

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

November 2, 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 2020 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





Annual Report Fiscal Year





RURAL LEGACY PROGRAM- FISCAL YEAR 2020 ANNUAL REPORT

Legislative Requirement for the Annual Report

This is the 22nd Annual Report¹ on the progress of the Maryland Rural Legacy Program (hereinafter Program) pursuant to Section 5-9A-07(g) of the Natural Resources Article of the Maryland Annotated Code. This report covers the time period from July 1, 2019 through June 30, 2020 (FY20) and includes the 22nd cycle of grant applications that were submitted for FY20. The Rural Legacy Board (hereinafter RLB) is required to report annually to the Governor of Maryland and the Maryland 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 (hereinafter RLA) designated, and (4) the Program's progress in contributing to land preservation efforts. This report is intended to satisfy these requirements based on the Program statistics for FY20, and the grants applied for that fiscal year.

Background

The 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 RLAs. The Program is focused on a community-up approach to land preservation, 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 preservation accomplishments achieved through 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 RLAs 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.

¹The 1998-99 Fiscal years were combined into one grant cycle and one Annual Report.

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

RLAs represent a targeted strategy of land conservation through local and State partnerships. Creation of RLAs 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 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 resource, 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 Program sponsors' grassroots knowledge of regionally significant areas throughout the State, ensures that RLAs and acquisitions represent 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 preservation goals can be maximized.

Proposed RLAs 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 preservation 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 (hereinafter DNR), the Maryland Department of Agriculture (hereinafter MDA), and the Maryland Department of Planning (hereinafter MDP).

The Rural Legacy Advisory Committee (hereinafter RLAC), an eleven-member multi-disciplinary committee appointed by the governor, and the RLB (Secretaries of DNR, MDA, and MDP), represent a coordinated and collaborative approach to review and propose RLAs for designation and grant recommendations.

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

In 1999, DNR, in conjunction with the MDP, developed the Program's model EVS. In turn, each of the Program's sponsors used this to develop their own EVS. The authority to do so rests in the Program's statute and regulations. <u>See Natural Resources Article Sec. 5-9A-05 (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 RLB).</u>

Rural Legacy Program Advisory Committee and Board

The FY20 RLAC members and their area of representation on the RLAC consisted of:

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

The FY20 RLB members included:

Secretary Jeannie Haddaway-Riccio, DNR, Chair of the RLBSecretary Robert S. McCord, MDP Secretary Joseph Bartenfelder, MDA

Program Progress and Accomplishments in FY20

The Program supports the goals of strategic conservation through focused land preservation in designated RLAs 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. The Program's 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 FY20, the Program preserved 6,249 acres within RLAs throughout the State. From inception to the end of FY20 (June 30, 2020), the Program preserved 106,832 acres of Maryland's most scenic landscapes and critical natural resources that support the State's resource-based industries.

Stewardship of easements is a priority of the Program. In order to protect the State's fiscal investment, Program 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 FY20, 100% of the Program easements in the cycle due for monitoring were monitored to ensure that conservation practices are being followed and maintained.

The Financial Status of the Program

Since the Program's inception in FY98 through FY20, a total of \$366.363 million has been appropriated to the Program, including \$18.852 million authorized in the FY20 budget. These funds have been awarded by the RLB and approved by the Board of Public Works (hereinafter the BPW) as grants to Program sponsors.

FY20 Grant Applications Received

Applications are submitted on a yearly basis by Program sponsors. Applications include requests for grant funding, RLA boundary expansions, and proposed new RLA designations. In February 2019, there were 27 applications submitted requesting over \$117.8 million for FY20 grants.

FY20 Grant Applications Reviewed

The RLAC's recommendations for funding distribution were based on 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 RLA'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 RLAs with projects ready to go, and the need for immediate funding to make those projects happen.

FY20 Recommendations and Approval

Based on the review of the grant applications submitted, and informed by the objective scoring

approach, the RLAC made recommendations to the RLB to approve six RLA expansions, and requested grant awards totaling \$18,852,009. The grant award amount represents the total FY20 Program budget appropriation. The RLB, chaired by Secretary Haddaway-Riccio, accepted these recommendations, and BPW approved the six RLA expansions and FY20 grant awards as outlined below on Jan. 8, 2020, as Agenda Item 3A on the DNR Real Property Agenda.

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

Grant: of \$970,123 to acquire conservation easements to protect a range of resources that includes forests, farmlands, wetlands, historic sites, and endangered species habitat in the Agricultural Security Corridor, in five counties on the Eastern Shore. Conservation of property in this RLA will support the local resource-based economy, including agricultural production of grains, hay, dairy, beef, and poultry operations. The BPW approved the designation of the Agricultural Security Corridor RLA in 1998.

Expansion: The Eastern Shore Land Conservancy is splitting the Agricultural Security Corridor (hereinafter ASC) into three separate and distinct RLAs, as well as expanding all three.

- ASC Eastern Shore Heartland RLA (formerly Marshyhope Focus Area): Expansion of 44,365 acres to connect two non-contiguous portions of the RLA.
- ASC Harvest Crescent RLA (formerly Sassafras Focus Area): Expansion of 55,333 acres to open up new preservation opportunities around Millington Wildlife Management Area.
- ASC Tuckahoe RLA (formerly Tuckahoe Focus Area): Expansion of 28,931 acres to open up new preservation opportunities near the Town of Denton.

2. Coastal Bays Rural Legacy Area: Worcester County

Grant: of \$250,382 to acquire conservation easements to protect forest, agricultural, natural areas, and shoreline in Worcester County's coastal bays. This RLA includes important tidal marshland areas, forests, and farmland, which provides one of the most ecologically diverse and outstanding wildlife habitat in the State. The BPW approved the designation of the Coastal Bays RLA in 1998.

3. Deer Creek Rural Legacy Area: Harford County

Grant: of \$1,482,382 to acquire conservation easements within the watershed of Deer Creek River, a State-designated Scenic River, and adjacent to Rocks and Susquehanna State Park to protect historic farmland, forests, natural, and cultural areas. This RLA is located within the Lower Susquehanna Heritage Greenway, a certified Maryland Heritage Area. The BPW approved the designation of the Lower Deer Creek RLA in 1999.

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

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

5. Fair Hill Rural Legacy Area: Cecil County

Grant: of \$1,044,382 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 RLA will support the local resource-based economy, including equestrian activities. The BPW approved the designation of the Fair Hill RLA in 1999.

6. Foreman Branch: Queen Anne's County

Grant: of \$659,793 to acquire conservation easements to protect environmentally significant tributaries of the Chester and Corsica Rivers, including farmland, forest land, wetlands, and wildlife habitat. The BPW approved the designation of the Foreman Branch RLA in 1998.

Expansion: of 1,095 acres to increase connectivity to Maryland Agricultural Land Preservation Foundation protected lands, additional adjacency to the Land's End RLA (also in Queen Anne's County), and creates a greenbelt north of the Town of Church Hill.

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

Expansion: of 5,956 acres to connect the Potomac and Patuxent River watersheds and expand opportunities for partnership with the U.S. Navy's Readiness and Environmental Protection Integration Program (hereinafter REPI Program).

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

Grant: of \$740,382 to acquire conservation easements to protect farmland, woodland, and natural and cultural land within the Little Pipe Creek and upper Monocacy River Watersheds. Conservation within the RLA 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 BPW approved the designation of the Little Pipe Creek RLA in 1998 and Upper Patapsco RLA in 2004.

9. Lands End Rural Legacy Area: Queen Anne's County

Grant: of \$419,716 to acquire conservation easements and fee simple interests to protect environmentally significant tributaries of the Chester and Corsica Rivers, including farmland, forest land, wetlands, and wildlife habitat. The BPW approved the designation of the Lands End Rural Legacy Area in 1998.

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

Grant: of \$2,508,762 to match REPI Program funds to acquire conservation easements to protect the RLA's rich farmland, forests, wetlands, historic sites, and wildlife habitat. Conservation within the RLA will provide water quality benefits to the Chesapeake Bay and the St. Mary's River watershed. The BPW approved the designation of the Mattapany RLA in 2006.

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

Grant: of \$1,259,332 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 RLA will protect the view surrounding the Appalachian Trail and South Mountain Battlefield State Park, which are nationally significant natural and cultural resources. The BPW approved the designation of the Mid-Maryland Frederick RLA in 1998 and the Carrollton Manor RLA in 2004.

12. Mid-Maryland Montgomery Rural Legacy Area: Montgomery County

Grant: of \$658,822 to acquire conservation easements and fee simple interests to protect farmland, open space, and natural areas. The RLA protects farmland, open space, and natural resources located within the heart of the county's agricultural reserve. The RLA contains large contiguous tracts of rural lands, numerous agricultural operations, and forest resources rich in both aquatic and terrestrial wildlife. Conservation within the RLA provides water quality benefits to the Potomac River, a Maryland designated Scenic River. The BPW approved the designation of Mid-Maryland Montgomery RLA in 1998.

Expansion: of 8,462 acres to complete the area boundary around Poolesville.

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

Grant: of \$1,502,982 to acquire conservation easements to protect farmland, forests, and Civil War sites within view of Washington Monument State Park, South Mountain Battlefield State Park, and the Antietam National Battlefield and its approaches. Conservation within the RLA will provide water quality benefits to the Potomac River, a Maryland designated Scenic River. The BPW approved the designation of the Mid-Maryland Washington RLA in 1998.

14. Mountain Ridge Rural Legacy Area: Allegany County

Grant: of \$1,654,882 to acquire conservation easements of significant woodland, farmland, and wetlands. Situated within the Ridge & Valley Physiographic Province where it meets the Allegheny Front, the RLA includes large blocks of unbroken forest, pristine ecologically significant areas, and historic sites. The RLA includes an important migration corridor and the most significant golden eagle flyway in the State. The BPW approved the designation of Mountain Ridge Rural Legacy Area in 2010.

Expansion: of 19.94 acres to align the boundary adjacent to a 357 acres property currently under easement.

15. Nanticoke Rural Legacy Area: Dorchester County

Grant: of \$1,100,382 to acquire conservation easements to protect forest, agricultural, natural areas, and shoreline in Dorchester County. The RLA 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 RLA will provide a greenbelt around the rural historic village of Vienna. The BPW approved designation of the Nanticoke RLA in 2001.

16. Piney Run Rural Legacy Area: Baltimore County

Grant: of \$1,238,382 to acquire conservation easements to protect farmland, forests, natural areas, and historic properties within and near National Register Historic Districts. Conservation within the RLA will provide water quality benefits to the Prettyboy and Loch Raven Reservoirs, two of the drinking supply reservoirs for the Baltimore Metropolitan Area. The BPW approved the designation of the Piney Run RLA in 1998.

17. Upper Patuxent Montgomery: Montgomery County

Grant: of \$2,046,442 to acquire conservation easements in the county's agricultural district to protect farmland, open space, and natural resources. The BPW approved the designation of the Upper Patuxent Montgomery RLA in 1998.

18. Zekiah Rural Legacy Area: Charles County

Grant: of \$1,314,863 to acquire conservation easements to protect farmland, forests, and natural and historic properties contiguous to Zekiah Run. This RLA 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 BPW approved the designation of the Zekiah Watershed RLA in 1998.

Designated Rural Legacy Areas

RLAs are located in all of Maryland's 23 counties. The existing RLAs cover approximately 1,072,038 acres of Maryland's most significant natural resource, agricultural, open, and scenic lands. To date, there are 32 designated RLAs in Maryland:

| Rural Legacy Area | Counties | Sponsor |
|--------------------------------|----------------|---|
| Agricultural Security Corridor | Caroline, | |
| – Eastern Shore Heartland; | Dorchester, | Eastern Shore Land Concernancy |
| Harvest Crescent; Tuckahoe. | Talbot, Cecil, | Eastern Shore Land Conservancy |
| | Kent, Caroline | |
| Anne Arundel South | Anne Arundel | Anne Arundel County |
| Baltimore Coastal | Baltimore | Baltimore County, Gunpowder Valley |
| | | Conservancy |
| Bear Creek | Garrett | Garrett County |
| Calvert Creeks | Calvert | Calvert County |
| Carrollton Manor | Frederick | Frederick County |
| Coastal Bays | Worcester | Worcester County |
| Deer Creek (formerly Lower | Harford | Harford County |
| Deer Creek) | | |
| Dividing Creek | Somerset, | Somerset County, Worcester County, Lower |
| | Worcester | Shore Land Trust |
| Fair Hill | Cecil | Cecil Land Trust |
| Foreman Branch (formerly | Queen Anne's | Queen Anne's County |
| Chino Farms) | | |
| Gunpowder | Baltimore | Gunpowder Valley Conservancy |
| Harriet Tubman | Dorchester | The Conservation Fund |
| Huntersville | St. Mary's | Patuxent Tidewater Land Trust, St. Mary's |
| | | County |
| 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 | The Manor Conservancy |
| | Harford | |
| | | Southern Maryland Resources Conservation |
| Mattapany | St. Mary's | & Development Board, Inc., St. Mary's |
| | - | County |
| Mid-Maryland Frederick | Frederick | Frederick County |
| Mid-Maryland Montgomery | Montgomery | Montgomery County Agricultural |
| | - • | Preservation Advisory Board |
| Mid-Maryland Washington | Washington | Washington County |
| Mountain Ridge | Allegany | Allegany County |
| Nanticoke | Dorchester | The Nature Conservancy, The Conservation |
| | | Fund |
| North Calvert | Calvert County | Calvert County |

| Patuxent – Prince George's | Prince George's | Prince George's Soil Conservation District |
|-----------------------------|-----------------|--|
| Piney Run | Baltimore | The Land Preservation Trust, Inc. |
| Quantico Creek | Wicomico | Lower Shore Land Trust, Wicomico County |
| Upper Patapsco | Carroll | Carroll County |
| Upper Patuxent - Howard | Howard | Howard County |
| Upper Patuxent - Montgomery | Montgomery | Montgomery County Agricultural |
| | | Preservation Advisory Board |
| Zekiah Watershed | Charles | Charles County |

Summary

Strong interest in the Program continues, as shown by the amount of funds requested for the FY20 grant cycle. As in previous years, the amount requested far exceeded the amount of funding available. Over the 22 application cycles (FY98/99 through FY20), requests for grant funds have totaled over \$2.087 billion for \$366.363 million in available funding. In the FY20 grant cycle, this trend continued; DNR received applications totaling over \$117.82 million for \$18.852 million in available FY20 funding. The Governor's FY20 budget provided full funding for land preservation and recreation programs, including the Program, through the distribution of State transfer tax revenues.

At the end of FY20, the Program had permanently conserved 106,832 acres. Sustained funding will be needed to support local governments and land trusts to meet the goal of conserving the RLAs throughout the State. This partnership of local government, land trusts, landowners, and the State of Maryland continues to make a substantial commitment of supporting the preservation of the State's most valuable agricultural, natural, open space resources and scenic landscapes.

Acknowledgements:

Program staff of DNR would like to acknowledge the RLA sponsors, the members of the RLAC, the RLB, and the staff of MDP and MDA for their dedicated work on behalf of the Program. It is through the 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 <u>dnr.Maryland.gov</u> 410-260-8424 TTY users call via the MD Relay

Larry Hogan, Governor Jeannie Haddaway-Riccio, Secretary

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