

Agriculture Preservation Proposal

- This proposed bill would support an increased investment in Agricultural Preservation to accelerate progress toward our goal of permanently preserving 100,000 acres of farmland.
 - All our agriculture preservation programs are voluntary.
 - Currently, demand or applications for preservation far exceed available dollars.
 - By example, we recently received 46 applications for MALPF (46) and can fund only 5 or 6.
 - The time is now. It is important to seize the opportunity to acquire agriculture easements now before this land is lost to development or speculators for development.
 - Securing preservation easements for agriculture will ensure we leave a legacy of agriculture for future generations.

- The increased investment would result from a proposed \$1.00 change in the existing recordation fee.
 - The Recordation Fee is a one-time fee paid on certain real estate transactions. The Frederick County Treasury Department collects recordation fees on a wide range of documents such as Deeds, Deeds of Trust, Refinances, and certain Leases.
 - The County's current Recordation Fee is \$6 per \$500 of consideration.
 - While the County's Recordation Fee is among the highest in the state, most counties also collect a transfer tax which is assessed on similar real estate instruments. Frederick County does not collect a transfer tax. The proposed increase brings revenues in line with other counties that have both a recordation fee and transfer tax including our peer counties of Harford, Howard, and Charles. (Revenue comparisons attached).
 - The proposed fee would generate approximately \$6.8 million of revenue annually
 - Revenues could support any of our existing agriculture preservation program
 - Because the statewide MALPF program is popular, there is discussion about creating a Frederick County version of the MALPF program
 - Proceeds would be entirely dedicated to agriculture preservation
 - with the exception of up to \$500,000 set aside annually for three related purposes:
 - Agriculture diversification economic development grants;
 - Rural historic preservation; and
 - First time homebuyer assistance.
 - Amounts allotted to each purpose would be established annually in the budget.
 - Next Steps:
 - Seek support of Agriculture Preservation Board, Agriculture Business Council, and the Farm Bureau as well as the Frederick County Association of Realtors.
 - Create an economic development agriculture grant program.
 - While preserving land for agriculture use, a grant program could help assist farmers with agriculture viability and diversification.
 - Create a rural historic preservation grant program that could include the creation of rural historic districts to support preservation of barns, houses, and other culturally significant and historic structures in rural areas.