

AGRICULTURAL PRESERVATION WORK GROUP MEETING MINUTES

May 30, 2007

1. **Attendance:** Tom Dernoga, Marilynn Bland, Phil Carr, Boyd Campbell, Daniel Filippelli, Fred Tutman, Debra Naylor, Charles Renninger, Stephanie DeVille-Eugene, William Moore, Richard Krueger, Torben Agesen

2. **Meeting Agenda:**

I. **Approval of Minutes (May 2)**

Minutes approved.

II. **Discussion on legislation concerning the following topics:**

Tree Mitigation for TDRs

Property Tax Exemptions

Clarifying the ability to use Park Tax funds for preservation easements

Chair Dernoga indicated that the staff is still reviewing and evaluating the State regulations on TDRs so the discussion on tree mitigation would be postponed.

Yates Clagett of the Soil Conservation District provided an update on the status of HB 1175. This State legislation provides that the County can enter into Installment Purchase Agreements (IPAs) with property owners. An IPA option is attractive to participants because of tax free interest income. It also authorizes the County to purchase bonds to back up the money used for the Purchase of Development Rights (PDRs). Mr. Clagett noted that a meeting has been scheduled with the County's bond counsel and those individuals who will assist the County in setting up this program. Margaret Addis, County Attorney's Office, commented that prior to HB 1175, Prince George's and Baltimore Counties were the only two jurisdictions in the State that did not have this authority.

Chair Dernoga informed the Work Group that an additional \$2 million is included in the FY08 budget for the PDR program with a total of \$12 million available for PDRs and all tolled, the County will spend \$20 million by the end of FY08 for three preservation programs (MALPF, PDR, and Rural Legacy).

Chair Dernoga asked for comments and suggestions for County incentives from the Agricultural Task Force County Comparison Chart prepared and distributed by Margaret Addis at a prior meeting. In response to Boyd Campbell's question regarding the fiscal impact of the proposals on the County, the Chair responded that the Work Group should discuss which proposal is the most effective in terms of the incentive and then the County's Finance office can assess the impact of the recommendation. Mr. Campbell commented that even though agriculture is kept in the conversation, consideration could also be given to providing tax relief even for those property owners who do not farm their land.

Chair Dernoga distributed an example of proposed language that he prepared modeled after Charles County to amend Subtitle 30 of the Prince George's County Code ("Agriculture") concerning property tax credits. Mr. Claggett indicated that since there are no longer "MALPF districts", the proposed language as well as current County law needs to be revised to remove references to "districts".

Debra Naylor commented that agriculture is in transition and that farmers with smaller properties are looking for small acreage activities.

The Work Group discussed grape vineyards and its pros and cons, specifically that fruit is time sensitive and takes a large investment up front and 7-8 years to make a profit. A co-op facility and at least 2-3 acres are also required. Mr. Harry Ketts was present in the audience and indicated that the Maryland State Farm Bureau has been approached by vineyard/grape growers and noted that it could be a dominant agricultural activity with the right incentives. He also noted that Boorda in Baltimore County is very successful in vineyards and that consideration could be given to tax relief set aside, and giving those interested in vineyards working capital up front. Boyd Campbell suggested that vineyards should be added to the list of agricultural activities.

Stephanie DeVille-Eugene commented that as a younger farmer who may not be interested in farming on as large a scale as her father that she and

her generation of farmers would support the vineyard industry more if they knew that the county was backing it.

A suggestion was made for providing grants for grape vineyards.

Peter Duvall was present in the audience and suggested that the Work Group can get expert advice on grape growing from the University of Maryland.

Chair Dernoga suggested that the members of the Work Group who are also Farm Bureau members could provide recommendations for agricultural activities from the Bureau. Mr. Dernoga commented that the question to ask is what is helpful to energize agriculture in the broadest sense in the southern part of the County?

Margaret Addis commented that Baltimore County has an entire group/staff dedicated to preserving agriculture and that several resources are available there.

Chair Dernoga indicated that he has discussed the agricultural industry with Kwasi Holman, CEO of the Economic Development Corporation (EDC) and Mr. Holman has commented that EDC is interested in marketing resources.

Boyd Campbell commented that he believed that the mission of the Work Group is to preserving and expanding agriculture and that is why he agreed to serve. Mr. Campbell stated that he sees a partnership in other counties and that we need EDC to partner on this issue.

Chair Dernoga commented that the group needs farmers to tell us what will work.

3. **Next Meeting:** June 6, 2007 at 3:00 p.m.
4. **Adjourn:** The meeting was adjourned at 5:00 p.m.