

Ag Land Pres Easements (P788911)

Category Conservation of Natural Resources
 Sub Category Ag Land Preservation
 Administering Agency Economic Development (AAGE06)
 Planning Area Countywide

Date Last Modified 5/3/13
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY12	Rem FY12	Total 6 Years	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs
-------	--------------	-------------	------------------	-------	-------	-------	-------	-------	-------	-----------------

EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	4,972	479	209	4,284	632	654	693	742	768	795	0
Land	16,934	2,347	11,887	2,700	388	407	427	457	489	532	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	1	1	0	0	0	0	0	0	0	0	0
Other	54	54	0	0	0	0	0	0	0	0	0
Total	21,961	2,881	12,096	6,984	1,020	1,061	1,120	1,199	1,257	1,327	0

FUNDING SCHEDULE (\$000s)

Agricultural Transfer Tax	6,266	0	3,566	2,700	388	407	427	457	489	532	0
Contributions	2,016	1,764	51	201	51	30	30	30	30	30	0
Federal Aid	522	0	0	522	431	91	0	0	0	0	0
G.O. Bonds	2,000	584	1,416	0	0	0	0	0	0	0	0
Investment Income	3,897	533	486	2,878	0	0	663	712	738	765	0
M-NCPPC Contributions	5,000	0	4,700	300	150	150	0	0	0	0	0
State Aid	2,260	0	1,877	383	0	383	0	0	0	0	0
Total	21,961	2,881	12,096	6,984	1,020	1,061	1,120	1,199	1,257	1,327	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 14	1,060
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		15,998
Expenditure / Encumbrances		4,549
Unencumbered Balance		11,449

Date First Appropriation	FY 89
First Cost Estimate	
Current Scope	FY 13
Last FY's Cost Estimate	21,377

Description

This project provides funds for the purchase of agricultural and conservation easements under the County Agricultural Land Preservation legislation, effective November 25, 2008, for local participation in Maryland's agricultural and conservation programs and through Executive Regulation 3-09 AM, adopted July 27, 2010. The County Agricultural Easement Program (AEP) enables the County to purchase preservation easements on farmland in the agricultural zones and in other zones approved by the County Council to preserve farmland not entirely protected by Transferable Development Rights (TDRs) easements or State agricultural land preservation easements. The Maryland Agricultural Land Preservation Foundation (MALPF) enables the State to purchase preservation easements on farmland jointly by the County and State. The Rural Legacy Program (RLP) enables the State to purchase conservation easements to preserve large contiguous tracts of agricultural land. The sale of development rights easements are proposed voluntarily by the farmland owner. Project funding comes primarily from the Agricultural Land Transfer Tax, which is levied when farmland is sold and removed from agricultural status. Montgomery County is a State-certified county under the provisions of State legislation, which enables the County to retain 75 percent of the taxes for local use. The County uses a portion of its share of the tax to provide matching funds for State easements. In FY10, the Building Lot Termination (BLT) program was initiated. This program represents an enhanced farmland preservation program tool to further protect land where development rights have been retained in the Rural Density Transfer Zone (RDT). This program will use Agricultural Transfer Tax revenue to purchase the development rights and corresponding TDRs retained on these properties.

Cost Change

Agricultural Transfer Tax decreases are partially offset by increases in Contributions and Investment Income and the addition of FY17 and FY18 project costs.

Justification

Annotated Code of Maryland 2-501 to 2-515, Maryland Agricultural Land Preservation Foundation; Annotated Code of Maryland 13-301 to 13-308, Agricultural Land Transfer Tax; and Montgomery County Code, Chapter 2B, Agricultural Land Preservation, and Executive Regulation 3-09 AM.

Other

Ag Land Pres Easements (P788911)

FY13 estimated Investment Income expenditures are \$537,319: 1 workyear Sr. Business Development Specialist, .5 workyear Business Development Specialist I, 1 workyear MLS Manager II, 1.5 workyears Principal Administrative Aides, .10 workyear Resource Conservationist; .10 Sr. Business Development Specialist; \$20,000 - Deer Donation Program; \$10,000 - Montgomery Weed Control Program; and \$50,000 for Cooperative Extension Partnership. Appropriations are based upon a projection of Montgomery County's portion of the total amount of Agricultural Transfer Tax which has become available since the last appropriation and State Rural Legacy Program grant funding. Appropriations to this project represent a commitment of Agricultural Land Transfer Tax funds and State Aid to purchase agricultural easements. The Agricultural Transfer Taxes are deposited into an investment income fund, the interest from which is used to fund direct administrative expenses, the purchase of easements, and other agricultural initiatives carried out by the Agricultural Services Division. The program permits the County to take title to the TDRs. These TDRs are an asset that the County may sell in the future, generating revenues for the Agricultural Land Preservation Fund. The County can use unexpended appropriations for this project to pay its share (40 percent) of the cost of easements purchased by the State. Since FY99, the County has received State RLP grant funds to purchase easements for the State through the County. The State allows County reimbursement of three percent for direct administrative costs such as appraisals, title searches, surveys, and legal fees. Given changes to the Federal Program, new Federal Aid funds are no longer programmed in this project.

Fiscal Note

Expenditures do not reflect additional authorized payments made from the Agricultural Land Preservation Fund balance to increase financial incentives for landowners. Terms and conditions regarding Contributions from the Montgomery County Farm Bureau (MCFB) and the Montgomery Soil Conservation District (MSCD) will be specified within the MOU between the County and these agencies.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Coordination

State of Maryland Agricultural Land Preservation Foundation, State of Maryland Department of Natural Resources, Maryland-National Capital Park and Planning Commission, Landowners