the PDR program. Regardless, any expansion of the PDR program in this way will also continue to allow Peninsula Township's citizens to see its realized benefits and agree to continue funding it at a minimum of its existing level.

Litigation regarding A-1 zoning

Wineries of the Old Mission Peninsula (WOMP), a business organization comprising ten out of the eleven wineries on the Peninsula, along with the Peninsula's only non-member winery, has brought several recent challenges to the uses permitted by right or special use in the A-1 agricultural zoning areas. Most pivotal to this case is the potential economic settlement; the wineries are asking for \$200,000,000 in damages to be awarded, which would have an enormous financial impact on Peninsula Township's government. The wineries argue that restrictions on types of events and Winery-Chateau guest or agritourism activities, hours of operation, and the

appellation of origin of wine sold in their tasting rooms are unconstitutional. This case is currently being litigated after years of attempted mediation, and it will likely be appealed regardless of its outcome in district court.

This case has large implications for the continued success and evolution of the Purchase of Development Rights program, and for the township as a whole due to its economic considerations. Regardless of if damages are awarded, if WOMP successfully argues that restrictions on their operations are unconstitutional, the resulting allowable practices — for example, the weddings, events, and non-tasting room food for sale being allowed in agricultural areas — will greatly change the zoning ordinance's allowed uses in A-1 areas and under conservation easements. This will likely drive increased traffic to the Peninsula and increase its intensity of use, but also would increase the financial viability of continuing to sustain agricultural operations on the Peninsula.

Lack of identification of the program's impacts

Though residents of the Peninsula are able to see open space as a direct impact of the PDR program, Peninsula Township has not directly prioritized exhibition of the work of the PDR program. When passing by large swaths of land, there is no indication that the land has been placed under a conservation easement through the Township. This is particularly important because the Peninsula, fortunately, has many entities involved in land preservation. Even if residents know a land area is under some form of protection, they may not know if their Township is directly responsible for it; other lands protected by the American Farmland Trust, Michigan Department of Agriculture and Rural Development, GTRLC, and state parks, can be easily confused. As a result, it becomes easier for residents to attribute preservation to entities other than their township government, making the program's impact less apparent.

Opportunities for Growth

Continuing to expand administrative capacity

The revised version of the PDR program has made substantial steps towards addressing capacity challenges presented in the past. The PDR program has protected over fifty percent of the land in the APA, and it has generated substantial interest from farmers, but it has also consistently suffered from a lack of capacity, leading to long timelines for preservation. Although the interest in the PDR program is extremely strong, the available funding and administrative capacity to review applications continues to be an area of struggle. It is therefore readily apparent that Peninsula Township's PDR program is limited by administrative and financial capacity, rather than being limited by a lack of interest.

Administrative capacity was identified by Daniels as a challenge for the PDR program in his 2008 evaluation.⁴⁴ Though the township government has strong interest in furthering the goals of the PDR program, in line with the goals of its master plan, a small township government is limited by its number of staff and their division of work. As invested in land protection as Peninsula Township is, its staff has also had major issues to contend with over recent years, including especially the ongoing litigation with the WOMP Business Association and disputes over non-agricultural land use. Daniels, in 2008, recommended the hiring of an officer specifically to manage Peninsula Township's PDR program; this has not occurred, but would certainly ease the burden on Peninsula Township's other land use-focused staff.⁴⁵ Additionally, administrative capacity has been limited by the design of the board which administers the PDR program; the Township states that it was difficult to coordinate the schedules of seven people. As

⁴⁴ Thomas L. Daniels (2008). An Evaluation of the Peninsula Township Farmland Preservation Program, report for the Grand Traverse Regional Land Conservancy.

⁴⁵ Daniels

a result, the 2022 PDR ordinance edits reduce the voting board's size to five members, in an attempt to increase the frequency of their meetings.

Communications about the benefits of the PDR program

Peninsula Township has an opportunity to increase the efficacy and frequency of their communication about the PDR program's benefits — especially, as discussed earlier, by highlighting parcels of land specifically conserved under the PDR program. The majority of the widely-shared evaluation and promotion has come from the Grand Traverse Regional Land Conservancy and Protect the Peninsula rather than the Township itself. Although all of the PDR advocacy partners share a common goal, Peninsula Township has a unique opportunity to highlight this program, as the municipality that created it and seeks to renew it. Other areas with prominent PDR programs (including the aforementioned Suffolk County, New York and Lexington, Kentucky PDR initiatives) publish extensive and accessible evaluatory reports; granted, these programs exist on a much larger scale with many more resources, and Peninsula Township has less financial and administrative capacity than county- or state-level initiatives. Regardless of limited capacity, however, Peninsula Township can take several steps to increasing their communications profile around the PDR program.

Signs for roadside identification present an opportunity for easily recognizable identification of a parcel as enrolled in the PDR program. They are undoubtedly a financial investment on the Township's part and could also be considered a potential scenic deterrent; however, several Peninsula farms already have signs establishing that they have been verified through the Michigan Agriculture Environmental Assurance Program, so this concept is not foreign to the community. The addition of signage to highlight that open land was preserved

specifically through Peninsula Township’s PDR program could substantially increase the public’s awareness of the impacts of this program.

There is also the potential for Peninsula tours of PDR-preserved property — for both tourists, who already take tours in many forms, and local residents. Existing tours, such as wine tours, can also discuss the conservation easements that protect the land on which Old Mission AVA wine’s grapes are grown.



Example roadside signs, displaying that land is under a conservation easement.

Photos: left, WeConservePA; center, WikiCommons; right, WeConservePA

Publicly available, interactive land protection maps

In tandem with communicating the benefits of the PDR program, and increasing the presence of visual aids such as roadside signs to guide residents and tourists, online land protection maps would be of great use to the Township in communicating the PDR program’s benefit. Currently, data are publicly available (as displayed in this work), accessible through GIS files and parcel numbers available upon request. The GTRLC maintains publicly accessible (and publicly promoted) preservation maps in PDF and JPG formats, which are effective for communication to some extent, but they lack interactivity. Additionally useful maps could allow viewers to zoom, click on parcels, and view information. It would be advisable to have a publicly accessible and interactive map on a platform such as arcGIS Online — which is used by the City

of Traverse City to show their zoning and city-owned property — or Regrid, which is an extremely accessible method of data display. Regrid is also innately integrated to the USDA's Cropland Data Layer, meaning that the land's agricultural use would be featured in the interactive map.

Implementation of Transfer of Development Rights and New Town Development initiatives

The PDR's status as part of the larger Agricultural Preservation Plan is an asset as Peninsula Township looks to further implement the remainder of the APP, eventually with incorporation of New Town Development and Transfer of Development Rights. Lawyer and New Urbanism scholar Mark R. Rielly notes that PDR programs surmount many of their implementation limitations when undertaken as part of a larger preservation campaign.⁴⁶

Peninsula Township undoubtedly has a culture that supports the preservation of agriculture, from celebrating local farmers to avid engagement with potential housing developments and changes in zoning laws. The continued work to implement all of the Agricultural Preservation Plan will be a positive next step in codifying the values of the master plan and township citizens.

Additionally, the institution of a well-planned Transfer of Development Rights program will help address the need for strategically increased densification to prevent low-density urban sprawl.

Greater partnership with the City of Traverse City

Given the desire to prevent urban sprawl in Peninsula Township, as well as to foster dense, walkable communities in the City of Traverse City, a great opportunity exists for collaboration between the two municipalities to coordinate land use strategies. Peninsula Township looks to consolidate its residential development into denser areas closer to the base of

⁴⁶Mark R. Rielly (2000), Evaluating Farmland Preservation through Suffolk County, New York's Purchase of Development Rights Program Comment, 18 Pace Env'tl. L. Rev. 197. Available at: <https://digitalcommons.pace.edu/pelr/vol18/iss1/7>

the Peninsula, which directly borders the northeast end of the City of Traverse City; its zoning ordinance innately impacts the City, and vice versa.

Given that the City of Traverse City is actively looking to increase its housing supply, it could seem counterintuitive to support a PDR program that limits residential development. However, supporting a PDR program outside of the city encourages dense infill development inside Traverse City's eight square miles; this aids sustainable development by decreasing urban sprawl, while expanding the City of Traverse City's tax base. The PDR program also has no impact on the housing supply of the City of Traverse City itself, which is obviously not included in Peninsula Township's PDR program.

Opportunities for this urban infill are limited by certain elements of the City of Traverse City's zoning ordinance, which present known issues to housing availability. The City of Traverse City's Planning Commission currently aims to focus on the implementation of changes to its zoning ordinance that increase the number of dwelling units available within city limits, including the expansion of accessory dwelling units, the ability to build two principal dwelling units on the same lot, and the expansion of duplexes and triplexes.⁴⁷ It is also important to note that while the City of Traverse City planning department is aiming for the increase of affordable housing within city limits, along with citizen coalitions such as Live TC, there is also some resident opposition to increased building within city limits. Given that there is momentum around the known issue of available housing in Traverse City, and that Peninsula Township desires to disincentivize the construction of housing in its agricultural areas, an opportunity for collaboration exists.

⁴⁷ Traverse City Planning Department (Traverse City, Mich.). 2021 Community Housing Profile.

Farm assistance programs and partnerships

Lastly, land use scholar Jeanne S. White discusses that the most successful kind of farmland preservation program “addresses all or most of the social and economic factors that influence farmland conversion.”⁴⁸ Though Peninsula Township’s scope as a local, township-level government is too limited to institute full-scale social service programs, the social factors that make farmland conversion an appealing proposition are in need of examination. For example, many farms are no longer being passed down generationally due to a perception that farming is an unprofitable line of work. The money gained from a sale through the PDR program is considered to be one way to promote farming. However, there is also potential, on the state or national level, for assistance programs to ensure that farming is not considered to be the less profitable option as opposed to selling land to a developer.

Greater funding for the social implications of maintaining an agriculture-centered community, as well as additional funding for land purchasing efforts, can be achieved through partnerships with other matching entities or independent funding entities. Peninsula Township has been extremely innovative in funding sources for the PDR program in the past (for example, achieving SAFETEA-LU funding, a typically transportation-focused funding pool, for scenic viewshed preservation), and the 2022 revisions increase the importance of available matching funds in prioritizing land. Land that receives matching funds, for example, through the Michigan Department of Agriculture and Rural Development, will be prioritized higher than land that could not be. Conveniently, the Michigan Department of Agriculture and Rural Development also assigns priority points to land for which the local government has an existing conservation easement program: for which Peninsula Township qualifies. It is highly advisable that Peninsula

⁴⁸ Jeanne S. White (1998). Beating Plowshares into Townhomes: The Loss of Farmland and Strategies for Slowing Its Conversion to Nonagricultural Uses. *Environmental Law*, 28(1), 113–143. <http://www.jstor.org/stable/43266650>

Township continues to expand their pool of partner funding entities, including funding for the social elements of the PDR program.

Non-PDR Resident Land Use Concerns

The PDR program focuses specifically on productive agricultural land; however, other kinds of land perform important ecological services on the Peninsula and are in need of protection. For example, the wetlands on Neahtawanta and deciduous forests surrounding the Old Mission Point Lighthouse are not eligible for the PDR program. Portions of the Peninsula have also been highlighted for their particular vulnerability to shoreline erosion, something that the removal of trees and construction of homes in that area would increase. It may be worth considering that the PDR program, although created to be explicitly agricultural in focus, could someday expand to protect other sensitive areas.

Peninsula Township's culture of strong community advocacy, and active partnerships with stakeholders such as the Grand Traverse Regional Land Conservancy, have helped them to successfully protect land on many occasions. For example, the Pyatt Lake Nature Preserve, now managed by the Grand Traverse Regional Land Conservancy, preserved a unique wetland environment and terrestrial aquatic ecosystem. Kelley Park, a 7-acre collection of parcels (now consolidated) donated to the Michigan Department of Natural Resources in 2015, was originally planned to be a subdivision until funding fell through; it is now open to the public. Additionally, an expansion of Bowers Harbor Park led to the preservation of a 59-acre parcel of grassland on Devils Dive Road that was not zoned for agricultural use.

A parcel of land on the beachfront side of Mission Road, approximately where the original "mission" of Old Mission was situated, had original plans for development. This area is zoned R-1C, Suburban Residential Development. A paved U-shaped loop off Mission Road

denotes where several suburban homes were planned, with underground utilities laid for their construction. However, after sitting vacant with no further construction for over ten years, in 2015, the land was purchased by the Michigan Department of Natural Resources as a boat launch site.⁴⁹ It can now be visited as Robert and Colleen Kelley Park, with a 30-year boat launch agreement for the site finalized in 2021.

⁴⁹ [Peninsula Township Parks Funding Feasibility Study](#) (Traverse City, Mich.) (2021)

Figure 9: Ecologically Sensitive Areas



- Wetland Priority Areas
- 1993 High Risk Erosion Zones

Data: US Fish and Wildlife Service, Michigan Department of Environment, Great Lakes, and Energy

However, it also can be noted that other land outside of the APA has not been successfully preserved over time. Peninsula Shores, formerly known as the controversial 81 on East Bay development, is one example of suburban residential development that substantially changed an erosion-sensitive shoreline. Peninsula Shores neighbors Bluff Road, a road that is currently closed to vehicular traffic as it is literally falling into the bay. As a result, increased development intensity in this area is disadvantageous to environmental concerns, but no current mechanism exists to protect this land. If the PDR program does not expand to include sensitive non-agricultural land, it might be advisable to develop an additional similarly comprehensive preservation program in these areas.

Conclusion

In conclusion, Peninsula Township's Purchase of Development Rights program has been remarkably successful over the past thirty years of its implementation, leading to new opportunities for preservation of the remaining at-risk agricultural land within the APA. Because of the success of this program, new expansions such as the implementation of Transfer of Development Rights provisions or an expansion to non-agricultural land, offer some promise. Given current debates surrounding land use in the Traverse City micropolitan region, a 2022 renewal of the PDR program comes at an opportune time. Peninsula Township has the opportunity to expand its communication about the PDR program, in order to make residents fully aware of the implications and successes of this program. Given the high degree of interest in land use and citizen participation on the Peninsula, current conditions present a climate for success in renewing the ballot initiative and expanding the reach of the PDR program, a unique program for any municipality, but particularly unique on the township level.

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DATA SOURCES

- GIS Data:
 - Zoning Map of Peninsula Township: Grand Traverse County GIS Department
 - Parcel Map of Peninsula Township: Grand Traverse County GIS Department
 - Agricultural Preservation Area: Grand Traverse Regional Land Conservancy
- Parcel Data:
 - List of parcels in the PDR program: Peninsula Township Assessing
 - List of parcels with retained development rights: Peninsula Township Assessing