

## Chapter IV - Agricultural Land Preservation

### ***Goals for Agricultural Land Preservation***

#### **State Goals**

The State's goals for agricultural land preservation are:

- Permanently preserve agricultural land capable of supporting a reasonable diversity of agricultural production
- Protect natural, forestry, and historic resources and the rural character of the landscape associated with Maryland's farmland
- To the greatest degree possible, concentrate preserved land in large, relatively contiguous blocks to effectively support long-term protection of resources and resource-based industries
- Limit the intrusion of development and its impacts on rural resources and resource-based industries
- Preserve approximately 1,030,000 acres of productive agricultural land by 2020
- Ensure good return on public investment by concentrating state agricultural land preservation funds in areas where the investment is reasonably well supported by both local investment and land use management programs
- Work with local governments to:
  - Establish preservation areas, goals, and strategies through local comprehensive planning processes that address and complement State goals;
  - In each area designated for preservation, develop a shared understanding of goals and the strategy to achieve them among rural landowners, the public-at-large, and state and local government officials;
  - Protect the equity interests of rural landowners in preservation areas by ensuring sufficient public commitment and investment in preservation through easement acquisition and incentive programs;
  - Use local land use management authority effectively to protect public investment in preservation by managing development in rural preservation areas;
  - Establish effective measures to support profitable agriculture, including assistance in production, marketing, and the practice of stewardship, so that farming remains a desirable way of life for both the farmer and the public-at-large.

## County Goals

Since 1998, Carroll County has had a goal of preserving 100,000 acres of productive farmland. This number represents over 60 percent of the total land in the county that is used for agriculture, and has long been considered the “critical mass” of land needed to keep farming and agribusinesses viable ventures. Until 2000, this goal was an unofficial one but spurred significant interest and investment in land preservation. When the County Master Plan was adopted in 2000, it expressly stated that the County had a goal of preserving “100,000 acres of tillable agricultural land for the production of agricultural products and promotion of related agribusiness.”

As of May 2004, the County had preserved 45,222 acres through the Maryland Agricultural Land Preservation Program, the Rural Legacy Program, the Maryland Environmental Trust, and the Carroll County Land Trust. Support for agricultural preservation remains strong even as the county continues to grow and its demographics alter. The perception of it being a rural county with deep ties to the farming community, ironically, fuels many people’s desire to live here. While this situation exerts pressure to develop rural parts of the county, paradoxically it also drives the continued support for agricultural land preservation as people seek to retain the character of the county.

### *How Carroll County’s goals support the State’s goals*

*“Permanently preserve agricultural land capable of supporting a reasonable diversity of agricultural production”*

According to the Maryland Agricultural Land Preservation Foundation’s 2002 Annual Report, Carroll County led the state in the number of acres in both agricultural preservation easements and districts. Its 45,222 acres of permanently preserved land represents about 15% of the land in the county. Without a doubt, Carroll County already contributes significantly towards the state’s goals for agricultural preservation, and will continue to do so as it strives to reach its own goal of preserving 100,000 acres of agricultural land.

*“Protect natural, forestry, and historic resources and the rural character of the landscape associated with Maryland’s farmland”*

The County’s goal to preserve 100,000 acres, though not arrived at scientifically, was based on a reasoned evaluation that this was the minimum amount of land needed to support both agricultural production and the supporting agribusiness infrastructure. The State’s goal of protecting other resources besides productive farmland is supported by the implementation of resource conservation plans mandated on preservation properties. Additionally, the County participates in the Maryland Rural Legacy Program, which provides additional flexibility in defining qualifying characteristics for properties, enabling smaller properties with more natural or historic resources than productive

agricultural soils to participate in a land preservation program. The Rural Legacy Program has been used to protect over 4,000 acres of land in the Little Pipe Creek Watershed Rural Legacy Area. The watershed is replete with historic sites, sensitive environmental features, and rural landscapes relatively untouched by time. A second Rural Legacy Area, the Upper Patapsco Watershed Rural Legacy Area, was designated in 2003. In addition to preserving a rural landscape that is threatened because of its close proximity to significant growth centers both in the county and in neighboring Baltimore County, its primary benefit will be to protect the quality of water entering Liberty Reservoir. Unlike other parts of the county that have very little forestland remaining, this area has large blocks of forested areas and is heavily populated with historic sites as well.

*“To the greatest degree possible, concentrate preserved land in large, relatively contiguous blocks to effectively support long-term protection of resources and resource-based industries” and “Limit the intrusion of development and its impacts on rural resources and resource-based industries”*

The County’s land preservation goal is targeted specifically at maintaining the long-term viability of farming in the county, including the businesses that support that sector of the economy. In the County Master Plan, the first paragraph in the Agriculture chapter concludes with the sentences: “The agricultural goal and threshold are directed at preserving the land used for agriculture. Maintenance of a large agricultural land base will assure that farming can continue into the future.” Clearly, the goal is for the long-range success of the farming industry.

The “critical mass” of land believed to be necessary to achieve this goal guided the establishment of the 100,000 acre number. This goal has always been linked with the implicit understanding that achieving this number would require that large blocks of land be preserved together. Farmers of land that is surrounded by or separated by non-agricultural development have difficulties moving equipment, experience problems with trespassing or trash, and can come into conflict with neighbors over issues of noise and odor. Additionally, the more fragmented blocks of agricultural land become the more difficult it is for agribusinesses to remain profitable. The expressed desire to support the agribusiness network as a necessary component of long-term agricultural viability supports the need to preserve large blocks of farmland. Additionally, the two Rural Legacy areas in the county were chosen, in part, because of the potential for this program to assist in “filling in the gaps” in areas where a large concentration of preserved land already existed.

The County Master Plan and its nine Community Planning Areas have established a pattern of growth in which new development in the county is directed towards designated growth areas and the land outside of these areas is designated and zoned for agriculture or low-density conservation uses. Thus, land use planning and restrictive zoning in the county enable the preservation of large blocks of land and limit the intrusion of development on farming practices. Development that is allowed in the agricultural and conservation areas can be clustered away from sensitive resources and productive soils.

Efforts also are made to keep the lot sizes as small as possible once well and septic siting requirements are met.

*“Preserve approximately 1,030,000 acres of productive agricultural land by 2020”*

The County’s goal of preserving 100,000 acres of land is enhanced by a Community Viability Threshold to “permanently preserve 100,000 acres of tillable agricultural land by the year 2020, preserving a minimum of 3,750 acres of agricultural land per year for the next 10 years.” The Community Viability Threshold is meant to serve as a gauge against which the County periodically can measure its progress at achieving its goals. As such, the threshold for preserving 3,750 acres per year for the next ten years and to reach the 100,000 acre goal by 2020 gives the County the ability to continually evaluate how close it is coming to reaching its goals and what, if any, measures might be taken to ensure that the goal is reached. The 2020 target date coincides with the State’s goal nicely.

*“Ensure good return on public investment by concentrating State agricultural land preservation funds in areas where the investment is reasonably well supported by local investment and land use management programs.”*

The County has a policy of not acquiring easements in any of its designated growth areas, but the bulk of the county lies outside of these areas in agriculture or conservation areas. Restrictive zoning in the Agricultural zone (roughly 1 dwelling unit per 20 acres) helps ensure that these areas will continue to be dominated by agricultural uses. The low-density Conservation zone, with an allowable density equivalent to 1 dwelling unit per 3 acres, is less restrictive but, except for large areas around existing and future reservoirs, this designation typically is applied to environmental features rather than whole farms.

The heaviest investment in agricultural preservation has been where there is less development pressure. This has occurred for several reasons. First, because there is greater confidence in those areas that farming will continue to be a viable activity and won’t be overrun by development. Second, because in a competitive easement purchasing process these areas produce the “biggest bang for the buck.” More acres can be preserved for less money because the value of the land is less influenced by development pressure.

## ***Current Implementation Program for Agricultural Land Preservation***

### **County Implementation Program**

#### ***Designated Preservation Areas***

The County has a stated policy in the County Master Plan that “all parcels with Agricultural zoning that meet the Maryland Agricultural Land Preservation Foundation criteria will have an equal opportunity to offer to sell an easement.” Because there are so many areas of the county that would be eligible to sell an easement and because there are many areas of the county that already have some amount of land preservation that has occurred, it is difficult to target or prioritize regions where land preservation is most desired. In fact, during the most recent Master Plan process, the development of the above mentioned policy resulted specifically from a discussion on whether certain areas should be targeted for preservation over others. The consensus was that the easement valuation process, points system, and competitive bidding procedures used by MALPF (the primary means of obtaining preservation easements in the county) adequately addresses the issue of whether a property is a good preservation investment and would further the goal of preserving large blocks of tillable acreage. To enhance this process, the County has designated two Rural Legacy Areas that help fill in the gaps in two important watersheds.

#### ***Easement Acquisition Mechanisms***

The County uses nearly every possible form of easement acquisition to preserve its agricultural land, with the lone exception being Transfer of Development Rights. The most heavily used program is the state’s Maryland Agricultural Land Preservation Foundation (MALPF). Easements held by MALPF account for 86% of the total acres under easement in the county. Another 9% of the total acres under easement are held through the state’s Rural Legacy Program. Easements held jointly by the Carroll County Land Trust and the Maryland Environmental Trust account for about 2.5% of the acres under easement and offer landowners the opportunity to work with a non-governmental body to place their land under easement. Finally, nine farms have used the USDA Farm and Ranchland Protection Program, matched by the County, to place 1,138 acres under easement. This accounts for the remaining 2.5% of acres under easement in the county.

#### ***Funding for Easement Acquisition***

The Capital Improvement Plan (CIP) for FY05-10 summarized easement funding in the following manner:

“In an aggressive effort to preserve Carroll’s agricultural open space while it is still available, the county commissioners have increased bonding to acquire more acres annually than had been planned in prior CIPs. The additional debt service to the General Fund will be funded with the portion of the property tax revenue that had previously been budgeted in the Agricultural Preservation project. \$45.6 million is planned for the Agricultural Preservation Program and is a combination of dedicated Property Tax revenue, Bonds, Agricultural Transfer Tax revenue and State participation. As begun in FY 01, bond funding is included to allow for the acquisition of easements through Installment Purchase Agreements.” The additional funding is reflected in the FY06-11 CIP, which is as follows:

<b>Land Preservation Funding</b>							
<b>Capital Improvement Plan FY2006-2011</b>							
	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>Total</b>
<b>Expenditures</b>							
Land Acquisition	10333317	9565483	8965983	3022317	3091983	3161650	38140733
<b>Sources of Funds</b>							
Property Tax	1733317	1115483	515983	72317	141983	211650	3790733
Bonds	7,500,000	7,500,000	7,500,000	2,000,000	2,000,000	2,000,000	28,500,000
Ag Transfer Tax	500,000	350,000	350,000	350,000	350,000	350,000	2,250,000
State Ag. Preservation	600,000	600,000	600,000	600,000	600,000	600,000	3,600,000
Rural Legacy Grant							0

Source: Carroll County Capital Improvement Plan, FY2006-2011

Additionally, three full-time staff positions are funded by the County to administer its Agricultural Land Preservation Program. The positions are an Agricultural Land Preservation Program Administrator, an Agricultural Land Preservation Specialist, and an Office Associate.

### *Land Use Management Authority*

The County uses a number of land use planning tools to protect farmland from conversion to non-agricultural uses while still allowing farm owners to realize a profit on the equity they have in their land if they choose. The broadest tool utilized is the County Master Plan and the small area comprehensive plans. These plans are implemented through zoning and subdivision regulations, which in turn are enhanced by specific ordinances such as the Right-to-Farm Ordinance.

The 1964 County Master Plan established a land use pattern in the county that has endured for forty years. It designated growth centers, known as Community Planning Areas (CPAs), into which the majority of growth in the county was to be directed. For the most part, land outside of these areas was designated Agriculture or Conservation and

was to be used for farming or natural resource protection. Within the CPAs, small area comprehensive plans designated land uses, identified infrastructure improvements, and recommended policies that encouraged growth in and around the county's eight municipalities and other growth centers rather than in the rural areas. This pattern consistently has been validated by subsequent updates to the Master Plan and comprehensive plans, with some expansions to the CPAs.

The two primary tools used to implement the County Master Plan and the comprehensive plans are zoning and subdivision regulations. The vast majority of farms in the county are zoned Agricultural. The Agricultural zone is a restrictive zone with the stated purpose "...to provide for continued farming activities, conserve Agricultural land, and reaffirm Agricultural use, activities, and operations as the preferred dominant use of the land within the District...The intent of this article is to recognize the need for and appropriateness of very limited residential development in the Agricultural District, but to prohibit residential development of a more extensive nature. It is the further purpose of this district to maintain and promote the open character of this land as well as to promote the continuance and viability of the farming and agri-business uses." New residential lots in the Agricultural zone are permitted at a density of one unit for the first 6 to 20 acres and one for each 20 acres (or portion of 20 acres) above the initial 20 acres. Properties under 6 acres are not subdividable. The Conservation zone applies to the second largest number of acres outside of the CPAs. Many farms have some amount of Conservation zoning on them. Residential development in the Conservation zone is permitted at a density of one unit for every 3 acres. Additionally, each lot that legally existed as of April 23, 1963 is permitted two off-conveyances plus a remainder as long as the minimum requirements of the associated zone can be met. Off-conveyances are lots that can be created by deed rather than by a recorded subdivision plat.

In addition to zoning, subdivision regulations limit the impact that development might have on farming practices and the preservation of farmland. Specifically, the Development and Subdivision of Land chapter of the County Code requires that lots created in the Agricultural zone be kept as close to one acre in size as possible and be clustered away from productive farmland. Naturally, the lot size also is governed by the various setback requirements imposed by the County Health Department for a lot with individual well and septic systems.

The provision of public facilities such as water and sewer is planned for in the County Water & Sewer Master Plan and implemented through the subdivision process. The county's CPAs are the areas in which most water and sewer facilities are planned and constructed as capital projects or features of development. Most of the area zoned Agricultural and Conservation are designated in the Water & Sewer Master Plan as "no planned service" areas. This limits the amount and intensity of development that is possible in these areas.

Finally, the Carroll County Code of Public Local Laws and Ordinances contains a Right-to-Farm Ordinance that supports the protection of agricultural lands. The chapter's first section begins:

“It is the declared policy of the county to preserve, protect, and encourage the development and improvement of its agricultural land for the production of food and other agricultural products. It is the purpose of this chapter to reduce the loss to the County of its agricultural resources by limiting the circumstances under which agricultural operations may be deemed to constitute a nuisance, trespass, or other interference with the reasonable use and enjoyment of land, including, but not limited to, smoke, odors, flies, dust, noise, chemicals, or vibration, provided that nothing in this chapter shall in any way restrict or impede the authority of the state and of the County to protect the public health, safety, and welfare authority of the state and of the County to protect the public health, safety, and welfare.”

The ordinance requires that, upon any transfer of real property, a statement must be provided to the purchaser that states, in part:

“Agricultural operations (as defined in the Carroll County Right to Farm Chapter) lawfully exist in all zoning districts within the County. You may be subject to inconveniences or discomforts arising from such operations, including but not limited to noise, odors, fumes, dust, flies, the operation of machinery of any kind during any 24-hour period (including aircraft), vibration, the storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, and pesticides. Carroll County has determined that inconveniences or discomforts associated with such agricultural operations shall not be considered to be an interference with reasonable use and enjoyment of land, if such operations are conducted in accordance with generally accepted agricultural management practices.”

### *Farming Assistance Programs*

The Carroll County Department of Economic Development maintains a website ([www.carrollag.org](http://www.carrollag.org)) developed “to assist consumers and producers of farm goods to more easily find agricultural products and to assist in marketing Carroll's homegrown products.” The website and its various marketing materials link consumers with agribusinesses. Publications include a directory of county farmer's markets and choose-and-cut Christmas tree farms, as well as a “Farm Product and Service Directory,” and directories of dairy farms and buyers and sellers of forage. Publications are designed to make connections between buyers and sellers both within the farming community and outside of it. An Agriculture Marketing Specialist position within the Department of Economic Development was created to further the promotion of the county's agricultural products. This effort is enhanced by the “Home Grown in Carroll County” logo that appears on products and marketing materials.

Several organizations provide information and technical assistance to county farmers. Carroll County has a branch of the University of Maryland's Maryland Cooperative

Extension that provides programming in four areas: agriculture, 4-H club, horticulture and home economics. Extension education, which is funded through a combination of federal, state, and county monies, offers technical assistance, special classes and programs, and outreach materials in each of these four areas. Included in these offerings is assistance to farmers and homeowners with practices that will enhance natural resource protection. Such practices include pesticide and fertilizer use and alternatives, soil erosion control, composting, and water conservation.

The Carroll Soil Conservation District also works with farmers to develop and implement soil and water conservation plans and best management practices (BMPs). These plans are developed cooperatively with the Maryland Department of Agriculture and the Natural Resources Conservation Service, and seek to control soil erosion and sedimentation and protect water quality and other natural resources. In FY2004, the Carroll District prepared 162 soil conservation and water quality plans on 4,662 acres.

### **State and Federal Programs**

Carroll County farmers make great use of the various state and federal programs available for resource conservation and nutrient management. The Carroll Soil Conservation District administers the Maryland Agricultural Cost Share (MACS) program for Carroll County. The District provides administration, planning and design for BMPs, and in FY04 had the largest number of completed BMPs in the state (177). In the same year, the District prepared 162 plans for 4,662 acres. According to the 2002 Census of Agriculture, Carroll County had 68 farms enrolled in the Conservation Reserve Enhancement Program, up from 36 in 1997. This amounted to 3,677 participating acres.

### **Geographic Context**

The Existing Use of Land, Planning Context, Master Plan, and Agricultural Preservation maps, contained in the “Maps” section of this plan, visually convey the relationship between land use and land preservation in Carroll County.

### **Data Sharing**

County GIS data related to agricultural land preservation is being provided to the State in shapefile format projected in Maryland State Plane 83 feet, along with the corresponding metadata.

# ***Evaluation of the Agricultural Land Preservation Implementation Program***

## **County Implementation Program Evaluation**

### ***Overall Preservation Strategy***

There are several conditions influencing Carroll County's land preservation strategy. The first is that the County cannot be clearly divided into a growth area and a preservation area like many Maryland counties. Carroll County has eight (8) separate incorporated towns dispersed throughout the county. The county's initial Master Plan established Community Planning Areas (CPAs) to direct growth in and around these expanding towns. The county's Agriculture zone extends to all corners of the county to form an urban boundary for the CPAs. Therefore, targeting land preservation to a specific area within the county has not been a priority. The current Master Plan continues the policy of giving all parcels in the Agricultural zone that meet Maryland Agricultural Land Preservation Foundation (MALPF) criteria an equal opportunity to offer to sell an easement.

The second significant condition affecting preservation strategy is the comprehensive rezoning of the Agricultural district that occurred in 1978. The clustering of residential lots at a density of 1 for each 20 acres or portion of 20 acres is probably as restrictive as could have been adopted at that time. Twenty-five years after being adopted, there is very little likelihood of a rezoning to further reduce the residential density of parcels that remain undeveloped. There have been recent changes to improve the effectiveness of clustering in the Agriculture zone, but the current Master Plan endorses the recommendation of the citizens work group that land zoned Agricultural not be further down-zoned.

### **Complementing State Goals**

It has been Carroll County's policy to acquire as many easement acres as possible by considering all farms eligible for easement sale that meet MALPF District criteria, and allowing the competitive bidding to determine the funding priority. The Rural Legacy Program forced the County to re-examine this policy of not selecting priority preservation areas. The Little Pipe Creek Watershed was selected as a Rural Legacy area in part because of the opportunity to form a preservation barrier between the southern region of the County that was already more developed and the northwestern region where there is less development pressure. By any measure, the State and County goals for land preservation are being carried out in this area. Nearly 50 percent of the area or 11,700 acres are now permanently preserved and there has been almost no residential development within the area since the Rural Legacy Program became available.

About 90 percent of the preserved acreage in Carroll County is in the northwestern half of the county (north of Liberty Road and west of Maryland Route 27). After noting that a significant concentration (2,800 acres) of the other 10 percent of preserved land is located in the Upper Patapsco Watershed (between Westminster CPA and Hampstead CPA) this area was proposed as a Rural Legacy Area and so designated in 2004. The County began its own easement acquisition program by accepting applications from this area for farms that met MALPF criteria but were not actually MALPF Districts.

### **Landowner Understanding**

The initial applications for Rural Legacy Areas have included a public meeting in each area and a mailing of goals, objectives and opportunities to owners of properties greater than 20 acres in size. The University of Maryland Cooperative Extension has provided an annual opportunity for County land preservation staff to keep landowners informed. For the 2005 Extension “Winter Wednesday Series” meeting on land preservation, invitations were mailed to all owners of unprotected farms exceeding 75 acres in size. The media in Carroll County has consistently covered land preservation issues.

### **Sufficient Commitment**

Although state funding is currently limited because of the diversion of Transfer Tax revenue into the state’s General Funds, the Commissioners of Carroll County have significantly increased the level of county funding. The table that appears at the beginning of this chapter shows the amount and sources of funds allocated for agricultural land preservation in the County’s adopted FY06-11 CIP.

### ***Funding***

Over a seven (7) year period, \$10.0 million has been appropriated for the Little Pipe Creek Rural Legacy Area. The County has added \$4.5 million to the state grants of \$5.5 million to preserve a total of 4,000 acres, with funds on hand to cover several large farms that are in negotiation. Adding MALPF and other easements, a total of 11,700 acres are preserved within the area.

In addition to the Rural Legacy program, the County has spent \$34,694,638, matched by \$32,442,412 of state and federal funds, to preserve over 40,000 additional acres of land throughout the county since 1980.

### ***Land Use Management Tools***

#### **Compatibility of Farming**

At this point in time, there is no shortage of farmers willing to buy or rent farmland in Carroll County, and there seems to be no shortage of buyers for residential lots in the Agricultural zone. The goal has been for easement acquisition to significantly reduce the

total lots that may otherwise be created and for the zoning density to prevent development from surrounding the easement properties.

The zoning restrictions and easement acquisition programs are intended to complement each other. The question of long-term compatibility with farming operations is a topic of discussion whenever the land preservation staff is involved in a public meeting. There is a consensus that large-scale livestock operations don't have a future in some locations, specifically in the southern and eastern portions of the county. Questions regarding the future of agriculture were raised at the conclusion of a recent educational meeting with over 80 farm owners or operators in attendance. Those with a pessimistic viewpoint seemed more concerned about profitable income than they were concerned about conflicts related to development. The owner of a profitable farming operation is certainly more willing to address environmental concerns and adjust to greater residential density than the owner of a marginal operation.

One person in attendance at the meeting concluded the discussion by pointing out that there were periods in time when agriculture was more profitable than it is at this time, and there will come a time in the future when it is more profitable, and the wisdom of preserving 100,000 acres will be evident, assuming the County reaches this goal.

A decline in the number of dairy herds is often used as an indicator of changing agriculture, but those changes are due to development pressure or other factors. According to the 2002 Census of Agriculture, the number of farms in Carroll County with milk cows declined from 153 in 1992 to 92 in 2002. Carroll County is third (3<sup>rd</sup>) in the state for milk production; Garrett County is fourth (4<sup>th</sup>). According to the Maryland Department of Planning, Garrett County has seen a lot less development pressure than Carroll, yet has experienced almost the identical decline in dairy herds over the same 10-year period. One can conclude that agriculture is a changing industry regardless of the effects of residential development.

### **Buffering**

Carroll County subdivision and development regulations require clustered residential lots to be located in low priority woodlands or on pastureland, rather than productive cropland. The lots should be located to avoid prevailing winds from existing and future barnyards, silos, and other similar farm buildings. In the Agricultural district, agriculture is the preferred use and no agricultural use shall be restricted because it interferes with other permitted uses. A notice to this effect is stated on final plats creating residential lots. Other than these protections for agriculture, which are reinforced by a county Right-to-Farm Ordinance, there is generally no buffering requirement between the lots and the remainder or neighboring farms that might be under easement.

### **Clustering**

The clustering of residential lots was a component of the "Rural Development Guides and Standards" as amended following the Comprehensive Rezoning in 1978. In April of 2004, the clustering criteria were adopted by ordinance in order to make them more

effective and enforceable. Lots must be clustered, if at all possible, on low priority woodland or on pastureland, rather than productive cropland. They must be clustered to achieve the maximum possible amount of land remaining in cropland.

### *Combined Performance of Preservation Tools*

In 1995, the acres of farmland lost each year was compared to the acres being preserved to determine if the County goal of preserving 100,000 acres could be achieved at specific levels of funding. The acreage preserved each year was based on easements acquired and the acreage lost was based on “Acres in farms” as reported each five years in the Agricultural Census for Carroll County. Based on a projection of the acres lost from 1982 to 1992, and the historic rate of preservation from 1980 to 1995, the County goal could not be obtained because the 80,000 acres of farmland left in 2030 would equal the land preserved by that year. Theoretically, there would be no remaining farm land available for preservation.

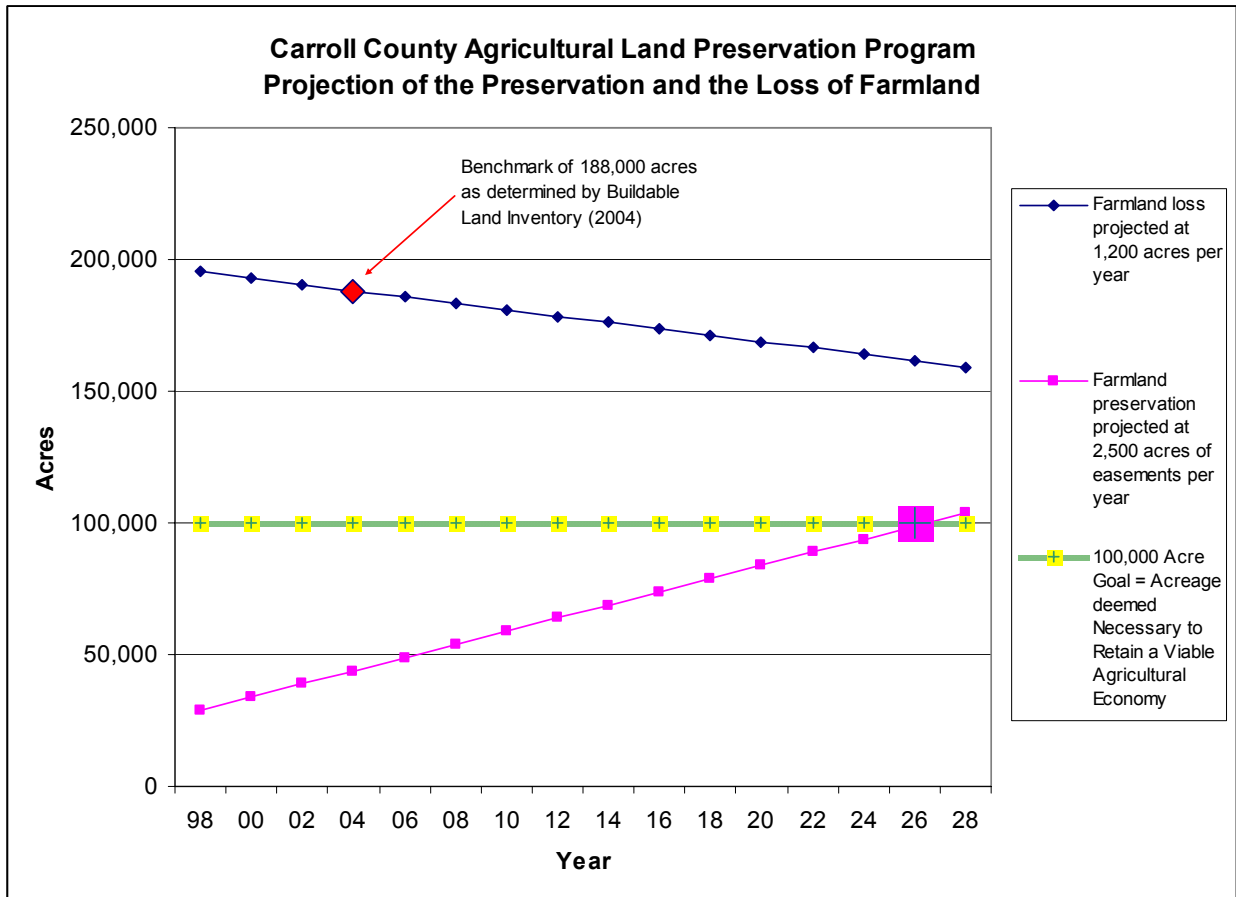
Since 1995, the Census acreage has become less reliable as an indication of the loss of farmland. The 1997 Census gave the County an increase of 10,000 acres in farms over 1992 and the 2002 Census gave a decrease of 20,000 acres from 1997. During the same period, the Acreage lost from Agricultural Use Assessment has been fairly consistent at 1,200 acres per year, as reported by the Maryland Department of Assessments and Taxation.

If the reduction of acres in Agricultural Use Assessment is used as an indication of the annual loss of farmland, the correct acreage to start with becomes a question. A query of Assessment data conducted by the County Information and Technology Services indicates that there were 210,250 acres under Agricultural Use Assessment in Carroll County during 2005. This acreage undoubtedly includes tracts of wooded land and steep slopes that would not meet current soils criteria for agricultural land preservation. Therefore, this is probably a high number for farmland preservation.

The most reliable calculation of current acres in Agricultural Use in Carroll County is probably the 188,069 acres estimated by the County Bureau of Comprehensive Planning for a Buildable Land Inventory analysis conducted recently.

The comparison done in 1995 documented the need to increase the annual rate of easement acquisition, and the County Commissioners responded by increasing County funding for Maryland Agricultural Land Preservation Foundation and the Rural Legacy Program, and adopting a County Easement Acquisition Program. Total easement acquisition in the County has averaged about 2,500 acres per year over the past 8 years.

The following graph is based on the rate of easement acquisition and the rate of acres lost from Agricultural Use Assessment over the past eight years. The bench-mark for the loss of farmland is 188,000 acres in 2004 as determined by the Buildable Land Inventory.



This projection of acreage preserved and acreage lost over the past 8 years indicates that Carroll County will meet its goal of 100,000 acres in 2026, and there will be an additional 59,000 acres of estimated farmland remaining in the County.

The most questionable component of this projection is whether or not State and County funding for land preservation can keep pace with the increasing land values to sustain the acquisition of 2,500 acres per year.

The following chart shows the preservation achievements of all programs in the county.

**Carroll County Land Preserved By A Recorded Deed Of Easement  
June 30, 2004**

Year Through	Maryland Agricultural Land Preservation Program						Rural Legacy Program	Carroll County & USDA Matching		Md. Environmental Trust & C.C. Land Trust		Total (All Programs)		
	Conventional Funding		100% County Funding		Total Program			Farms	Acres	Farms	Acres	Farms	Acres	Farms
1996	180	23,592	4	472	184	24,064			0	0	7	534	191	24,598
1997	13	1,043	4	480	17	1,523			1	100	3	153	21	1,776
1998	12	1,718	6	738	18	2,456			0	0	1	24	19	2,480
1999	9	1,066	7	862	16	1,928			0	0	1	11	17	1,939
2000	11	1,172	5	459	16	1,631	11	879	0	0	2	33	29	2,543
2001	8	881	15	1,949	23	2,830	8	876	0	0	1	148	32	3,854
2002	8	743	11	994	19	1,737	6	643	1	89	2	107	28	2,576
2003	6	492	5	492	11	984	9	1,000	1	42	1	135	22	2,161
2004	0	0	9	923	9	923	5	569	10	1,080	2	342	26	2,914
<b>Totals</b>	<b>247</b>	<b>30,707</b>	<b>66</b>	<b>7,369</b>	<b>313</b>	<b>38,076</b>	<b>39</b>	<b>3,967</b>	<b>13</b>	<b>1,311</b>	<b>20</b>	<b>1,487</b>	<b>385</b>	<b>44,841</b>

Source: Carroll County Agricultural Land Preservation Program, 2005

***Effects of Potential Development on Land Markets***

Carroll County's designated preservation areas are the Agricultural and Conservation zoning districts. Due primarily to development pressure, land values in these districts have increased greatly in recent years. Twenty-four farms with Agricultural zoning that were appraised for the fiscal year 2000 MALPF easement acquisition program had an average fair market value of \$3,568 per acre. The first 22 farms that received easement offers in the fiscal year 2003 program had an appraised fair market value of \$6,196 per acre, a 73 percent increase.

Pressure from non-farmers who want a farm for residential purposes is also a factor in the increased market price of land, as demonstrated by the price of farms that are restricted from future development by an easement or by the Zoning Ordinance. The MALPF appraisals are based on land only. Because most farms are sold with a dwelling and other buildings, it is difficult to develop a comparable average value of farmland that is restricted from development. However, the land value of a 105-acre easement farm that sold recently can be calculated at \$4,595 per acre by subtracting the assessed value of the improvements from the gross sale price.

Easement value as determined by MALPF is directly related to fair market value (or after value), which is derived by a formula that remains constant. As fair market value increases, easement value becomes a greater percentage of the fair market. Easement prices remain below the calculated easement value when there is sufficient bidding competition for the available funding.

The County began in 1996 to increase its dollar commitment to MALPF for additional offers to be made each year with 100 percent County funding. As a result, offers were

being made to applicants whose asking prices were less competitive than they had been when the Agricultural Value Formula was first implemented.

Carroll County examined easement values as a percent of fair market value over a period of years; and, after some experimentation, adopted a policy of not paying more than 70 percent of fair market value for an easement acquired with 100 percent County funding. MALPF is able to make offers according to the County’s request when the offer is 100 percent County-funded, but the maximum value cannot be applied to offers using State General Allotted Funds or State Matching Funds.

The fiscal year 2004 MALPF easement acquisition program illustrates the value of competitive bidding and the County maximum value. All 26 Carroll County applicants received offers. The first 14 offers were made at the owner’s asking prices, which had a combined total discount of \$1,116,783 below 70 percent of the appraised fair market values. Five applicants accepted offers based on the County maximum value. Without the maximum value policy, these easements would have cost an additional \$496,328. Four applicants rejected offers that without the maximum value would have been at or close to their asking prices. Three applicants rejected offers that would have probably been rejected at the full MALPF easement value.

Regardless of the County’s efforts to contain easement acquisition costs, they have increased significantly in the last three years.

<b>Carroll County Participation</b>							
<b>Maryland Agricultural Land Preservation Foundation Easement Acquisition Program</b>							
<b>Year</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>*2004</b>
Number	18	16	16	23	19	11	21
Acres	2,457	1,923	1,631	2,832	1,736	984	2,350
Acquisition Cost Per Acre	\$2,057	\$2,242	\$2,048	\$2,433	\$2,762	\$2,821	\$3,628

\* Includes County acquisitions  
 Source: Carroll County Agricultural Land Preservation Program

The County is managing residential growth in accord with the ability to provide services. The resulting quality of life in the county is creating a demand for housing that exceeds the supply of new homes and lots. Where rural residential lots were starting at \$50,000 a few years ago, they are now starting at \$150,000. This is, of course, affecting easement values.

The state and county will be challenged in coming years to finance the acquisition of easements necessary to meet the stated preservation goals.

Number of New Residential Lots in Subdivisions that Received Final Approvals		
Year	Unincorporated Area	Incorporated Cities/Towns
2000	328	329
2001	608	413
2002	376	142
2003	270	417
2004	260	246
<b>Total</b>	<b>1842</b>	<b>1547</b>

Source: Carroll County Bureau of Development Review, 2005

Zoning of the Subdivision Plan									
Year of Preliminary Approval	Ag.	Cons.	Ag. & Cons.	Ag. & Res.	Res. & Cons.	Res.	Comm./ Ind.	Total Subdivision Lots	Off-Conveyance Lots
2000	72	21	0	0	0	136	14	243	76
2001	65	83	0	0	0	20	0	168	54
2002	43	15	42	0	104	105	6	315	105
2003	92	33	4	2	0	0	0	131	82
2004	79	6	4	0	0	0	11	100	45

Source: Carroll County Bureau of Development Review

### *Farming and Farming Assistance Programs*

The agricultural industry is alive and well in Carroll County with \$68.9 million of agricultural sales annually. Crop sales account for \$31.1 million of sales and livestock sales account for \$37.8 million. Nearly all of the farms in the preservation programs are in agricultural production.

The businesses that service agriculture are becoming fewer; however, those that survive are becoming larger and are servicing greater territory. On a regional basis, according to *Farmland Preservation Report*, 9 of the 12 counties in the nation with the most preserved farmland are in a contiguous block of counties in Maryland and Pennsylvania that includes Carroll. With over 390,000 acres preserved in these counties, there is a strong likelihood that agricultural and agricultural assistance programs will continue in the region.

### **Summary of Needed Improvements in the Implementation Program**

Carroll County has greatly increased its commitment of funds for land preservation; yet the goal of preserving 100,000 acres may be unobtainable due to funding sources not keeping pace with increased easement costs per acre. Assuming a constant price of \$4,000 per acre, \$220 million is required to purchase easements on the 55,000 acres remaining to meet the goal. Although the County financial commitment has been the

program's strength in the past, it appears that an increase in state funding support is necessary to achieve state and local goals.

Experience in the Little Pipe Creek Rural Legacy Area and experience with a County easement acquisition program indicates that the requirement of a District Agreement is a deterrent to many landowners who might otherwise participate in an easement acquisition program. It may be necessary to eliminate the District or reduce the amount of time required to be in the District in order to increase participation in the easement sale program. As long as competitive bidding is a factor in allocating funds, greater participation will help contain costs.

Carroll County's Critical Farms Program has been a strength of the easement program since it was adopted in 1992. Providing easements funds at the time a farm is for sale has enabled young farmers and expanding farmers to acquire land that otherwise would have been developed. Having a Critical Farms Program at the state level would be helpful, but may only work if state funding is increased.

Carroll County began offering an installment purchase agreement (IPA) program in 2002 as an optional method of paying for easements. This has enabled the County to obtain easements on farms that otherwise would have not been in the program due to the tax consequences to the owner. When an applicant who wants an IPA is ranked by MALPF to receive an offer that contains state funding, that applicant must reject the offer in favor of a County-held easement to be paid for with the IPA. If the State does not establish an IPA program for MALPF, it would help Carroll County for MALPF to be authorized to grant its portion of an offer to the County for a County settlement of an easement held jointly by the State and County.

## ***Program Development Strategy for Agricultural Land Preservation***

1. In order to achieve the 100,000 acre goal, Carroll County must acquire easements on 60 percent of the 89,000 acres of unprotected land that is in parcels greater than 20 acres. The best strategy to accomplish this is to make as many easement offers as possible to the owners who apply. For the past three years, offers have been made to all applicants in the MALPF, Rural Legacy, and County easement programs. Restoring the Program Open Space funding and implementing the funding recommendations of the MALPF Task Force are essential for this strategy to continue.

*Fiscal Note: Assuming a constant price of \$4,000 per acre, \$220 million will be required to purchase easements on the 55,000 acres remaining to meet the goal. \$34 million was bonded for agricultural land preservation from FY05 through FY10.*

2. Designated preservation areas in Carroll County are the Little Pipe Creek Rural Legacy Area and the Upper Patapsco Rural Legacy Area. The strategy is to

promote easement acquisition within these areas and to provide County matching funds for State Rural Legacy grants to acquire as many easements as possible within these areas.

3. The County Critical Farms Program is best described as a “fast-track preservation program that guarantees at least minimum easement funding and enables a preservation buyer to acquire the farm”. Farms being marketed are at the greatest risk of development, and it is the County’s strategy to continue allocating a portion of preservation funding to this program.
4. The County recently strengthened the clustering provisions of the Rural Development Guides and Standards by adopting them as a County ordinance rather than operating under guidance. The strategy of clustering lots to preserve the maximum tillable ground will continue.
5. The County has adopted a strategy to contain easement costs by adopting maximum easement values as a percent of the appraised fair market value. Currently, the County does not offer more than 70 percent of fair market value for an easement in the County and Rural Legacy Programs, and for MALPF easements with 100 percent County funding. To date, the competitive bidding has held the State-funded MALPF offers to less than 70 percent of fair market value but this may not always be the case. The MALPF law should be amended to allow counties to establish a maximum value for all offers.

