



Howard County

Agricultural Land Preservation Program

MEMORANDUM

Subject: Testimony for the Lowrey Property Installment Purchase Agreement

To: Lonnie Robbins, Chief Administrative Officer, Department of Administration

Through: Amy Gowan, Director, Department of Planning and Zoning ^{DS} *AG*

Through: Beth Burgess, Chief, Resource Conservation Division, Department of Planning and Zoning ^{DS} *BB*

From: Joy Levy, ^{DS} Agricultural Land Preservation Program Administrator, Department of Planning and Zoning *JL*

Date: February 3, 2021

The Department of Planning and Zoning supports Council Bill No. -2021. This bill approves an Installment Purchase Agreement to acquire an agricultural preservation easement on property owned by William and Jennifer Lowrey. Section 15.507(e)(4) of the Howard County Code requires County Council approval of a multi-year Installment Purchase Agreement pursuant to Section 612 of the Howard County Charter.

The approval of an Installment Purchase Agreement for the Lowrey property would preserve 34.5 acres of mostly pasture land that is comprised of 100% Class I, II and III soils. The Lowreys operate a horse boarding facility and the property is improved with a principal dwelling, an indoor riding arena, a 17-stall boarding barn and several other barns and run-in sheds. Although there is relatively little land in preservation immediately adjacent to the Lowrey farm, there is a high concentration of preserved land within 3/4 mile. Preserving this property would add to over 22,800 acres of farmland that have been preserved to date.

Fiscal Impact Analysis:

The purchase price of the Lowrey easement is \$1,011,600.00, however; when twice yearly interest payments over 20 years are factored in, the overall cost will be \$1,108,049.14. The funding comes from the 25% portion of the transfer tax that is dedicated to the Agricultural Land Preservation Program.

The Lowreys will be paid 5% of the purchase price in cash at settlement. The balance will be paid through the Installment Purchase Agreement in 20 equal yearly installments. The owners will also receive twice yearly interest payments on the remaining principal over the 20-year term. Please see the attached draft amortization schedule for detailed payments. There are no other expenditures associated with the Lowrey acquisition. Current ALPP staff member manages all aspects of the acquisition process.

Having met all eligibility criteria for the acquisition of an agricultural preservation easement, staff supports Council Bill No. -2021.

cc: Jennifer Sager, Legislative Coordinator, Department of Administration
 Rafiu Ighile, Director, Department of Finance
 Morenike Oyenusi, Senior Assistant County Solicitor, Office of Law

Howard County, Maryland
Agricultural Land Preservation Program
Installment Purchase Amortization Schedule

	Acres:	34.50
	Price per acre:	\$29,320.00
Landowner: Curtis and Jennifer Lowrey	Total price:	\$1,011,600.00
20 Year Amortization - 5% Down		
	Down Payment	\$50,580.00
Interest Rate: 1.0000%	Interest:	96,449.14
Settlement: August 2, 2021	Total payments:	\$1,108,049.14
		Estimated - subject to change

Date	Principal Amount	Interest	Semi-annual Debt Service	Annual Debt Service	Balance
					\$961,020.00
August 15, 2021		347.04	347.04		961,020.00
February 15, 2022	48,051.00	4,805.10	52,856.10	53,203.14	912,969.00
August 15, 2022		4,564.85	4,564.85		912,969.00
February 15, 2023	48,051.00	4,564.85	52,615.85	57,180.70	864,918.00
August 15, 2023		4,324.59	4,324.59		864,918.00
February 15, 2024	48,051.00	4,324.59	52,375.59	56,700.18	816,867.00
August 15, 2024		4,084.34	4,084.34		816,867.00
February 15, 2025	48,051.00	4,084.34	52,135.34	56,219.68	768,816.00
August 15, 2025		3,844.08	3,844.08		768,816.00
February 15, 2026	48,051.00	3,844.08	51,895.08	55,739.16	720,765.00
August 15, 2026		3,603.83	3,603.83		720,765.00
February 15, 2027	48,051.00	3,603.83	51,654.83	55,258.66	672,714.00
August 15, 2027		3,363.57	3,363.57		672,714.00
February 15, 2028	48,051.00	3,363.57	51,414.57	54,778.14	624,663.00
August 15, 2028		3,123.32	3,123.32		624,663.00
February 15, 2029	48,051.00	3,123.32	51,174.32	54,297.64	576,612.00
August 15, 2029		2,883.06	2,883.06		576,612.00
February 15, 2030	48,051.00	2,883.06	50,934.06	53,817.12	528,561.00
August 15, 2030		2,642.81	2,642.81		528,561.00
February 15, 2031	48,051.00	2,642.81	50,693.81	53,336.62	480,510.00
August 15, 2031		2,402.55	2,402.55		480,510.00
February 15, 2032	48,051.00	2,402.55	50,453.55	52,856.10	432,459.00
August 15, 2032		2,162.30	2,162.30		432,459.00
February 15, 2033	48,051.00	2,162.30	50,213.30	52,375.60	384,408.00
August 15, 2033		1,922.04	1,922.04		384,408.00
February 15, 2034	48,051.00	1,922.04	49,973.04	51,895.08	336,357.00
August 15, 2034		1,681.79	1,681.79		336,357.00
February 15, 2035	48,051.00	1,681.79	49,732.79	51,414.58	288,306.00
August 15, 2035		1,441.53	1,441.53		288,306.00
February 15, 2036	48,051.00	1,441.53	49,492.53	50,934.06	240,255.00
August 15, 2036		1,201.28	1,201.28		240,255.00
February 15, 2037	48,051.00	1,201.28	49,252.28	50,453.56	192,204.00
August 15, 2037		961.02	961.02		192,204.00
February 15, 2038	48,051.00	961.02	49,012.02	49,973.04	144,153.00
August 15, 2038		720.77	720.77		144,153.00
February 15, 2039	48,051.00	720.77	48,771.77	49,492.54	96,102.00
August 15, 2039		480.51	480.51		96,102.00
February 15, 2040	48,051.00	480.51	48,531.51	49,012.02	48,051.00
August 15, 2040		240.26	240.26		48,051.00
February 15, 2041	48,051.00	240.26	48,291.26	48,531.52	0.00
	\$ 961,020.00	\$ 96,449.14	\$ 1,057,469.14	\$ 1,057,469.14	