



FREDERICK COUNTY GOVERNMENT

DIVISION OF PLANNING AND PERMITTING
Department of Development Review & Planning

Jan H. Gardner
County Executive

Steven C. Horn, Division Director
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FRO BANKING PROGRAM *Of the Forest Resource Ordinance (FRO)*

1. Eligibility: Only the following areas are acceptable:
 - a) Hydrological systems (creeks, floodplains, springs, wetlands) on Agriculturally Zoned land or on parcels primarily used as a farming operation;
 - b) Habitats for rare/endangered/threatened species (as determined by DNR); and
 - c) Private-ownership of municipal well-head protection areas that are identified in municipal geo-tech studies.
2. Environmental Requirements: Protection and/or creation of uniform bands of forest along agricultural creeks, flood plains, etc. Minimum 50' each side of creek bank, or larger widths for broad flood plain areas and steep slopes adjacent to streams.
3. Document Requirements to be provided by the FRO Banking Applicant:
 - a) Forest Conservation Plan;
 - b) Permanent Deed of Easement protecting forest;
 - c) Two or Three-year Forest Improvements and Protection Agreement (FIPA) plus financial guarantee; and
 - d) Forest Banking Agreement.
4. Up-Front Administrative Costs to be borne by the Applicant:
 - a) Forest Professional (or a qualified Surveyor) to prepared forest plans;
 - b) Surveyor to provide metes/bounds of forest easement area; and,
 - c) Attorney to prepare Title Opinion Letter and Deed.
5. Up-front Costs to be borne by the Applicant and Sales Prices for New Forest Easements: Protective fencing/signage and seedling planting. Rough cost estimate is about \$5,500 per acre. *Going sales price is roughly \$12,500-\$15,000 per acre.

Because of the State legislature passing HB 991, the County may no longer approve existing forest acres into the banking program. Existing forest that was previously approved and enrolled in the program may continue to be transferred until at least June 30, 2024.

6. How it works: After the Applicant executes four legal documents, forest-acre "credits" are established in a forest "bank" account. The account is established for new forest, purchases at a 1:1 requirement.

Developers or subdivision applicants buy credits directly from the FRO Bank Owner. Frederick County is involved in:

- a) Approval of sites
- b) Review of legal documents and
- c) Inspections of forest easement areas.

Once the developer and FRO Bank Owner agree to transfer forest-acre credits, a notarized "Transfer Form" is provided to Frederick County and the Development Review staff debits the accounts.

7. Four Legal Documents to be provided by Applicant / FRO Bank Owner:
 - a) FRO Deed of Easement with graphic metes/bounds by registered surveyor and covenants, signed by Frederick County and Applicant.
 - b) Forest Improvement Protection Agreement (FIPA) with Letter of Credit Financial Guarantee, signed by Frederick County and Applicant.
 - c) Banking Agreement, signed by Frederick County and Applicant.
 - d) Title Opinion Letter, prepared by Applicant's Attorney.

* Free Market process and are subject to change. Values noted on this document are based on information from FY2021.

For additional information:

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