

# Calvert County Agricultural Land Preservation Program

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## Land Preservation Turning the Corner!

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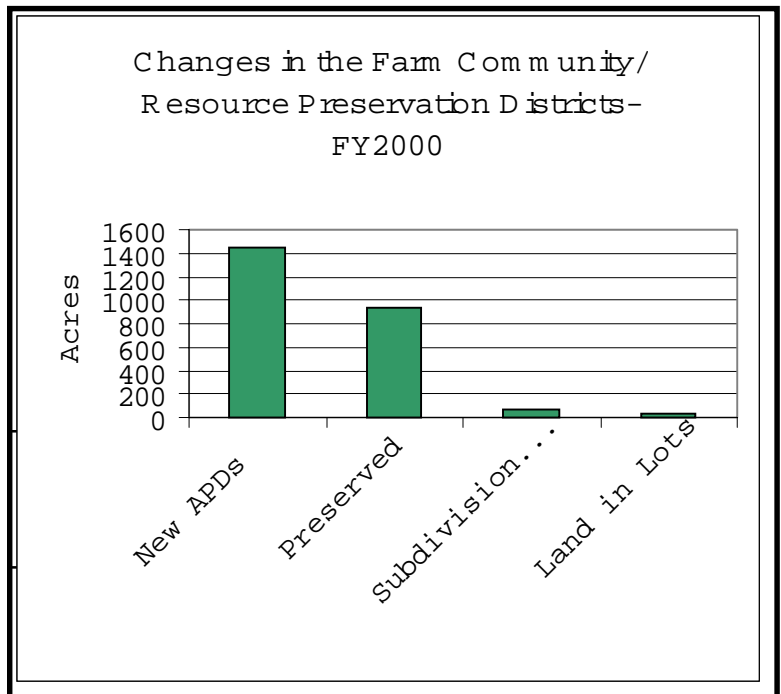
1999 TDR sales range - \$2,320 to \$2,870.59

Nationwide, counties have been losing the battle to sprawl. Recently Edward P. Thompson, Jr. Vice-Chairman of the American Farmland Trust, reported that only two states in the nation are preserving more land than is being developed. Maryland is one of those two states.

Since 1970, Calvert has lost approximately 1,000 acres per year to development. Between 1985-1990, Calvert lost the highest percentage of farm and forest land in the state.

Now with new zoning and land preservation tools in place, Calvert County is preserving significantly more land than is being developed. Consider for example the Farm Communities and Resource Preservation Districts in FY 2000. These two overlay zones total 60,000 acres in Calvert and are designated as "Protection Areas" in the Comprehensive Plan.

Between July 1, 1999 and July 1, 2000, 39 acres were recorded as lots, while 1,400 acres were enrolled as Agricultural Preservation Districts (APDs). This land cannot be developed for at least five years. Also, during the year, 964 acres in APDs were permanently preserved through Calvert's land preservation programs and 70 acres were recorded as subdivision open space with protective cov-



enants preventing future subdivision.

Countywide, approximately 390 acres were recorded as subdivision lots and 365 acres as open space. Therefore, three times as much land was preserved as was developed. However, this fact may not appear obvious by driving through the County. Residential development has been strong with occupancy permits 26% higher in 1999 than in 1998.

According to Frank Jaklitsch, Di-

rector of the Dept. of Planning and Zoning, there exist between 5,000 and 7,000 recorded undeveloped lots in the County. It will take at least 5 years to see a significant growth reduction due to the creation of fewer lots. Also, he notes that the County may need to do a better job of identifying land which has been placed in APDs so that the public can witness and enjoy protection efforts.

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## Interest is High in the New Leveraging Program

During its inaugural year, Calvert County received applications for sale of 1,624 development rights on 1,290 acres. At its meeting on Oct 10, 2000, the Board of County Commissioners agreed to proceed with the purchase of development rights for up to 1,155 acres. That figure represents as much land as was preserved in all other land preservation programs last year.

The Leveraging program will provide an important boost to Calvert's land preservation efforts at a time when the County is making more concerted efforts to preserve 40,000 acres of land. To meet that goal in 20 years, the County would have to preserve 1,275 acres per year.

The Leveraging Program is

## Cox and Dowell to Step Down From APA B

David Cox and William "Billy" Dowell have served on the Agricultural Preservation Advisory Board for 10 years. The Board's rules limit membership on the Board to two five-year terms. The Board will miss David's encyclopedic knowledge of soils classifications and Billy's very active outreach to land owners.

Both members attended with dedication despite the fact that meetings often seemed to fall on good evenings for tilling or harvesting crops. They will be missed.

patterned after very effective land preservation programs in Howard and Harford Counties. Recognizing that there is no time to lose, these counties started "leveraging" today's money to reach future preservation goals. Under this payment option, you sell development rights to the County for an agreed upon price. The landowner receives annual tax-free interest payments, and a balloon payment at the end of the term (10 - 20 years).

Applications are submitted to and ranked by the Agricultural Preservation Advisory Board based on the Priority Ranking Formula.

Once the ranking is completed, the prioritized list is submitted to the Board of County Commissioners for approval based on available funding. The actual value paid to a landowner is determined by the Development Rights Value Formula.

Once a landowner agrees to accept a County offer to purchase his or her development rights, a Deferred Payment Agreement (DPA) between the

County and the individual seller is written. This agreement includes the total amount of money that the County has agreed to pay the landowner and sets the terms of that agreement, including the fixed interest rate on which the landowner will receive annual payments. The DPA will be for 10 to 20 years with the interest. At the end of the term, the landowner receives a lump sum payment constituting the principal. This agreement is exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland.

Within the next two weeks, letters are to be sent to prospective leveraging sellers and the County hopes to conduct settlements in the next two months. The deadline for the next round is June 30th. Land must be enrolled in an APD to apply.

## Contacts to Sell

### TDRs :

#### SURVEYORS AND ENGINEERING FIRMS

**A. L. Ferguson**  
P.O. Box 852  
Prince Frederick, MD  
20678  
410-586-0284

#### Advanced Surveys, Inc.

Barstow Industrial Center  
3695 Hallowing Point Road  
Prince Frederick, MD  
20678  
410-535-4681

#### R.A. Barrett & Assoc.

Dunkirk Marketplace Prof.  
Ctr.  
3140 West Ward Rd., Ste.  
208  
Dunkirk, MD 20754  
410-257-2255 / 301-855-5554

#### Collinson, Oliff & Assoc., Inc.

P.O. Box 2209  
Prince Frederick, MD  
20678  
410-535-3101 / 301-855-1599

#### D.H. Steffens Company

100 Exploration Drive  
Suite 1020  
Lexington Park, MD 20653  
301-862-2226

## Agricultural Preservation Comparison Chart

Assumes a 100-acre farm, with no house on it. Assumes development rights are set at \$2,600 with no change over time. Assumes 33% capital gains and income tax rate. Assumes 5% rate for interest payments.

PAR PROGRAM	LEVERAGING	SELL TO DEVELOPER
Sell 10 DR / year = \$26,000	Commit all DR to program (10 DR * \$2,600 = \$260,000)	Assume \$5,000/acre = \$500,000 value
Less taxes of \$8,580 = \$17,420 / year	Receives \$13,000 / yr tax free for 15 years = \$195,000	Less capital gains of \$165,000 = \$335,000
Would take 10 years to sell all development rights	After 15 years, receive \$260,000 pay out	
	Less taxes of \$85,800 = \$174,200	
Total Received over 10 years = \$174,200	Total Received Over 15 years = \$369,200	Total Received up front \$335,000
Retain land valued at \$3,000 = \$300,000	Retain land valued at \$3,000 = \$300,000	

# State Preservation Tools Working Well

### McCrone, Inc.

P.O. Box 454  
150 Main Street. Ste.  
201  
Prince Frederick, MD  
20678  
410-535-4510 / 301-  
855-1798 or 99

### NG&O Engineering, Inc.

P.O. Box 643  
Leondartown, MD  
20650  
301-475-8700

### Phoenix Land Design

14412 Old Mill Rd., Ste.  
201  
Upper Marlboro, MD  
20772  
301-627-5581

### RDA\*

P.O. Box 1628  
Prince Frederick, MD  
20678  
410-535-8600

### Howard Smith / Mark Wells

P.O. Box 440  
St. Leonard, MD 20685  
410-586-0313 / 301-855-  
1608

### The Tech Group, Inc.

147 Old Solomons Island  
Road  
Annapolis, MD 21401  
410-266-3033

### Bill Watson

#### The Developer's Advocate, Inc.

P.O. Box 3547  
Prince Frederick, MD  
20678  
410-535-4304

### Wilkerson & Associates

P.O. Box 17  
Dunkirk, MD 20754  
410-257-3332 / 301-855-  
8272 or 0945

Updated 2/99

*This year, the state has partnered very effectively with the County for land preservation through its financial commitment to two programs:*

### Maryland Agricultural Land Preservation Foundation (MALPF)

—For the first time in 14 years, MALPF is getting serious attention from County farmers. **Four properties, totaling 243 acres received full offers from the state.** The state share of the cost of purchasing the easement is over \$1.1 million.

However, this level of participation would not have been possible if the Board of County Commissioners has not committed local matching funds. Last year, the Commissioners observed that MALPF can be a very effective way to use County monies to preserve land **and** reduce the County's residential density. For every dollar the County spends, the state spends at least two. Therefore, the Board increase the local match up to \$500,000.

In this program, land holders retain full ownership of their properties. The state merely purchases the development potential, leaving the owners the ability to create a few lots for children. The land can also be sold, subject to the term of the agreement.

### Rural Legacy Program

This year also marks the first state easement purchases for the state Rural Legacy Program.

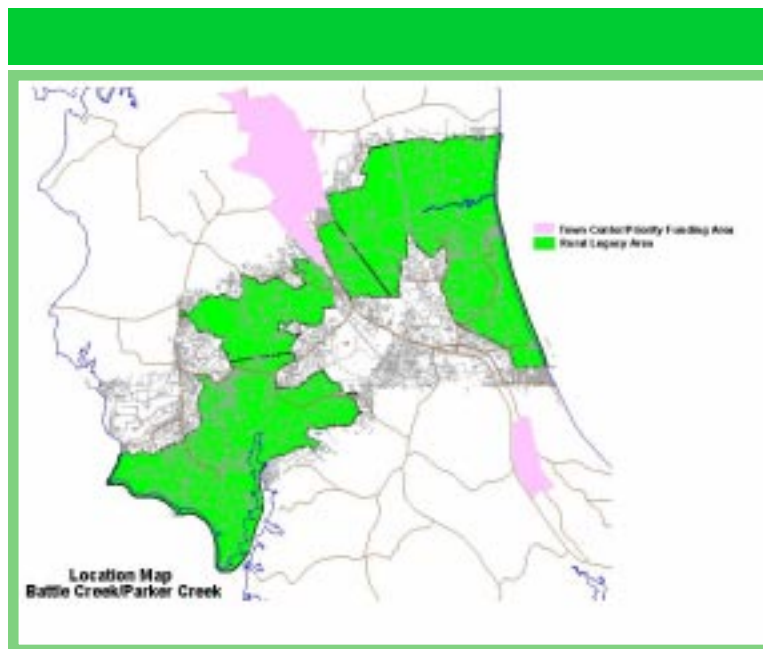
**Offers have been made for the purchase of easements on 358 acres of land in the Battle Creek watershed.** The Rural

Legacy Program is part of Governor Glendinning's initiatives for Smart Growth, which have two major components: Preserve the countryside and facilitate growth in Priority Funding Areas (Towns).

Funding for the first year was limited to the Battle Creek watershed. For the second two rounds of easement purchases, the state expanded the County's Rural Legacy area to include much of the Parkers Creek watershed. The County Rural Legacy Committee is beginning negotiation for these

two rounds with \$3.8 million. The County expects to preserve approximately 1,250 acres of the Rural Legacy Area with these funds.

The ultimate goal is to preserve 8,500 acres in the Battle Creek/Parkers Creek watersheds. Already, over 60% of the goal has been met through a combination of state, county, and land trust efforts.



## Par Fund Application Deadline Approaches

The annual deadline for submitting applications for the Purchase and Retirement (PAR) Fund approaches. By **December 29, 2000 at 4:00 p.m.**, land owners will need to have turned in their applications to the Department of Planning and Zoning, 150 Main Street, Prince Frederick, MD. 20678. The Department is located on the third

floor of the County Services Plaza in Prince Frederick, across from the Lusby Motor Company.

To be eligible the property has to be in an Agricultural Preservation District and the development Rights have to be certified by the Board of County Commissioners. Call 410-535-2348 if you have questions.

