



Howard County

Agricultural Land Preservation Program


MEMORANDUM

Subject: Testimony for the Sharp Property Installment Purchase Agreement

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

Through: Amy Gowan, Director, Department of Planning and Zoning DocuSigned by:
Amy Gowan
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Through: Beth Burgess, Chief, Resource Conservation Division, Department of Planning and Zoning DS
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From: Joy Levy, Agricultural Land Preservation Program Administrator, Department of Planning and Zoning 

Date: September 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 C. Alan Sharp. 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 Sharp property would preserve 23.97 acres of land that is entirely in row crops and 100% Class I, II and III soils. The farm is unimproved and therefore does not have a principal dwelling. Additionally there are no ag related structures. Although there is relatively little land in preservation immediately adjacent to the Sharp farm, there is a high concentration of preserved land nearby. Preserving this property would add to almost 22,900 acres of farmland that have been preserved to date.

Fiscal Impact Analysis:

The purchase price of the Sharp easement is \$842,000.00, however; when twice yearly interest payments over 20 years are factored in, the overall cost will be \$923,279.00. The funding comes from the 25% portion of the 1% local transfer tax that is dedicated to the Agricultural Land Preservation Program (ALPP).

Mr. Sharp 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. Mr. Sharp 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 Sharp acquisition. The 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:	23.97
Landowner: Chuck, Denise and Alan Sharp	Price per acre:	\$35,120.00
20 Year Amortization - 5% Down	Total price:	\$842,000.00
	Down Payment	\$42,100.00
Interest Rate: 1.0000%	Interest:	81,278.83
Settlement: December 17, 2021 Estimated - subject to change	Total payments:	\$923,278.83

Date	Principal Amount	Interest	Semi-annual Debt Service	Annual Debt Service	Balance
					\$799,900.00
February 15, 2022		1,288.73	1,288.73		799,900.00
August 15, 2022	39,995.00	3,999.50	43,994.50	45,283.23	759,905.00
February 15, 2023		3,799.53	3,799.53		759,905.00
August 15, 2023	39,995.00	3,799.53	43,794.53	47,594.06	719,910.00
February 15, 2024		3,599.55	3,599.55		719,910.00
August 15, 2024	39,995.00	3,599.55	43,594.55	47,194.10	679,915.00
February 15, 2025		3,399.58	3,399.58		679,915.00
August 15, 2025	39,995.00	3,399.58	43,394.58	46,794.16	639,920.00
February 15, 2026		3,199.60	3,199.60		639,920.00
August 15, 2026	39,995.00	3,199.60	43,194.60	46,394.20	599,925.00
February 15, 2027		2,999.63	2,999.63		599,925.00
August 15, 2027	39,995.00	2,999.63	42,994.63	45,994.26	559,930.00
February 15, 2028		2,799.65	2,799.65		559,930.00
August 15, 2028	39,995.00	2,799.65	42,794.65	45,594.30	519,935.00
February 15, 2029		2,599.68	2,599.68		519,935.00
August 15, 2029	39,995.00	2,599.68	42,594.68	45,194.36	479,940.00
February 15, 2030		2,399.70	2,399.70		479,940.00
August 15, 2030	39,995.00	2,399.70	42,394.70	44,794.40	439,945.00
February 15, 2031		2,199.73	2,199.73		439,945.00
August 15, 2031	39,995.00	2,199.73	42,194.73	44,394.46	399,950.00
February 15, 2032		1,999.75	1,999.75		399,950.00
August 15, 2032	39,995.00	1,999.75	41,994.75	43,994.50	359,955.00
February 15, 2033		1,799.78	1,799.78		359,955.00
August 15, 2033	39,995.00	1,799.78	41,794.78	43,594.56	319,960.00
February 15, 2034		1,599.80	1,599.80		319,960.00
August 15, 2034	39,995.00	1,599.80	41,594.80	43,194.60	279,965.00
February 15, 2035		1,399.83	1,399.83		279,965.00
August 15, 2035	39,995.00	1,399.83	41,394.83	42,794.66	239,970.00
February 15, 2036		1,199.85	1,199.85		239,970.00
August 15, 2036	39,995.00	1,199.85	41,194.85	42,394.70	199,975.00
February 15, 2037		999.88	999.88		199,975.00
August 15, 2037	39,995.00	999.88	40,994.88	41,994.76	159,980.00
February 15, 2038		799.90	799.90		159,980.00
August 15, 2038	39,995.00	799.90	40,794.90	41,594.80	119,985.00
February 15, 2039		599.93	599.93		119,985.00
August 15, 2039	39,995.00	599.93	40,594.93	41,194.86	79,990.00
February 15, 2040		399.95	399.95		79,990.00
August 15, 2040	39,995.00	399.95	40,394.95	40,794.90	39,995.00
February 15, 2041		199.98	199.98		39,995.00
August 15, 2041	39,995.00	199.98	40,194.98	40,394.96	0.00
	\$ 799,900.00	\$ 81,278.83	\$ 881,178.83	\$ 881,178.83	