

General Development Plan 2008

Background Report on Agricultural Land Preservation



February 2008

I. Introduction

Anne Arundel County has been an agricultural community for over 350 years, beginning with its role as a major tobacco-producing region in the 17th and 18th centuries. Today agricultural production is more diversified but is still an important component of the local economy. While the northern part of the county has become much more urbanized over the past century, South County has remained a strong agricultural producing region.

Traditionally, Anne Arundel County has had smaller farms than some other Maryland counties, particularly on the Eastern Shore, due to topography and development pressures generated by its central location between Baltimore and Washington. County farms range from crops and livestock to timber production and horse breeding. Many farms remain family operations. With the transition from tobacco as a major cash crop, county farms now primarily grow corn, soybeans, wheat, hay, and vegetables. Many farmers have found that boarding and breeding horses is more profitable than raising crops.

The most recent USDA Census of Agriculture, completed in 2002, indicated over 35,000 acres of land in farm use in the County, representing 13% of the County's total land area. At that time there were estimated to be 432 farms in the County with an average farm size of 82 acres. Over two thirds of the land in farms was used for cropland and approximately one fifth was woodland, with the remainder used as pastureland or for house lots. The leading crops in terms of number of acres farmed were soybeans, corn and hay.

The 2002 USDA Census estimated the total market value of agricultural production in the County to be \$11 million, of which crops made up 90% and livestock 10%. In terms of market value of production, the leading product was nursery, greenhouse products, flowers and sod that accounted for \$5.4 million of production value, followed by grains, vegetables and livestock.

The County's horse industry is also an important part of its agriculture base. A Maryland Equine Census conducted in 2002 reported 4,590 horses and ponies in the County with a value of \$27 million. There were over 2,300 County residents directly involved in the equine industry sector, not including hired labor. The horse industry in the County includes the racing breeds of thoroughbreds and standard-breds, as well as other breeds involved in recreational activities, such as Arabians, quarter horses, sport horses and smaller pony breeds.

The farms and open spaces of southern Anne Arundel County are important to the County and the region. Agriculture serves a dual role of providing a direct economic benefit as well as preserving the quality of life that is reflected in a rural environment.

II. Current Goals and Strategies

The County currently has three primary planning documents that establish goals and strategies relating to agricultural land preservation. These include the General

Development Plan, the South County Small Area Plan, and the Land Preservation, Parks and Recreation Plan.

The 1997 General Development Plan (GDP) included several policies related to the goal of preserving agricultural, forested and rural areas of the County. These policies and strategies related primarily to promoting agriculture as a viable sector of the local economy; encouraging the use of Best Management Practices to reduce nutrient and sediment runoff and promote healthy streams; discouraging the loss of prime agricultural land to development; and working cooperatively with State agencies and property owners to increase the amount of land protected through easement acquisitions.

The South County Small Area Plan, adopted in 2001, also included several recommendations for maintaining the rural economy. These included incorporating a rural economy function within the County's overall economic development program. Progress on many of these recommendations is ongoing and is summarized in Table IV-7 in the Land Preservation, Parks and Recreation Plan (Final Draft, Oct. 2006) as well as discussed in the following section.

Most recently, the County prepared an update to its Land Preservation, Parks and Recreation Plan (Final Draft, October 2006). This State-mandated plan focuses on three major components which collectively make up the County's overall preservation program: 1) recreation, parks and open space; 2) agricultural land preservation; and 3) natural resource conservation. The plan evaluated the County's current implementation program for agricultural preservation, which is described below, and proposed four major program development strategies to help further the County's progress in reaching its preservation goals:

- Adopt revised program regulations for the Agricultural and Woodland Preservation Program;
- Increase the rate of agricultural easement acquisitions and land preservation;
- Strengthen agricultural economic development and marketing within the Anne Arundel Economic Development Corporation (AAEDC); and
- Nurture and support growing enterprises such as horse farming.

Since the adoption of these plans, several steps have been taken to address these goals and strategies as discussed below. Based on these, the County has made significant strides toward meeting its preservation goals. Although to date the County has not reached the overall program goal established in 1993 of preserving 20,000 acres of agricultural land through the purchase of easements, nearly 8,500 acres have been preserved since 1992. Work is ongoing to further address these goals.

III. Implementation Program for Agricultural Preservation

Anne Arundel County's implementation program for agricultural and woodland preservation consists of three easement acquisition programs, other funding mechanisms,

land use controls, marketing programs, and public outreach. Program policies focus on maintaining agriculture as a viable and sustainable sector of the economy and on preserving agriculture as a key element of the rural character of South County. The programs are implemented through the cooperative efforts of several County agencies, State agencies, advisory committees and advisory boards.

Easement Acquisition Programs

The three easement acquisition programs operating in the County are the Maryland Agricultural Land Preservation Foundation (MALPF) program, the County’s Agricultural and Woodland Preservation Program, and the Rural Legacy Program. The amount of agricultural land protected with easements under each of these programs, as of February 2008, is shown in Table 1.

Table 1. Preserved Agricultural Lands

Agricultural Lands	Acres
Easements (permanently protected)	
MALPF	4,411
County Agriculture & Woodland Program	5,805
Rural Legacy	855
Total Easements	11,071
Districts (not permanent)	
MALPF Districts	3,208
County Districts	2,637
Total Districts	5,845
Total Easements and Districts	16,916

Maryland Agricultural Land Preservation Foundation (MALPF)

The Maryland Agricultural Land Preservation Foundation program is a purchase of development rights program. After eligibility is established, the MALPF can purchase the development rights from the owner based on the fair market value of the property. The Foundation offers grants for payment in lump sum or in installments. The property is then preserved for agricultural use in perpetuity and placed under an easement. Anne Arundel County has participated in the MALPF Program since 1980. As of February 2008, the County has a total of 4,411 acres that are permanently preserved through MALPF easements.

Anne Arundel County Agricultural and Woodland Preservation Program

The County’s Agricultural and Woodland Preservation Program was created in 1990 to supplement the MALPF program and to offer an alternative for agricultural preservation that recognized the County’s small farms, since at that time participation in the MALPF program required a minimum size of 100 acres. The County’s program is also a voluntary purchase of development rights program by which the County purchases an easement to preserve the property for agricultural use. Properties of 50 acres or more in size are eligible to participate. In an effort to increase the amount of land protected through easement acquisitions, beginning in 2000 the County added an Installment

Purchase Agreement (IPA) option to its program. Under this option, the County purchases an easement based on the fair market value and pays in installments, plus tax-free interest, over 30 years. This allows the County to make more easement purchases at a faster pace as opposed to paying for easements on a cash basis. As of February 2008, the County has devoted approximately \$26 million to this program, and a total of 5,805 acres have been permanently preserved through the program.

In 2003, an executive committee was appointed to review and evaluate the County's Agricultural and Woodland Preservation Program. Several recommendations were made to improve the program, and some of those were addressed through revisions to the County's zoning code in 2005. The County is currently working to draft legislation to further revise its agricultural program regulations to incorporate some additional recommendations.

Rural Legacy Program

This program, administered by the State Department of Natural Resources, requires participating counties to delineate a specific geographic area in need of focused land conservation efforts. Anne Arundel County's designated Rural Legacy Area (RLA) is approximately 32,400 acres in size and is located in South County. Within that area, the County can purchase easements from landowners based on a scoring and ranking system that rates property according to size, development potential, soil productivity and other factors. Grants are awarded for lump sum payments. As shown in Table 2, approximately 12,507 acres (39 percent) of the RLA have been protected as of February 2008. Of these approximately 855 acres were preserved through the Rural Legacy program.

Table 2. Rural Legacy Area Summary

	Acres	Percent
Protected Land		
Rural Legacy	855	
State parks & open space	217	
Federal parks & open space	1,844	
County parks and open space	2,199	
MALPF	3,590	
County Agricultural & Woodland Program	3,596	
Maryland Environmental Trust	21	
Private Land Trust	185	
Total Protected Land	12,507	39%
Developed Land	6,199	19%
Unprotected Land	13,715	42%
Total Rural Legacy Area	32,421	100%

Figure 1 illustrates the location of properties that have been permanently protected with conservation easements through one of the three agricultural preservation programs. As shown, most of the properties are located in rural South County although a few are located on the Broadneck peninsula or elsewhere in the County.

Existing Funding Mechanisms

The primary mechanism for permanently protecting agricultural land in Anne Arundel County is through the purchase of conservation easements on private land. Both local funds and matching State funds are used for easement acquisition. Since 1980 approximately \$40.2 million has been spent on agricultural land preservation in the County, of which 70% percent came from County funding sources, 29% from State funds, and 1% from federal funds. A summary of agricultural preservation expenditures by year can be found in the County's Land Preservation, Parks and Recreation Plan (Final Draft, October 2006).

County funding for agricultural preservation comes from a variety of sources, including County General Fund appropriations, installment purchase agreement (IPA) bonds, and agricultural transfer tax monies which go to both the State and the County. To a lesser extent additional funds come from grants, tobacco buyout funds, and federal sources.

The County has also offered a tax credit program since 1990 as an additional incentive for land preservation. This is a ten-year real property tax credit to participants in either the MALPF or the County agricultural preservation programs.

Land Use Controls and Policies

The County's General Development Plan, Zoning Ordinance, and Subdivision Regulations are the principal planning and regulatory tools used to establish land use policies and to guide and manage growth, development, and land preservation. The current GDP Land Use Plan designates nearly 89,000 acres of land, including most of South County, for "Rural" land use. In general, a Rural designation indicates that land use in the area should continue as rural or agricultural, that public utilities are not planned for the area, that agriculture and forestry should be primary uses in the area, that new residential uses are encouraged to develop in villages or clusters to preserve as much open space as possible, and that commercial uses be limited to neighborhood and community level services.

Areas with a Rural land use designation are generally assigned to the Rural Agricultural (RA) zoning district, particularly in South County. The RA zoning district comprises approximately 30 percent of the land area in the County and includes most of the County's prime agricultural land. The RA district allows residential subdivisions at a density of one dwelling unit per 20 acres, with one additional dwelling unit permitted for residue acreage over 10 acres, and for parcels over 50 acres, one additional dwelling unit for every 50 acres. Although properties less than 50 acres in size cannot currently qualify for the MALPF program or the County's Agricultural and Woodland Preservation Program (because there would be limited if any development rights to sell), quite a few of these properties nonetheless are used for vegetable growing, flowers, grapes, horses and other agricultural uses.

Since the adoption of the 1997 GDP and the South County Small Area Plan, the County has adopted several code changes that will help to reduce the loss of agricultural land to development. For example, a Right to Farm bill was adopted in 2004 with the intention

of preventing nuisance lawsuits that can often arise from residential growth in agricultural areas. This legislation will help to protect the economic viability of farming in the County.

Additional changes were made to the code in 2005 that will have an impact on development densities in rural areas. Prior to 2005, maximum development densities in the RA zone were one dwelling unit per 20 acres in general, but additional lots could be subdivided for the purpose of family conveyances. This provision was in some cases allowing overall development densities much higher than what was



desirable in the RA district. As part of a comprehensive change to the County's zoning ordinance in 2005, the family conveyance provision was eliminated from the regulations. The County believes this will help to preserve larger contiguous areas of farmland and reduce fragmentation of agricultural areas.

Other changes to the County Code have been made to provide increased incentives for agricultural preservation. The County's Subdivision Regulations now allow that agricultural preservation subdivisions, i.e. a subdivision for which an agricultural preservation easement has been acquired, may be exempted from Adequate Public Facilities requirements for schools and roads. This exemption may serve to be a major incentive for landowners to place properties under agricultural easements.

In consistency with State regulations, the County's Agricultural and Woodland Preservation Program now requires that all properties participating in the program have Soil and Water Conservation Plans, Forest Management Plans, and Nutrient Management Plans, when applicable, in effect. These plans rely on the use of Best Management Practices (BMPs) to control agricultural runoff and reduce nutrient loads to local waters. This also contributes to the County's broader environmental goals of watershed protection and forest conservation.

Marketing and Public Outreach

Information on the County's various agricultural preservation programs is available on the Anne Arundel County web site. Public informational meetings are periodically held at different locations around the County to explain the various programs and options available to the landowners. Attendees are provided brochures explaining qualifying criteria, payment options, and deadlines to apply along with application forms.

Exposure is also provided through partnership with the Anne Arundel Economic Development Corporation (AAEDC). This agency has worked with the County to develop a strategic marketing plan to promote its agricultural programs, including the

creation of a full time staff position in AAEDC. In addition, the agency has developed outreach materials promoting local farmers markets. AAEDC interacts with Federal, State, and local agencies and is well represented on agricultural boards and commissions as a part of their effort to be aware of and address current issues in the agricultural community. AAEDC includes the development of agribusiness in its overall mission of serving business needs and increasing the County's economic base.

In 2002 the County established an Agricultural Development Advisory Committee to work with AAEDC, County staff, farmers, and the agricultural business community to sustain and promote agriculture. The committee, re-appointed by AAEDC in 2007, focuses on market development, funding, public information and outreach. Most recently the committee has worked to expand farmers' markets and develop programs to support the agricultural community. The County is committed to continuing its financial commitment to these programs to the extent possible.

Program Management and Interagency Coordination

A number of County agencies, committees and boards have key roles in implementing the various components of the County's agricultural preservation program. Cooperation among the various local agencies as well as coordination with the Maryland Department of Agriculture and MALPF are important to the success of the program.

The Department of Recreation and Parks has primary responsibility for program guidelines, implementation, and strategies. The Department guides the administration of the three easement acquisition programs described above, including the Anne Arundel County Agricultural Preservation Program, Maryland Agricultural Land Preservation Foundation Program, and Rural Legacy Program. Property descriptions and maps relating to all easement properties are maintained within the Department.

The Anne Arundel County Agricultural Preservation Program operates under a Capital Project managed by the Department of Public Works (DPW). DPW provides budget management and compliance with County procedures including but not limited to property appraisals and preliminary title review of potential easement properties.

Currently, Article 18 of the Anne Arundel County Code cites the Office of Planning and Zoning with responsibility for approvals and recommendations regarding the creation of Agricultural Districts, purchase of Agricultural Easements, and program guidelines relating to land use and zoning.

The Agricultural Preservation Advisory Board is established in accordance with the Agriculture Article, § 2-505.1 to promote preservation of agriculture within the County. This five-member board is appointed by the County Executive and is comprised of citizens and members of the agricultural community. The Board meets at least four times a year and advises the County Executive and the County Council on the establishment of agricultural districts and the purchase of easements. The board also makes recommendations concerning budget and appropriation requests, promotes the

preservation of agriculture, and prepares and reviews recommendations related to County policies and programs.

IV. Priority Preservation Areas

The Agricultural Stewardship Act of 2006 authorizes counties to include a Priority Preservation Area (PPA) element in their comprehensive plan, and the requirement is mandatory for counties such as Anne Arundel that have State-certified programs. A specific preservation goal will be established based on the PPA. By establishing a priority area that meets specified criteria, the State and counties will be able to better target preservation funds to those areas that will provide the most benefit toward meeting a county's preservation goals. The County will still be able to purchase easements outside of the PPA using the three existing easement acquisition programs, but additional State funding, when available, will be targeted toward preservation within the PPA. The State requires that a PPA meet the following criteria:

- the area must contain productive agricultural or forest soils or be capable of supporting profitable agricultural and forestry enterprises;
- the area must be governed by local policies that stabilize the agricultural or forest land base so that development does not convert or compromise agricultural and forestry resources;
- the area must be large enough to support the kind of agricultural operations that the County seeks to preserve; and
- the area must include an acreage goal for land to be preserved through easements and zoning in the PPA equal to at least 80% of the remaining undeveloped areas of land in the area.

Based on these criteria, the County has defined a preliminary PPA boundary by identifying properties that contain productive soils (Class I, II or III soil types), that lie within the Rural Agricultural (RA) zoning district, and that are 50 acres or more in size. The County also took into consideration proximity to land parcels already protected by an agricultural preservation easement as well as the potential to form larger contiguous areas of preserved land.

The results of this analysis are shown in Figure 2. The preliminary PPA consists of approximately 23,420 acres of land in two separate areas and includes approximately 300 individual land parcels that are at least 50 acres in size and are zoned RA. Approximately 18,400 acres of the PPA, or 79%, also fall within the County's Rural Legacy Area, and about 56% of the 32,420-acre Rural Legacy Area would fall within this proposed PPA. Within the PPA 10,190 acres are currently protected under agricultural districts and easements. An additional 2,297 acres are County or State-owned parkland. The remaining 10,933 acres are not protected by an easement or as parkland. If all the remaining acreage were undeveloped, using the State's 80% criteria the County would establish a goal of preserving 8,746 additional acres within the PPA through protective easements. However, some of the remaining acreage is developed and can be excluded from the preservation goal acreage.

Using this as a starting point, the County may further refine the proposed PPA and will include its final recommended PPA in the 2008 General Development Plan, along with strategies for meeting the preservation goals. Other factors to be considered include the size of properties and the potential for further development. Although currently only properties of 50 acres or more in size are eligible to participate in the MALPF or County Agricultural and Woodland Preservation programs, the County notes that there are existing properties of 15 to 30 acres in size that can and in some cases are being used for vegetable growing, flowers, grapes, horses and other agricultural uses. In addition, the County's RA zoning district includes many properties of less than 50 acres that are developed with a single residence, and while many of these properties are not protected under an easement, they are essentially "protected" from further development based on the allowable densities in the RA district.

V. Conclusions

Anne Arundel County has made some significant achievements toward preserving its agricultural heritage over the past 25 years. The County has worked closely with the State Departments of Agriculture and Planning to certify and maintain its preservation programs, and continues to use a variety of approaches including legislation, outreach, land use controls and voluntary acquisitions to accomplish its mission.

An overall goal of preserving 20,000 acres of agricultural land in the County was established in 1993, and the County has been able to preserve significant amounts of acreage each year since that time. Approximately 50% of the total acreage preserved under agricultural easements to date was acquired between 2000 and 2006, in part due to the Installment Purchase Agreement option that was added to the County's preservation program in 1999 to stimulate interest.

In spite of these accomplishments, there is some concern that it will become increasingly difficult for the County's voluntary preservation programs to compete with market forces and development pressures in its planned rural and agricultural areas. Currently, landowners are offered a percentage of fair market value for a development rights easement plus a County property tax credit on up to the first \$250,000 of assessed value of structures including dwellings. While this represents an attractive financial incentive for participation in the programs, the programs must remain competitive with market forces if the County is to meet its preservation goals. Additional incentives or revisions to the programs to increase their value may be required in order to attract new interest in the programs and sustain the rate of participation experienced over the past several years.

In addition, established goals for preservation must be realistic and attainable. A more complete land parcel inventory and holding capacity analysis is needed in order to ascertain whether the 20,000-acre goal remains attainable. Such a study will be beyond the timeframe of the 2008 GDP update, but it will be recommended in the GDP as a planning study needed in the near term. This research will provide information necessary to assess the remaining available acreage that meets the qualifying criteria under the current purchase of development rights programs. It will also help to determine whether

there are feasible revisions to those programs that would allow additional acreage to qualify for the programs and thus enhance the County's ability to meet its goals.

The 2008 General Development Plan will enhance or revise existing policies and strategies and/or propose new policies and strategies as needed to address this concern. As required by the Agricultural Stewardship Act of 2006, the GDP will:

- Describe the kinds of agricultural uses that the County intends to promote and support;
- Evaluate any needed changes in land use codes or other land management practices to limit the impact of subdivision and development in the Priority Preservation Area and Rural Legacy Areas;
- Describe strategies for accomplishing the County's preservation goals and preserving the desired amount of land;
- Describe strategies for maintaining a rural environment that supports agricultural uses; and
- Describe the methods the county will use to concentrate preservation funds and efforts in the PPA.

It should also be noted that goals and strategies for agricultural preservation often overlap with related goals and strategies for land preservation, watershed restoration, and natural resource conservation. For this reason, the General Development Plan will consider all of its major plan elements comprehensively in laying out its goals, policies and strategies.

