

Larry Hogan, Governor Boyd Rutherford, Lt. Governor Jeannie Haddaway-Riccio, Secretary

October 30, 2020

The Honorable Larry Hogan Governor State House Annapolis, Maryland 21401-1991

The Honorable Bill Ferguson President, The Senate of Maryland State House, H-107 Annapolis, Maryland 21401-1991

The Honorable Adrienne A. Jones Speaker, Maryland House of Delegates State House, H-101 Annapolis, Maryland 21401-1991

Re: Submission of Report from the Rural Legacy Program

Agency: Maryland Department of Natural Resources

Report Authority: § 5-9A-07(g) of the Natural Resource Article (MSAR #255)

Dear Governor, President Ferguson and Speaker Jones:

Enclosed is the Department of Natural Resources, Land Acquisition and Planning, Rural Legacy Program Fiscal Year 2019 Annual Report as required by § 5-9A-07(g) of the Natural Resource Article. Maryland's Rural Legacy Program was established in 1997 by the General Assembly to protect the State's natural resources, farms, forests, and other sensitive environmental areas while maintaining the viability of resource-based economies and the proper management of tillable and wooded areas.

Should you have any questions or comments regarding this report, please feel free to contact Director, Legislative and Constituent Services, James W. McKitrick, directly at 443-510-5013, or by email at jamesw.mckitrick@maryland.gov.

Sincerely,

Jeannie Haddaway-Riccio Secretary

cc: Sarah Albert, Department of Legislative Services Library





Fiscal Year 2019 Annual Report (July 1, 2018 thru June 30, 2019)





RURAL LEGACY PROGRAM- FISCAL YEAR 2019 ANNUAL REPORT

Legislative Requirement for the Annual Report

This is the 21st Annual Report on the progress of the Rural Legacy Program pursuant to Section 5-9A-07(g) of the Natural Resources Article. This report covers the time period from July 1, 2018 through June 30, 2019 (FY19) and includes the 21st cycle of grant applications submitted for FY19. The Rural Legacy Board (RLB) is required to report annually to the Governor and the General Assembly on: (1) the financial status of the Program for the preceding fiscal year, including the amount of grants encumbered and disbursed; (2) the number of applications received; (3) the number and location of Rural Legacy Areas designated, and (4) the Program's progress in contributing to land conservation efforts. This report is intended to satisfy these requirements based upon the Rural Legacy Program statistics for FY19, and the grants applied for that fiscal year.

Background

Maryland's Rural Legacy Program (Program) was established in 1997 to protect the State's natural resources, farms, forests, and other sensitive environmental areas while maintaining the viability of resource-based economies and the proper management of tillable and wooded areas. The Program provides funds to local governments and land trusts to purchase conservation easements and property in fee simple in designated Rural Legacy Areas. The Program is focused on a community-up approach to land conservation, stressing partnerships among federal, State, and local governments and nonprofit land trusts. Counties are encouraged to initiate other land conservation measures to build upon the land conservation accomplishments achieved through Rural Legacy Program funds.

Rural Legacy Program Criteria

The Program is a strategic land conservation Program based on private, local, State and federal government partnerships. The statutory criteria, which is the basis for designation of Rural Legacy Areas and funding awards, includes analysis of a wide range of natural and cultural resources, availability of a variety of tools to accomplish conservation, strength of public and private partnerships, and support of land use mechanisms.

Staff and sponsors continue to ensure adherence to the Rural Legacy statute. The Program has encouraged local land conservation initiatives by promoting partnerships between State and local governments with nonprofit land trust organizations.

Rural Legacy Areas represent a targeted strategy of land conservation through local and State partnerships. Creation of Rural Legacy Areas involves a combined effort by county governments, land trusts, and landowners to protect what is collectively regarded as the best of Maryland's concentrated natural, cultural, and agricultural resources. Communities and local governments desiring to protect working farms and forests, support the local resource-based economy, and conserve natural resources and open space, are able to do so through Rural Legacy Program grants.

Strategic Conservation

Conservation under the Program meets the standards set for land conservation policy, including:

• A focus on the most strategic lands to protect the Chesapeake Bay and its tributaries, as well as the most significant natural and agricultural resources.

The law States that the Program was "established to enhance natural resources, agricultural, forestry, and environmental protection...while maintaining the viability of resource-based land usage and proper management of tillable and wooded areas through accepted agricultural and silvicultural practices for farm production and timber harvests." The emphasis on resource protection in the Program's statutory criteria, combined with the sponsors' grassroots knowledge of regionally significant areas throughout the State ensures that Rural Legacy Areas and acquisitions represent the strategic conservation of resources. Easement requirements include Soil Conservation and Water Quality Plans, Forest Management Plans, and riparian buffers which ensure water quality benefits and protect the Chesapeake Bay and its tributaries.

• Application of the best scientific information and technology to identify resource lands that are important, the potential threats to these lands, and the areas in which conservation goals can be maximized.

Proposed Rural Legacy Areas and specific properties proposed for conservation under Program grants are analyzed under the Green Infrastructure Assessment. Pertinent statistical data is also obtained through State agency land conservation databases in order to target areas for conservation where the maximum return on investment will be achieved.

• Establish a process for collaboration and coordination among State and local land conservation Programs to identify geographic and natural resource areas.

Proposed applications for designation and funding are reviewed by all of the State agencies involved in land conservation, including the Maryland Department of Natural Resources (DNR), the Maryland Department of Agriculture (MDA), and the Maryland Department of Planning (MDP). The Rural Legacy Advisory Committee, an 11-member multi-disciplinary committee appointed by the Governor, and the Rural Legacy Board (Secretaries of Natural Resources, Agriculture, and Planning) represent a coordinated and collaborative approach to review and propose Rural Legacy Areas for designation and grant recommendations.

• Establish an EVS (Easement Valuation System), which is a points-based method used to determine the value of a perpetual conservation easement.

In 1999, DNR, in conjunction with MDP, developed the Rural Legacy Model EVS. In turn, each of the Rural Legacy sponsors used this to develop their own EVS. The authority to do so rests in the Rural Legacy Statute and Regulations. <u>See Natural Resources Article Sec. 5-9A-05</u> (stating that the Rural Legacy Board shall establish a method for appraisal of real property interests and evaluate each Area's methodology for prioritizing and valuing or appraising easements); COMAR 08.05.01.07 (stating "Appraisal of Easement Values... the Rural Legacy Board may develop a model easement valuation methodology...a sponsor may develop its own easement valuation methodology"). All sponsor EVSs must be approved by DNR, MDP and MDA staff (as designees of the Rural Legacy Board).

Rural Legacy Program Advisory Committee and Board

At the time of action on the FY19 Grants, the Rural Legacy Advisory Committee members and their area of representation on the committee consisted of:

Maureen Heimbuch, Business (Chair)
David Foltz, Private Land Owner
James W. Constable, Maryland Environmental Trust
Michael Calkins, Maryland Agricultural Land Preservation Foundation
Frank Dudek, Forest Industry
Elizabeth Zucker, Environmental Organization
Joshua A. Hastings, Land Conservation
Kyle Murray, Mineral Resource Industry
Honorable Daniel Colmer, Municipal Corporation
Jeff Degitz, County Parks and Recreation
Jamie Tiralla, Agriculture Industry

At the time of action on the FY19 Grants, the Rural Legacy Board members included:

Secretary Mark Belton, DNR, Chairman of the Rural Legacy Board Secretary Robert McCord, MDP Secretary Joseph Bartenfelder, MDA

Program Progress and Accomplishments in FY19

The Program supports the goals of strategic conservation through focused land conservation in designated Rural Legacy Areas where it will make the greatest difference in enhancing the State's green infrastructure in order to improve the health of the Chesapeake Bay and protect the State's agricultural and natural resources. Rural Legacy Program conservation easements require the appropriate best management practices and management plans, as well as establishing and maintaining riparian buffers on the Chesapeake Bay and its tributaries. In order to derive even greater benefits to Maryland's waterways, Program sponsors are encouraged, whenever possible, to negotiate a minimum of 100-foot riparian buffers into easement terms.

In FY19, 5,400 acres were preserved by the Rural Legacy Program in Rural Legacy Areas throughout the State. From the inception of the Program to the end of FY19 (June 30, 2019), the Program had preserved a total of 100,628 acres of Maryland's most scenic landscapes and critical natural resources that support the State's resource-based industries.

Stewardship of Rural Legacy easements is a priority of the Program. In order to protect the State's fiscal investment, sponsors are required to monitor Program properties to ensure compliance with the terms and conditions of conservation easements. Site visits must be performed at a minimum of once every three years. Monitoring reports are submitted to the Program and any violations are documented and corrective actions are taken. In FY19, 100% of the Program easements in the cycle due for monitoring, were monitored to ensure that conservation practices are being followed and maintained on Program conservation easements.

The Financial Status of the Program

From FY98 through FY19, a total of \$347.511 million has been appropriated to the Program, including \$25.018 million authorized in the FY19 budget. These funds have been awarded by the Rural Legacy Board and approved by the Board of Public Works as grants to sponsors.

FY19 Grant Applications Received

Applications are submitted on a yearly basis by sponsors. Applications include requests for grant funding, area boundary expansions and proposed new area designations. In February 2018, 22 applications requesting over \$54 million were submitted for FY19 grants.

FY19 Grant Applications Reviewed

The Rural Legacy Advisory Committee (RLAC)'s recommendations for funding distribution were based on a review of the applications, and through the use of an objective scoring approach in which a scoring matrix ranked various criteria based on DNR, MDP and MDA information. The criteria included: Natural and Working Resources, Planning and Land Use, Leveraging, Ability to Administer, and other factors such as Stewardship, need for funding, and unique circumstances that would enhance or hinder an area's ability to spend grant funding. In addition, bonus points were given under the categories of enlarged stream buffers, public access, and social benefits. The RLAC gave additional consideration to areas with projects "ready to go" and the need for immediate funding to make those projects happen.

FY19 Recommendations and Approval

Based on the review of the grant applications submitted, and informed by the objective scoring approach, the committee made recommendations to the Rural Legacy Board to approve five area expansions, the designation of the new Harriet Tubman Rural Legacy Area in Dorchester County, and requested grant awards totaling \$25,017,704. The grant award amount represents the total FY19 Rural Legacy Program budget allocation. The Rural Legacy Board, then chaired by Secretary Belton, accepted these recommendations and the Board of Public Works approved the five area expansions, designation of the Harriet Tubman Rural Legacy Area, and FY19 Grant Awards as outlined below on August 22, 2018 as Agenda Item 13A on the Department of Natural Resources Real Property Agenda.

1. Agricultural Security Corridor Rural Legacy Area: Caroline, Cecil, Dorchester, Kent and Talbot Counties

Grant of \$1,490,000 to acquire conservation easements to protect a range of resources that includes forests, farmland, wetlands, historic sites, and endangered species habitat in the Agricultural Security Corridor in five counties on the Eastern Shore. Conservation of property in this area will support the local resource-based economy, including

agricultural production of grains and hay and dairy, beef and poultry operations. The board approved the designation of the Agricultural Security Corridor Rural Legacy Area in 1998.

2. Bear Creek Rural Legacy Area: Garrett County

Grant of \$300,000 to acquire conservation easements to protect the county's most productive working farms, standing timber, scenic views from the Cove Overlook, natural habitats, wetlands, and waterways in the Bear Creek drainage basin. Conservation within the area will provide water quality benefits to the Youghiogheny River, the State's only designated Wild and Scenic River. The board approved the designation of the Bear Creek Rural Legacy Area in 2002.

3. Coastal Bays Rural Legacy Area: Worcester County

Expansion of 16,600 acres to include the ecologically important watersheds of Tanhouse Creek, Paw Paw Creek and Swan's Gut Creek, and bring the entire Chincoteague Bay watershed into the Rural Legacy Area. The northern portion of the expansion will be targeted for Climate Change Adaptation and Resiliency Easements that will allow for wetland migration as sea levels rise.

4. Deer Creek Rural Legacy Area: Harford County

Grant of \$2,088,000 to acquire conservation easements within the watershed of Deer Creek River, a State-designated Scenic River, and adjacent to Rocks-Susquehanna State Park to protect historic farmland, forests, natural and cultural areas. This area is located within the Lower Susquehanna Heritage Greenway, a certified Maryland Heritage Area. The board approved the designation of the Lower Deer Creek Rural Legacy Area in 1999.

5. Dividing Creek Rural Legacy Area: Somerset and Worcester Counties

Grant of \$1,060,000 to acquire conservation easements to protect significant woodland, farmland and wetlands. The area includes one of the most pristine and ecologically significant watershed basins on the mid-Atlantic. It includes exemplary plant and wildlife habitat, prime farmland, large blocks of working forests and over 10 miles of shoreline of Dividing Creek. The board approved the designation of the Dividing Creek Rural Legacy Area in 2008.

Expansion of 27,877 acres to conserve forest and habitat connections between Pocomoke State Forest and Nassawango Creek Preserve.

6. Fair Hill Rural Legacy Area: Cecil County

Grant of \$1,638,160 to acquire conservation easements to protect farmland, forests, natural areas and historic sites in the northeast corner of Cecil County contiguous to Fair Hill Natural Resources Management Area. Conservation of property in this area will support the local resource-based economy, including equestrian activities. The board approved the designation of the Fair Hill Rural Legacy Area in 1999.

Expansion of 4,700 acres to include significant farmland and Targeted Ecological Areas, as well as farms participating in State Highway Administration and DNR stream

restoration projects that require conservation easements along stream corridors. Landowners in the proposed expansion are willing to protect their entire farms, thereby leveraging stream restoration work and entire working farm protection with conservation easements.

7. Foreman Branch/Lands End Rural Legacy Areas: Queen Anne's County

Grant of \$1,315,435 to acquire conservation easements to protect environmentally significant tributaries of the Chester and Corsica Rivers, including farmland, forest land, wetlands and wildlife habitat. The board approved the designation of the Foreman Branch and Lands End Rural Legacy Areas in 1998.

8. Gunpowder Rural Legacy Area: Baltimore County

Grant of \$720,000 to acquire conservation easements to protect historic farmland, forests and natural and cultural areas on both sides of the Gunpowder River and the Northern Central Railroad Trail in Baltimore County. Conservation within the area will provide water quality benefits to the Prettyboy and Loch Raven Reservoirs. The board approved the designation of the Gunpowder River Rural Legacy Area in 1999.

9. Harriet Tubman Rural Legacy Area: Dorchester County

Designation of 28,300-acre Harriet Tubman Rural Legacy Area in Dorchester County. The area includes farmland, woodland, natural and historic landscapes associated with the legacy of Harriet Tubman and the history of the Underground Railroad. The proposed area includes farmland, woodland, natural and historic landscapes associated with the legacy of Harriett Tubman and the history of the Underground Railroad. The rich and diverse landscape in southern Dorchester County encompasses both an outstanding example of a cohesive 19th century agrarian landscape, and events of national importance. Within this landscape one can see physical features that contributed to the success of Harriet Tubman, and it is her association with these working landscapes that make these areas especially important to the Rural Legacy Area Program. This new Rural Legacy Area provides an opportunity to conserve lands containing and surrounding historic monuments such as the Brodess Farm, Polish Mills, the Bucktown Store, Malone's Church, James Cook Site, the Harriet Tubman Underground Railroad State Park. It is also adjacent to the approximately 28,000 acre Blackwater National Wildlife Refuge and complements federal land conservation efforts in the area.

Grant of \$2,089,048 to acquire conservation easements to protect working and historic landscapes associated with the legacy of Harriet Tubman, as well as to provide forest and habitat connections to Fishing Bay Wildlife Management Area and Blackwater National Wildlife Refuge.

10. Huntersville Rural Legacy Area: St. Mary's County

Grant of \$866,000 to acquire conservation easements to protect forests, natural and archeological areas, farmland, and historic sites. Portions of the area are designated by the Smithsonian Center for Natural Areas as critical wildlife habitat in need of protection. The board approved the designation of the Huntersville Rural Legacy Area in 1998.

11. Little Pipe Creek /Upper Patapsco Rural Legacy Areas: Carroll County

Grant of \$1,770,000 to acquire conservation easements to protect farmland, woodland, natural and cultural land within the Little Pipe Creek and upper Monocacy River Watersheds. Conservation within the area will provide water quality benefits not only for the two watersheds, but also for the underground aquifers that supply many residents with drinking water. The board approved the designation of the Little Pipe Creek Rural Legacy Area in 1998 and the Upper Patapsco Rural Legacy Area in 2004.

12. Manor Rural Legacy Area: Baltimore and Harford Counties

Expansion of seven acres to include a significant farm that lies in close proximity to existing protected lands.

13. Mattapany Rural Legacy Area: St. Mary's County

Grant of \$1,050,000 to match Navy Readiness and Environmental Protection Integration "REPI" funds to acquire conservation easements to protect the area's rich farmland, forests, wetlands, historic sites, and wildlife habitat. Conservation within the area will provide water quality benefits to the Chesapeake Bay and the St. Mary's River watershed. The board approved the designation of the Mattapany Rural Legacy Area in 2006.

14. Mid-Maryland Frederick/Carrollton Manor Rural Legacy Areas: Frederick County

Grant of \$3,148,216 to acquire conservation easements to protect farmland, forestland, Civil War historic sites and a greenbelt around the historic Town of Burkittsville. Conservation of property in the area will protect the view surrounding the Appalachian Trail and South Mountain Battlefield State Park, which are nationally significant natural and cultural resources. The board approved the designation of the Mid-Maryland Frederick Rural Legacy Area in 1998 and the Carrollton Manor Rural Legacy Area in 2004.

15. Mid-Maryland Washington Rural Legacy Area: Washington County

Grant of \$2,301,545 to acquire conservation easements to protect farmland, forests and Civil War sites within view of Washington Monument State Park, South Mountain Battlefield State Park, Antietam National Battlefield and its approaches. Conservation within the area will provide water quality benefits to the Potomac River, a Maryland designated Scenic River. The board approved the designation of the Mid-Maryland Washington Rural Legacy Area in 1998.

16. Nanticoke Rural Legacy Area: *Dorchester County*

Grant of \$1,000,000 to acquire conservation easements to protect forest, agricultural, natural areas and shoreline in Dorchester County. The area includes one of the most pristine and ecologically significant watershed basins on the mid-Atlantic. It includes exemplary plant and wildlife habitat and over 16 miles of shoreline along the Nanticoke River and Marshyhope Creek. The area will provide a greenbelt around the rural historic village of Vienna. The board approved the designation of the Nanticoke Rural Legacy Area in 2001.

Expansion of 1,846 acres that includes Targeted Ecological Areas and will increase the ability to conserve forest and habitat connections between Pocomoke State Forest and Nassawango Creek Preserve.

17. Piney Run Rural Legacy Area: Baltimore County

Grant of \$2,334,600 to acquire conservation easements to protect farmland, forests, natural areas and historic properties within and near National Register Historic Districts. Conservation within the area will provide water quality benefits to the Prettyboy and Loch Raven Reservoirs, two of the drinking supply reservoirs for the Baltimore Metropolitan Area. The board approved the designation of the Piney Run Rural Legacy Area in 1998.

18. Zekiah Rural Legacy Area: Charles County

Grant of \$1,846,700 to acquire conservation easements to protect farmland, forests and natural and historic properties contiguous to Zekiah Run. This area contains the largest natural hardwood swamp in the State and is considered by the Smithsonian Institute to be one of the most important ecological areas on the East Coast. The board approved the designation of the Zekiah Watershed Rural Legacy Area in 1998.

Designated Rural Legacy Areas

Rural Legacy Areas are located in all of Maryland's 23 counties. The existing areas cover approximately 1 million acres of Maryland's most significant natural resource, agricultural, open and scenic lands. To date, there are 32 designated Rural Legacy Areas in Maryland:

Rural Legacy Area	Counties	Sponsor
Agricultural Security Corridor	Caroline, Cecil, Dorchester, Kent, Talbot	Eastern Shore Land Conservancy
Anne Arundel South	Anne Arundel	Anne Arundel County
Baltimore Coastal	Baltimore	Baltimore County
Bear Creek	Garrett	Garrett County
Calvert Creeks	Calvert	Cal vert County
Carrollton Manor	Frederick	Carrollton Manor Land Trust
Coastal Bays	Worcester	Worcester County
Deer Creek (formerly Lower Deer Creek)	Harford	Harford County
Dividing Creek	Somerset, Worcester	Somerset County, Worcester County, The Nature Conservancy
Fair Hill	Cecil	Cecil Land Trust
Foreman Branch (formerly Chino Farms)	Queen Anne's	Queen Anne's County
Gunpowder	Baltimore	Gunpowder Valley Conservancy
Harriett Tubman	Dorchester	The Conservation Fund
Huntersville	St. Mary's	Patuxent Tidewater Land Trust, St. Mary's Co.
Lands End	Queen Anne's	Queen Anne's County
Little Pipe Creek	Carroll	Carroll County
Long Green Valley	Baltimore	Long Green Valley Land Trust
Manor	Baltimore and Harford	The Manor Conservancy
Mattapany	St. Mary's	Patuxent Tidewater Land Trust, St. Mary's Co.
Mid-Maryland Frederick	Frederick	Frederick County
Mid-Maryland Montgomery	Montgomery	Montgomery County
Mid-Maryland Washington	Washington	Washington County
Nanticoke	Dorchester	The Nature Conservancy, The Conservation Fund, Dorchester County
North Calvert	Calvert	Calvert County
Patuxent - Prince George's	Prince George's	Prince George's Soil Conservation District
Piney Run	Baltimore	The Land Preservation Trust
Quantico Creek	Wicomico	Wicomico County
Upper Patapsco	Carroll	Carroll County
Upper Patuxent – Howard	Howard	Howard County
Upper Patuxent - Montgomery	Montgomery	Montgomery County
Zekiah Watershed	Charles	Charles County
Mountain Ridge	Allegany	Allegany County

Summary

Strong interest in the Program continues as shown by the amount of funds requested for the FY19 grant cycle. As in previous years, the amount requested far exceeds the amount of funding available. Over the 21 application cycles (FY98/99 through FY19), requests for grant funds have totaled over \$1.969 billion for \$347.511 million in available funding. In the FY19 grant cycle alone, DNR received applications totaling over \$54.998 million for \$25.018 million in available FY19 funding. The Governor's FY19 budget provided full funding for land conservation and recreation Programs, including the Rural Legacy Program, through the distribution of State transfer tax revenues.

At the end of FY19 the Program had permanently conserved over 100,628 acres. Sustained funding will be needed to support local governments and land trusts to meet the goal of conserving the Rural Legacy Areas throughout the State. This partnership of local government, land trusts, landowners and the State of Maryland continues to make a substantial commitment to supporting the conservation of the State's most valuable agricultural, natural, open space resources and scenic landscapes.

Acknowledgements:

The Rural Legacy Program staff of DNR would like to acknowledge the Rural Legacy Area Sponsors, the Rural Legacy Advisory Committee, the Rural Legacy Board and the staff from MDP and MDA for their dedicated work on behalf of the Rural Legacy Program. It is through the Rural Legacy Program's targeted objectives that the State's open space land is preserved, the health of the Chesapeake Bay and water quality to our waterways is improved, our resource-based economies thrive, and our wildlife, cultural heritage and natural resources are protected....a legacy to be passed on to all Maryland citizens and future generations to come.

Rural Legacy Program, Land Acquisition & Planning Maryland Department of Natural Resources 580 Taylor Avenue, Annapolis, MD 21401 dnr.Maryland.gov 410-260-8424
TTY users call via the MD Relay Larry Hogan, Governor Jeannie Haddaway-Riccio, Secretary

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