Agricultural Preservation Advisory Board

Meeting Minutes **April 8, 2025** 7:00 p.m.

The meeting was called to order at 7:03 pm.

1. Introductions

Board Members: Randy Stabler, Sarah Daken, Wade Butler, Tom Hoffmann.

Staff: Mike Weyand

Guests: Jake Adler, Don Burrows, Dale Tibbitts, David Mullins.

2. Approval of Minutes

Buttler motioned to accept the minutes; Daken seconded, and the motion carried.

3. Board Requests

None

4. AEP/BLT/TDR Easements

a. <u>BLT Comparative Sales Study</u>

The County Council's Planning, Housing, and Parks (PHP) Committee discussed increasing the Transferable Development Rights (TDR) market through an Incentive Zoning Update. They proposed requiring developers to deposit funds into the Agricultural Land Preservation Fund rather than incentivizing TDR purchases over Building Lot Terminations (BLT). The funds will be used to purchase TDRs or BLTs based on the direction from the Agricultural Preservation Advisory Board.

The payment amount for BLTs will follow the latest County-commissioned appraisal study, with a new study likely resulting in higher values. The County Council still has to decide the TDR payment amount. Implementing these changes will require a Zoning Text Amendment and an Executive Regulation, meaning the program may not be operational until summer 2025 or later.

The appraisal contractor has provided a list of 106 recent property sales for review. The Office of Agriculture is currently assessing this list to identify the properties eligible for BLTs that are considered the best comparable sales. Once this selection is complete, the appraisal contractor will utilize these properties to conduct comparative sales analyses for BLT. This will help determine the average market rate for BLT sales.

b. Agricultural Easement Program (AEP) (COMCOR 02B.00.01)

The County Agricultural Easement Program (AEP) allows the Office of Agriculture to purchase preservation easements on farmland located in designated agricultural zones and other areas approved by the County Council. This initiative aims to preserve farmland that is not entirely protected by Transferable Development Rights (TDR) easements or State agricultural easements. The program is funded through the Agricultural Transfer Tax, which is imposed when farmland is sold and converted from agricultural status. Due to ongoing inconsistencies in preservation funding, the Office of Agriculture (OAG) evaluates easement acquisition opportunities on a case-by-case basis while seeking alternative funding sources.

To qualify for the AEP program, a property must meet several criteria: it should consist of at least 50 acres of land or have sufficient size and capacity for agricultural use. Additionally, the property must be located within the Agricultural Reserve and have an available Development Right for sale. It is also required that a minimum of 50 percent of the land meets USDA Soil Classification Standards of I, II, or III. Lastly, the property must be outside of water and sewer categories 1, 2, and 3.

For fiscal year 2025, the starting balance for the County's Agricultural Transfer Tax Fund is approximately \$2.4 million. The State has indicated that around \$300,000 of these funds are already allocated for purchasing easements in fiscal year 2024, leaving \$2 million available for the AEP program. Consequently, the Office of Agriculture has determined that there are sufficient funds to purchase a County AEP easement in fiscal year 2026. The Office of Agriculture maintains a list of landowners interested in selling agricultural preservation easements. Staff will assess the easement applications using the AEP Easement Formula Valuation Procedure outlined in Chapter 2B of the County Code.

5. Maryland Agricultural Land Preservation Foundation (MALPF) Easements

a. Maryland Agricultural Land Preservation Foundation (MALPF) Funding Update

MALPF is anticipating that the general allotment funding for FY25/26 will amount to \$675,000. If this projection holds true, there will be sufficient funds to purchase an easement on the Marchant Farm for \$585,336. However, for future years, the state has reduced overall funding for the MALPF program by approximately \$51,000,000 until 2029. As a result, MALPF will combine the FY27/28 funding cycles and will not accept new applications until July 2026.

b. FY24 Applicants

The Kilmain and Woodbourne Farms are the two FY24 MALPF easements. The Kilmain easement, located on Martinsburg Road and owned by Billy Willard, was settled on February 7. The baseline for John Federick's Woodbourne Farm, situated on Ridge Road, was submitted last month and is now entering the settlement process.

c. FY25/FY26 Applicants

The Marchant Farm is the only MALPF easement for fiscal years 2025 and 2026. It is owned by the Jamison family and is located on Darnestown Road. The application is currently awaiting an offer letter from the MALPF program, which is expected to be issued this summer.

6. Rural Legacy Program (RLP) Easements

a. FY23 Applicants

Rolling Acres Farm, situated on Mount Carmel Cemetery Road, is owned by Kevin Foster and the Nicholson Living Trust. They are the sole applicant for the FY23 Rural Legacy Easement. The Office of Agriculture staff is currently working with Kevin and the Rural Legacy Program administrator, Katrina Tucker, to finalize the easement language before proceeding to settlement.

7. Easement Monitoring & Inspections

None

8. Legislative activities

a. HB1036/SB0931 – Public Utilities – Generation and Siting

The General Assembly passed this bill with amendments. Starting on July 1, 2025, local jurisdictions in MD will be prevented by State law from adopting regulations that prohibit new community solar energy projects that generate 1–5 MW or place more restrictive requirements than those specified in the bill. The State's new siting standards do not include an agrivoltaics requirement or prohibitions for development on prime agricultural soils.

The counties were able to achieve an amendment caping the preemption of local zoning ordinance in priority preservation areas (PPAs)—in Montgomery County, the Agricultural Reserve (AR) zone—at 5% of the PPA's land area. After this cap has been reached, the counties will be able to enforce their zoning ordinances for new projects. Farms with agricultural preservation easements (other than a TDR easement) are still protected from community solar development.

b. Maryland General Assembly – General Update

None.

9. Solar/Energy

None

10. Other Business

a. Firearms Discharge: Urban Area Boundary Map

Chapter 57 of the Montgomery County Code prohibits the discharge of firearms within the area of the county designated as urban in Section 57-1, with some exceptions. The County Council decides the boundaries of the urban area based on recommendations from the County Executive. The Executive relies on input from the Firearm Safety Committee, but would also like input from the agricultural boards. The urban area map under the Firearms Discharge section on this page: https://www.montgomerycountymd.gov/pol/crime-data.html

b. <u>Upcoming Meetings and Events</u>

April 11 - Montgomery Soil Conservation District Board Meeting.

April 15 – Montgomery Agricultural Advisory Meeting

The meeting was adjourned at 7:56.