

MEMORANDUM

August 2, 2006

TO: Ad Hoc Agricultural Policy Working Group

FROM: Marlene Michaelson, Senior Legislative Analyst
Jeff Zyontz, Council Analyst
Amanda White, Council Legal Analyst

SUBJECT: August 7, 2006 Meeting

Our next meeting is scheduled for August 7, 2006 from 4:00 p.m. to 6:00 p.m. in Room A at the Upcounty Regional Services Center. For most of the meeting we will be using the staff policy paper on the options to prevent the fragmentation of farmland presented at the last meeting (which is not reproduced and attached to this packet but available on the Council's website, should you need another copy). Attached are additional background materials for this meeting. These include the following:

- an agenda;
- minutes from the July 24 meeting;
- the schedule for the fall (unchanged from the earlier schedule presented to the group); and
- draft recommendations on "building location strategies" discussed at the last meeting.

Since some Group members had a negative reaction to the terms clustering and design guidelines, we used the term "building location strategies". In our view, the term design guidelines may more clearly describe the expected product, but we defer to the Group's opinion as to which term is preferable. Since the Group clearly wanted to begin the meeting with a discussion of the BLT program and delay revisiting issues related to locational strategies, we are recommending that you review the minutes from the last meeting, which focused on locational strategies, at the end of the meeting. Finally, we note that some members previously asked that the fall schedule be reassessed before September due to potential conflicts with the Monday meetings. This may also be a good time to assess whether the topics identified for the remaining meetings and the schedule are still appropriate or require any adjustments.

AGENDA
AD HOC AGRICULTURAL POLICY WORKING GROUP

Monday, August 7, 2006
Upcounty Regional Services Center
4:00 to 6:00 p.m.

- 4:00 Building Lot Termination Program – Develop Initial Recommendations (beginning with question 3 from the July 24 staff paper)
- 5:30 Review recommendation on Location Strategies
- 5:45 Review and Approval of July 24, 2006 Meeting Minutes
- 5:50 Review schedule for fall meetings
- 6:00 Adjourn

**AD HOC AGRICULTURAL POLICY
WORKING GROUP MINUTES**

Monday, July 10, 2006
4:02 P.M. to 6:03 P.M.

Up-County Regional Services Center Room A

PRESENT

<u>Working Group Members</u>	
Lib Tolbert, Chair	Scott Fosler, Vice-Chair
Wade Butler	Bou Carlisle
Margaret Chasson	Jim Clifford
Nancy Dacek	Jane Evans
Robert Goldberg	Tom Hoffmann
Pam Saul	Drew Stabler
Billy Willard	

<u>Montgomery County and State Staff</u>	
Nancy Aldous, County Council	Jeremy Criss, County Department of Economic Development
Justina Ferber, County Council	Marlene Michaelson, County Council
Callum Murray, M-NCPPC	Doug Tregoning, Montgomery County Cooperative Extension
Amanda White, County Council	Jeff Zyontz, County Council

ABSENT

Jim O'Connell	Michael Rubin
Wendy Perdue	

GUESTS

Councilmember Mike Knapp	Christopher Sasiadek, M-NCPPC
Andrea Arnold	Vince Berg
Sharon Dooley	Jane Hunter
Douglas Sherwood	

The Group had before it the July 19, 2006 memorandum with attachments from Marlene Michaelson, Jeff Zyontz, and Amanda White.

The Group reviewed the minutes for the July 10, 2006 meeting and unanimously approved the minutes with the following changes:

- Include the list of visitors that attend Group meetings in the minutes (the Group also requested Council staff prepare corrected copies of prior minutes with the list of visitors.).
- Clarify that the Group learned that horticulture has a higher *dollar value* per acre than traditional crops.
- Clarify that Park and Planning should track the use of transferable development rights (TDRs) by *serial numbers* to ensure that developers do not use previously used TDRs.

The Group reviewed the minutes for the July 15, 2006 tour of the Agricultural Reserve and approved the minutes with the following changes:

- Add Nancy Aldous's name to the list of County staff members who attended the tour of the Agricultural Reserve.
- Clarify that the Group did not view the Ganassa property or Butler's Orchard, but simply went in the vicinity of those two properties and discussed them on the tour.

Council staff discussed the contents of the Staff Policy Paper on fragmentation.

The Group discussed how the TDR program operates. Group members had the following comments regarding the way the TDR program works:

- The TDR program is broken because the original program did not envision an adequate compensation mechanism for the last, or "fifth", TDR.
- There is a problem with solely funding the building lot termination (BLT) program publicly.
- There needs to be a market for the fifth TDR. If developers are required to purchase the fifth TDR, additional receiving areas need to be identified. The challenge is that the receiving areas are becoming tired of being the receiving areas. Group members suggested the following as potential solutions:
 - Require the use of TDRs in Central Business District (CBD) and other mixed-use and commercial zones. One member suggested that there is a current market for TDRs in these zones because developers would be willing to purchase TDRs for additional floor area ratio rather than relocate a business.
 - Require the use of TDRs in annexation agreements.

The Group discussed the use of design standards in the Rural Density Transfer (RDT) zone and cautiously agreed that another entity should address this issue because the topic was outside the scope of issues the Group could address. (One Group member suggested that the Council ask one of the established agricultural committees to address this issue.) The Group recommended the committee that addresses this issue focus on preventing fragmentation of farmland and preserving landowner equity and agriculture. Group members made the following comments about design standards:

- Combine design standard requirements with the purchase of easements.

- The agricultural community distrusts Park and Planning because the agricultural community feels that Park and Planning disregards what is best for preserving farming (e.g., residential lots are required to be placed in the best farmland).
- Some Group members felt that agricultural land should be treated differently than other land for development requirements (e.g., dedication and forest conservation requirements) because those rules do not make sense for the agricultural area.
- Some Group members felt that design standards are a tool that should not be dismissed solely because of past experience.
- Is there an incentive that could be given to landowners to encourage design standards? This is a value issue, though it may avoid fragmentation. Some Group members felt that there should be an incentive for complying with design standards only if there is proof that design standards reduce value.
- If not done properly, design standards may conflict with the rural character of the Agricultural Reserve.
- Where a land perc should determine where homes should be placed. The relationship between sand mounds and design strategies should be explored.
- Fragmentation is an exit strategy for farmers. The BLT program would leave a piece of farmland unfragmented because farmers cannot make a living on fragmented farms.

The Group unanimously recommended against downzoning the Agricultural Reserve to prevent fragmentation. While some members of the Group acknowledged that downzoning is a legal possibility, the Group felt that it was not politically practical. Group members opposed downzoning because (1) the area had previously been significantly downzoned in 1981 (from 1 house per 5 acres to 1 house per 25 acres) and (2) it would result in additional lost equity.

The Group reiterated its intent to spend time during a future meeting discussing ways to educate downcounty residents about the Agricultural Reserve and the necessity of having a Reserve, and the role of different stakeholders.

Audience members submitted the following comments:

- Would the Group be willing to support the sighting and building of an ethanol plant thereby supporting traditional agriculture in the Agricultural Reserve?
- In the packet about sand mounds, it is important to note that perc testing for traditional systems was much less stringent than it is today. The question to ask is how many septics would have been approved using that standard as opposed to how many sand mound systems have been approved.

Minutes written by: Amanda White, Council Legal Analyst

Meeting Schedule for Agricultural Advisory Group

June 12	Schedule for meetings, General Principles and Right to Farm Legislation
June 26	Child Lot Issues
July 10	TDR Tracking Issues
July 24	Building Lot Termination/ Super TDR and other programs to limit or discourage full build-out at 1 per 25 units
August 7	Continuation of July 24 th discussion
August 21	August break?
September 11	Sewer and Water Strategies (Sand Mounds)
September 25	Continuation of September 11 discussion
October 9	Review of all pending legislation
October 23	Identification of topics for further study/ action
November 6	Wrap-up of any unresolved issues and conflicting recommendations.
November 20	Review Draft Report
December 11	Final meeting

Potential Dates for Tour: July 8 or July 15.