

**Amendment 1 to Amendment 7  
to Council Bill No. 28-2023**

**BY: David Yungmann**

**Legislative Day 12  
Date: October 11, 2023**

*(This amendment further clarifies the Agricultural Land Preservation Fund in Amendment 7.)*

- 1
- 2 Substitute the attached page EH-53 of Amendment 7 with the attached EH-53 attached to this
- 3 Amendment to Amendment.
- 4

## ALPP Funding

Since its inception, the ALPP has been funded by a 25% share of local transfer tax revenues. This dedicated funding source has been critical to the success of the program over the years. The County initially compensated property owners in cash for their development rights, but in 1989 established the installment purchase agreement (IPA) method. The initial IPAs provided the property owner with small, incremental principal payments and twice-yearly tax-free interest throughout the length of the term, with a balloon payment of the remaining principal upon maturity of the IPA bond. After about 20 years, the County stopped using balloon payments and began paying the owner in equal amounts over the length of the term. The twice yearly tax-free interest on the remaining principal arrangement did not change. Howard County was the first jurisdiction in the nation to utilize the innovative IPA approach, the template of which has since been copied elsewhere in Maryland and across the country.

The County monitors the fund balance annually to ensure solvency and to anticipate future spending potential. A number of large final IPA payments will come due between 2019 and 2024, resulting in a significant decrease in the fund balance. However, given the waning number of annual acquisitions, the closure of final payouts, and reduced interest rates over time, the fund balance is projected to rebound quickly and significantly starting in the mid-to-late 2020s.

Given the limited amount of remaining land eligible for preservation, the County should **continue to use the fund to improve the ecological health of our agricultural land** ~~consider repurposing a portion of the fund to assist the agricultural community in other ways and to enhance the County's efforts to improve ecological health, as discussed earlier in this chapter.~~ There is precedent for using the ALPP Fund for other agricultural purposes besides acquisition, including support for the Howard Soil Conservation District and the Agricultural Business Development Program within the Howard County Economic Development Authority. ~~However, any significant transition to non-agricultural uses would require legislation at the state level, since the funding is sourced from the transfer tax.~~

## The Future of ALPP

There are approximately 86 properties totaling just over 3,300 acres that are potentially eligible for the ALPP. Additional recruitment efforts to preserve remaining uncommitted land may prove successful as properties transfer to new ownership. However, it is unlikely that recruitment will result in a significant amount of additional preserved land, since the ALPP is well known throughout the community, given its 40-year operational history in Howard County.

PlanHoward 2030 recognized that uncommitted land was a diminishing resource and that, in addition to acquisition, the focus of the ALPP should shift to stewarding existing easements, and helping farmers confront challenges and embrace opportunities that they may face in the future. In the intervening years since the adoption of PlanHoward 2030, the ALPP has been active and successful in these endeavors. There have been 26 properties preserved, totaling 1,480 acres. As of this General Plan, two additional properties totaling 55 acres are in the acquisition pipeline. The ALPP established and implemented an easement stewardship program, whereby most properties received their first monitoring inspection in well over a decade. Monitoring helps determine whether the terms and conditions of each easement are being met, such as maintaining the agricultural suitability of the land. Lastly, ALPP staff continues to partner with the County's other agricultural agencies to provide financial incentives, technical assistance, and general support to the farming community as it grows and diversifies.

## EH-9 Policy Statement

Continue to promote agricultural land preservation, recognizing that uncommitted land in the Rural West is a diminishing resource.

### Implementing Actions

1. Build on the successes of the Agricultural Land Preservation Program (ALPP) and continue acquiring land through the ALPP.
2. Continue to promote other land preservation options, such as the dedication of easements to the County through the subdivision process, the purchase of easements by the Maryland Agricultural Land Preservation Foundation program, and the donation of easements to nonprofit land trusts.
3. Continue to implement the Agricultural Land Preservation Program easement stewardship activities to monitor compliance.

## EH-10 Policy Statement

Expand the scope of potential uses of the Agricultural Land Preservation Program Fund.

### Implementing Actions

1. Work with various stakeholders to identify areas for the most appropriate and effective potential uses of the fund, including support for environmental programs, while ensuring continued funding of the ALPP.