

*Frederick County*

# AGRICULTURAL LAND PRESERVATION PROGRAMS





# Maryland Agricultural Land Preservation Foundation Program (MALPF)

# Rural Legacy Program



### PROGRAM GOAL

To preserve Maryland’s productive agricultural land and woodlands for continued food and fiber production.

### ACCOMPLISHMENTS

26,107 acres have been preserved as of July 2024.

### TYPE OF EASEMENT

State-purchased perpetual agricultural preservation easement through the Maryland Department of Agriculture.

### ELIGIBILITY FACTORS AND CRITERIA

Applicant properties will be ranked based on an array of criteria including size, soils, development potential, and adjacency to preserved land.

The following criteria are the minimum necessary in order to apply:

- 1| Property must be at least 50 acres in size unless it adjoins other preserved land.
- 2| Property must have at least 50% USDA Class I, II, or III soil capability and/or Woodland Groups I and II.
- 3| Property must have development potential.
- 4| The easement application must be approved by the County.

### APPLICATION DEADLINE

April 1st

THE MAXIMUM  
AMOUNT MALPF  
CAN PAY FOR AN  
EASEMENT IS  
75% OF THE  
APPRAISED FMV.

### EASEMENT RESTRICTIONS

- Agricultural uses allowed by right. Commercial agricultural uses that involve the public visiting the farm may be permitted but require additional review.
- Agricultural buildings allowed by right.
- Future lot rights:
  - The original easement seller may reserve one building lot for him/herself and each of his/her children up to a limit of 3 with the following acreage restrictions: 20-69.99 acres allows 1 lot, 70-119.99 acres allows 2 lots, and 120+ acres allows 3 lots, or the seller may elect to reserve 1 lot to be conveyed to anyone.
- Lot size is 1 acre, but up to 2 acres may be permitted if needed to meet County requirements.
- Tenant houses can be requested at a rate of 1 per 100 acres for tenants actively working on the farm.

### EASEMENT VALUE

MALPF orders fair market value (FMV) land-only appraisals to determine easement value. Existing buildings or houses on the land will not be factored into the value. The maximum amount MALPF can pay for an easement is 75% of the appraised FMV. If an easement offer is made, it will either be based on the applicant’s asking price from their application or the appraised easement value, whichever is lower. Properties with the **lowest** asking price to appraised easement value ratio are given priority during the offer process.

### METHOD OF PAYMENT

Landowners will receive a lump sum payment at settlement.

### STEWARDSHIP

Seller agrees to allow periodic inspections of the property every 7-10 years and implement a soil and water conservation plan.

### PROGRAM GOAL

To preserve properties rich in natural, cultural, forestry, and agricultural resources which will promote resource-based economies, protect green belts and greenways, and maintain the fabric of rural life.

### ACCOMPLISHMENTS

7,324 acres have been preserved as of July 2024.

### TYPE OF EASEMENT

County/State-purchased perpetual preservation easement through the Maryland Department of Natural Resources.

### ELIGIBILITY FACTORS AND CRITERIA

Applicant properties will be ranked based on an array of criteria including soils, development potential, and prevalence of natural, cultural, and historic resources.

The following criteria are the minimum necessary in order to apply:

- 1| Property must be located within an approved Rural Legacy Area. These two areas are the Mid-Maryland Rural Legacy Area which includes lands west of Catoctin Creek, east of South Mountain, south of Myersville, and north of Rosemont, and the Carrollton Manor Rural Legacy Area which includes lands south of the City of Frederick, east of Mar-Lu Ridge Road, north of the Potomac River, and west of Park Mills Road.
- 2| Properties must have development potential.

### EASEMENT RESTRICTIONS

- Agricultural uses allowed by right. Commercial agricultural uses that involve the public visiting the farm may be negotiated into the easement terms.
- Agricultural buildings allowed by right, however an impervious surface cap will be set by the easement.
- Future lot rights and tenant houses may be reserved, however this will reduce the easement value.
- Mandatory stream buffers.

### POTENTIAL TAX BENEFITS

- **Income**– No Income Tax benefits. However, the difference between the easement value and actual offer may be deemed a charitable contribution.
- **Property**– County Property Tax Credit on agricultural assessed land.
- **Estate**– While the land component value may be reduced, the cash component value of the estate is increased. Estate planning instruments can transfer cash so that the land value advantage is not minimized.

### EASEMENT VALUE

Easement value is determined by a formula based on development potential, tract size, proximity to existing easements, soils, and natural and cultural resources to be protected. Landowners will receive a lump sum payment at settlement.

### STEWARDSHIP

Seller agrees to allow periodic inspection of the property once every three years and implement a soil and water conservation plan.



VIEW MAPS  
OF THE RURAL LEGACY PROGRAM HERE:





# Frederick County Critical Farms

# Conservation Reserve Enhancement Program Easement (CREP)



### PROGRAM GOAL

To supplement local agricultural land preservation efforts by providing funding to enable farmers to purchase land for farming. This program provides the money up front for farmers to purchase farmland.

### ACCOMPLISHMENTS

9,561 acres have been preserved as of July 2024.

### TYPE OF EASEMENT

The County purchases a preservation option that lasts five years.

### ELIGIBILITY FACTORS AND CRITERIA

Applicant properties will be ranked based on an array of criteria including size, soils, development potential, and adjacency to preserved land.

The following criteria are the minimum necessary in order to apply:

- 1| Applicant must have a contract of sale to purchase a qualifying property or have purchased a qualifying property within the past six months of the application deadline.
- 2| Property must meet MALPF minimum criteria.

### EASEMENT VALUE

The County will order fair market value (FMV) land-only appraisals to determine easement value. Existing buildings or houses on the land will not be factored into the value. The maximum amount the County can pay for an option is 51% of the appraised FMV. Option value is paid as a lump sum at settlement.

### PROCESS

The Critical Farms Option Agreement requires the applicant to submit an application valid for five years to sell an easement on the property under the Maryland Agricultural Land Preservation Program (MALPF) or another governmental land preservation program. Once a permanent easement has been established, the Critical Farms funds are returned to the County to assist other farmers in purchasing farmland.

If the applicant does not receive an offer for easement sale after five years, they can either:

- 1| Return the Critical Farms funds, plus interest, and exit the program altogether, or,
- 2| Keep the Critical Farms funds and establish an easement on the property.

### POTENTIAL TAX BENEFITS

- **Income**– No Income Tax benefits. However, the difference between the easement value and actual offer may be deemed a charitable contribution.
- **Property**– County Property Tax Credit on agricultural assessed land.
- **Estate**– While the land component value may be reduced, the cash component value of the estate is increased. Estate planning instruments can transfer cash so that the land value advantage is not minimized.

### PROGRAM GOAL

To preserve the property in perpetuity, install practices that enhance water quality, and limit future development potential.

### ACCOMPLISHMENTS

4,025 acres have been preserved as of July 2024.

### TYPE OF EASEMENT

State-purchased perpetual conservation easement.

### ELIGIBILITY FACTORS AND CRITERIA

- Applicants must have a CREP contract or be in the process of pursuing a CREP contract on a portion of the property
- To find out if your property is eligible for a CREP contract, call the **Soil Conservation District at (301) 695-2803 x3.**

### EASEMENT RESTRICTIONS

- CREP easements restrict most of the property from development. Applicants and the County will determine together the area where future development is permitted.
- Development for non-agricultural or natural resource uses is generally restricted. However, in some cases, the right to reserve additional building lots (e.g. child’s lot, tenant houses) may be permitted.
- Agricultural uses are limited on most of the property to low-intensity uses such as hay, pasture, and forest.

### EASEMENT VALUE

Landowners who achieve an offer will be paid a per-acre value for every acre in the CREP contract, as well as every acre they agree to reserve for low-intensity agricultural uses in perpetuity. Acres surrounding existing and future structures will receive an easement value of \$0/acre.

Easement value is determined by a formula based on the average buffer width of the CREP contract and the number of acres in the CREP contract. For properties that have development rights for purchase, the State may purchase an easement at a maximum of 75% of the most recent MALPF fair market value (land only).

For properties that do not have development rights for purchase, the State may purchase an easement at a maximum of 60% of the most recent MALPF fair market value (land only). Easement value is paid as a lump sum at settlement.

### STEWARDSHIP

Seller agrees to allow periodic inspection of the property once every three years and to implement a soil and water conservation plan.



9,561 ACRES  
HAVE BEEN  
PRESERVED  
AS OF  
JULY 2024.





# MARBIDCO Next Generation Program

## PROGRAM GOAL

To help young or beginning farmers who have trouble entering the agricultural profession, either due to relatively high farmland costs and/or lack of access to adequate financial capital to purchase farmland.

## ACCOMPLISHMENTS

The program began in 2017 and has helped eight farms transfer ownership in Frederick County as of July 2024.

## TYPE OF EASEMENT

The State purchases a preservation option that lasts seven years.

## ELIGIBILITY FACTORS AND CRITERIA

- 1| Applicants must have a contract of sale to purchase a qualifying property.
- 2| Applicants must not already own more than 20 acres of land.
- 3| Property must meet MALPF minimum criteria.
- 4| A commercial lender must be involved in the transaction.

## APPLICATION DEADLINE

MARBIDCO accepts applications at the end of every month. Interested applicants may apply through the County.

## PROCESS

The Next Generation Option Agreement requires applicants to submit an application valid for seven years to sell an easement on the property under the Maryland Agricultural Land Preservation Program (MALPF) or another governmental land preservation program. Once a permanent easement has been established, the Next Generation funds are returned to the State including a 3% fee to assist other farmers in purchasing farmland.

If the applicant does not receive an offer for easement sale after seven years, they can either:

- 1| Return the Next Generation funds, plus interest, and exit the program entirely, or,
- 2| Keep the Next Generation funds and establish an easement on the property.

## OPTION VALUE

The option price is up to 51% of the fair market value, land only, with a maximum value of \$500,000. Option value is paid as a lump sum at settlement.

## STEWARDSHIP

Seller agrees to allow periodic inspections of the property and to implement a soil and water conservation plan.

# Frederick County Installment Purchase Program (IPP)



## PROGRAM GOAL

To accelerate the preservation of productive agricultural land and woodlands which provides for the continued production of food and fiber for the citizens of Frederick County, and to protect farmland from the impact of development.

## ACCOMPLISHMENTS

22,881 acres have been preserved as of July 2024.

## TYPE OF EASEMENT

County-purchased perpetual agricultural preservation easement through the use of Installment Purchase Agreements.

## ELIGIBILITY FACTORS AND CRITERIA

Applicant properties will be ranked based on an array of criteria including size, soils, development potential, and adjacency to preserved land.

The following criteria are the minimum necessary in order to apply:

- 1| Property must be at least 50 acres in size unless it adjoins other preserved land.
- 2| Property must have at least 50% USDA Class I, II, or III soil capability and/or Woodland Groups I and II.
- 3| Property must have development potential. Properties without development potential may apply, but can only be offered the base value of \$1,000/acre.
- 4| The easement application must be approved by the County.

## APPLICATION DEADLINE

September 1st, annually.

## EASEMENT RESTRICTIONS

- Agricultural uses allowed by right. Commercial agricultural uses that involve the public visiting the farm may be permitted but require additional review.
- Agricultural buildings allowed by right.
- Future lot rights:
  - The original easement seller may reserve one building lot for him/herself and each of his/her children up to a limit of four at a rate of one lot per 50 acres, or the seller may elect to reserve one lot to be conveyed to anyone.
  - Lot size can be a maximum of 2 acres.
- Tenant houses can be requested at a rate of one per 100 acres for tenants actively working on the farm.

## EASEMENT VALUE

Easement value is determined by a point system based on land factors, development pressure, and conservation practices. Properties with no further subdivision potential will be offered the base value of \$1,000/acre.

## METHOD OF PAYMENT

Installment interest payments are made annually for a 10 to 20 year time period (applicants may choose their terms) and the easement value (principal) is then made in a lump sum at the end of the installment period. Applicants can elect to receive 10% at the time of settlement.

## STEWARDSHIP

Seller agrees to allow periodic inspection of the property once every five years and to implement a soil and water conservation plan.

# MARBIDCO Small Acreage Next Generation (SANG)

## PROGRAM GOAL

MARBIDCO SANG is another program aimed at helping beginning farmers purchase small farms between 10 and 49 acres.

## ACCOMPLISHMENTS

The program began in 2020 and has helped two farms transfer ownership in Frederick County as of July 2024.

## TYPE OF EASEMENT

The State purchases a perpetual agricultural preservation easement.

## ELIGIBILITY FACTORS AND CRITERIA

- 1| Applicants must have a contract of sale to purchase a qualifying property.
- 2| Applicants must not already own more than 9 acres of land.
- 3| A commercial lender must be involved in the transaction.

## OPTION VALUE

The easement value is determined via an appraisal purchased by MARBIDCO. The maximum value is \$4,000/acre. Easement value is paid as a lump sum at settlement.

## APPLICATION DEADLINE

MARBIDCO accepts applications at the end of every month. Interested applicants may apply through the County.

## STEWARDSHIP

Seller agrees to allow periodic inspections of the property and to implement a soil and water conservation plan.

22,881 ACRES HAVE BEEN PRESERVED WITH FREDERICK COUNTY (IPP) AS OF JULY 2024.





# Maryland Environmental Trust (MET)

## PROGRAM GOAL

To protect scenic open areas, including farms and forestlands, wildlife habitats, waterfronts, unique or rare areas, and historic sites.

## ACCOMPLISHMENTS

4,533 acres have been preserved as of July 2024.

## FOR MORE (MET) INFORMATION, CONTACT

Maryland Environmental Trust,  
100 Community Place, First Floor  
Crownsville, MD 21032  
(410) 514-7900



## FOR ADDITIONAL INFORMATION PLEASE VISIT

<https://frederickcountymd.gov/7980/Agricultural-Preservation>

## CONTACT US

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