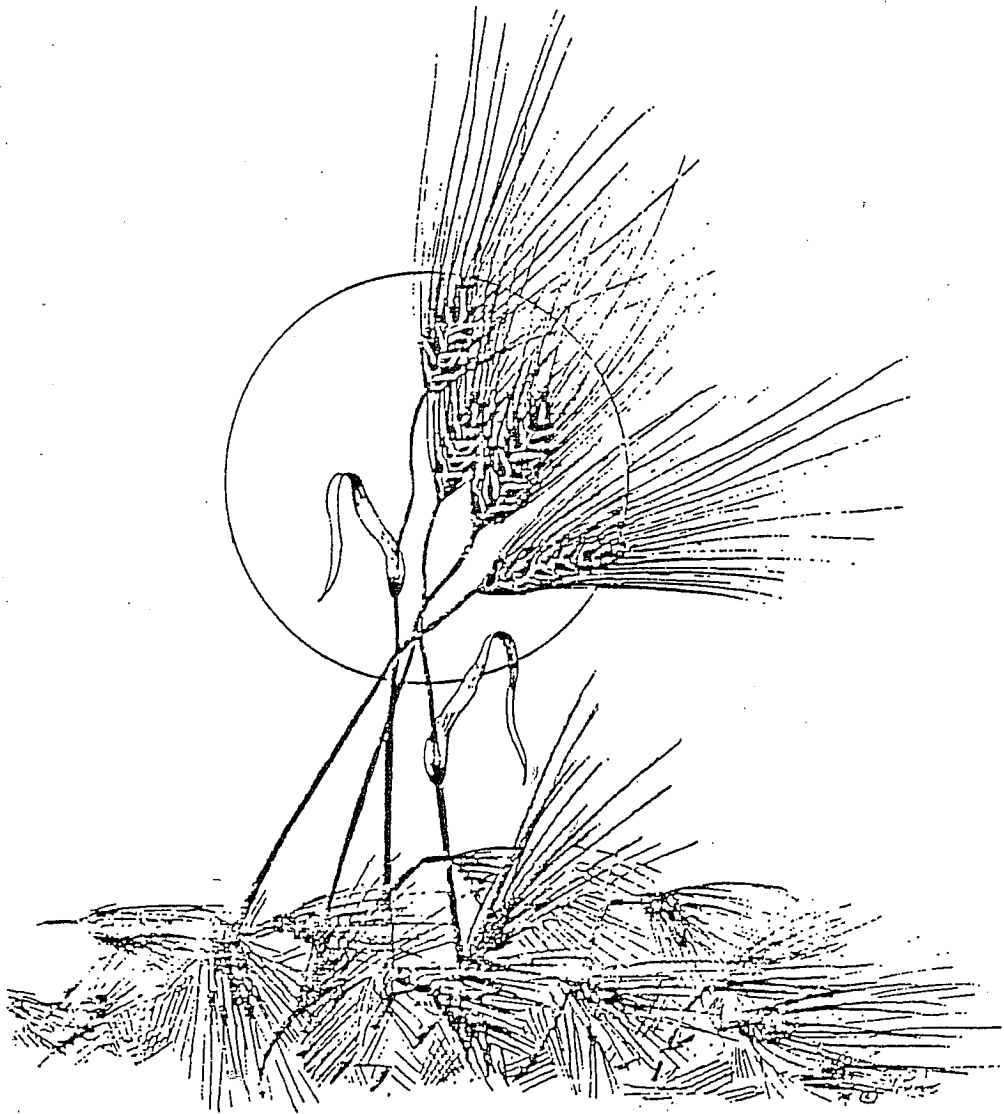


Maryland
Agricultural Land
Preservation Foundation

Annual Report
1990



MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION

ANNUAL REPORT

FOR

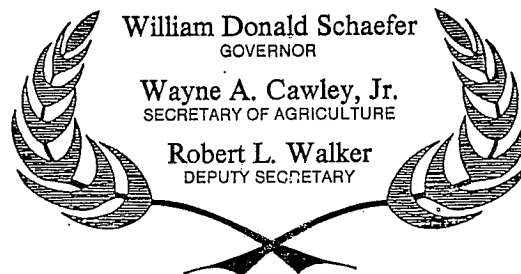
FISCAL YEAR 1990

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION

Leonard E. Lowry, Chairman
Paul W. Scheidt, Executive Director

**MARYLAND
DEPARTMENT OF AGRICULTURE**

50 Harry S Truman Parkway
Annapolis, Maryland 21401



MDA 121-90



William Donald Schaefer
Governor

Melvin A. Steinberg
Lt. Governor

Wayne A. Cawley, Jr.
Secretary

Robert L. Walker
Deputy Secretary

STATE OF MARYLAND
DEPARTMENT OF AGRICULTURE
MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION

November 1, 1990

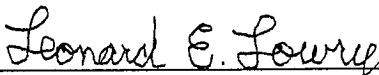
The Honorable William Donald Schaefer, Governor
The Honorable Thomas V. Miller, Jr., President of the Senate
The Honorable R. Clayton Mitchell, Jr., Speaker of the House

Gentlemen:

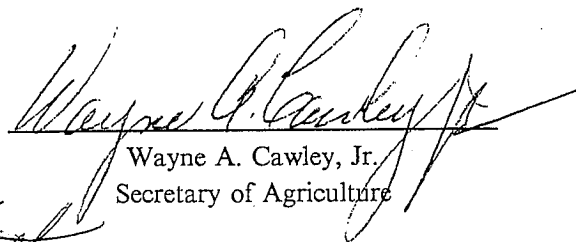
We are pleased to submit the 1990 Annual Report of the Maryland Agricultural Land Preservation Foundation. The information in this report reflects the increase of landowner's participation, changes in the program and successful achievements during Fiscal Year 1990. We are proud to announce that this year marks the thirteenth year of the program's operations and we continue to experience strong support in the agricultural community. With the many changes in the program during the last year, we hope to protect and preserve much more of Maryland's finest farmland.

Maryland still leads the nation in the amount of farmland protected and has permanently preserved more acres than any other state in the nation. In the past year, the total acreage enrolled in agricultural districts increased by 33,022 acres. This represents a 20% increase over the previous year and to date brings the grand total up to 194,388 acres enrolled in our program. The amount of acreage that is permanently preserved, as a result of the Foundation's purchase of development rights easements, increased by 12,665 acres in FY '90, representing a 16% growth rate over the previous year. At the close of FY '90, the Foundation had a grand total of 619 easements, either acquired or with contract status, providing perpetual protection to 91,448 acres.

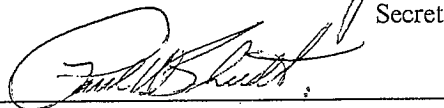
Although our progress has shown substantial increases each year, Maryland still is losing farmland at an alarming rate. Our mission is to preserve enough of Maryland's productive farmland to perpetually maintain a viable agricultural industry. Your continued strong support allows us to challenge the future as land use issues grow ever more critical.



Leonard E. Lowry, Chairman
Board of Trustees



Wayne A. Cawley, Jr.
Secretary of Agriculture



Paul W. Scheidt
Executive Director

50 HARRY S TRUMAN PARKWAY, ANNAPOLIS, MARYLAND 21401

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WHAT IS THE PURPOSE OF THE MARYLAND AGRICULTURAL LAND PRESERVATION PROGRAM?

The Maryland Agricultural Land Preservation Program was created by the Maryland General Assembly to preserve productive agricultural land and woodland which provides for the continued production of food and fiber for all citizens of the State. The preservation of agricultural lands will help curb the expansion of urban development and protect agricultural land and woodland as open space land.

By preserving agricultural land, the Foundation also protects the quality of life that makes Maryland so special. The Maryland Agricultural Land Preservation Program is the most successful program of its kind in the nation. Maryland's effort to preserve agricultural land also leads to the protection of wildlife and the environmental quality needed to support the many different species associated with the Chesapeake Bay.



HOW DOES THE PROGRAM OPERATE?

The program is administered by a 12-member Board of Trustees forming the Maryland Agricultural Land Preservation Foundation. The Board is comprised of the State Comptroller, Treasurer, and Secretary of Agriculture as ex-officio members and nine members from the State-at-Large appointed by the Governor. At least five of the at-large members shall be farmer representatives from different areas of the State.

The Maryland Agricultural Land Preservation program is voluntary on the part of landowners and is dependent upon the cooperation of local governments. This program requires local governments to appoint agricultural preservation advisory boards that assist in the creation of agricultural land preservation "districts". As a district, the subdivision and development of the land is restricted by agreement between the landowner and the Agricultural Land Preservation Foundation where agricultural land and woodland production activities are encouraged and protected.

If a landowner requests that his property be included in a district, he must be willing to maintain the land in agricultural use for a minimum of 5 years, and the property must meet the minimum criteria established by the Foundation. Size (minimum of 100 acres) and soil types are the major criteria for a property

to qualify for the program. At least 50-60% of the soils must be classified as I, II, or III and/or woodland group I or II. These soils are classified as being prime or productive by using the USDA Soil Classification system and are capable of successfully producing viable agricultural commodities.

A landowner who includes his land within a district will receive the following benefits:

- Direct and indirect support of agriculture
- Recognition from the county and the state by a recorded document in the land records of the county, that the preferred use of the property is agriculture
- Insulation of normal agricultural activities from nuisance complaints
- Possible tax credits if county has developed a tax credit program
- Eligibility to make application to sell a development rights easement to the Foundation

Once the Agricultural Land Preservation District is established, the landowner may apply to sell a development rights easement to the Foundation. The application shall include the asking price of any easement offered. The maximum price that the Foundation may pay for an easement is the landowner's asking price or the easement value determined by a

statutory formula shown in figure 1, whichever is lower.

Once a development rights easement has been sold, the property is perpetually protected from further development with certain rights available only to the landowner who originally sold the easement.

appraised fair market value (determined by the better of two appraisals conducted by the state and by the appraisal submitted by landowner if included with the application)	-	agricultural value (determined by a formula based on land rents and soil productivity)	=	easement value
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Note: The Foundation's offer to purchase a development rights easement on any property will be dependent upon available funds and the county's approval of the sale of development rights.

Figure 1. Easement Value Formula

THE PROGRAM EXCELS!

Fiscal Year 1990 was a record year for the Maryland Agricultural Land Preservation Foundation. This was the most productive year in both district establishment and easement acquisition during the thirteen year history of the program. During FY '90, a 20% increase in the program's acreage base was achieved as 274 new agricultural preservation districts were established providing protection to 33,022 acres. Before this year, the largest increase noted in any one year during the history of the program was 153 districts and 21,511 acres accomplished in 1987. By the end of FY '90, the Foundation had established a grand total of 1,409 agricultural land preservation districts enrolling 194,388 acres.

Not only has the Foundation made history in creating a record number of districts and preserving the largest amount of acreage, but the number of easement applications received have increased as well. FY '90 is the first year in which the Foundation operated a two cycle easement offer program. During Cycle One, the Foundation received 110 applications of which 88 have accepted an easement offer made to them. This too, is a record in the fact that 80% of the offers made by the Foundation were accepted. The highest acceptance rate prior to this past year was 74% during FY '88. The total number of acres from accepted easement offers for the first cycle of FY '90 totaled 12,665 acres and represents the highest number of acres ever

placed under contract during any one year in the history of the program. It must be noted that the total only reflects the first half of the Fiscal Year. During Cycle Two of FY '90, the Foundation accepted an additional 60 easement applications, representing 7,719 acres. These offers were made by the Foundation during their Monthly Board meetings held in August, September and October of 1990, and therefore, all responses have not yet been received. However, if an assumption is made such that the same acceptance rate of 80% attained in Cycle One also applies to Cycle Two, then it is expected that 48 of the 60 offers will be accepted. Based on this assumption, 136 accepted offers will be under contract for FY '90. As of June 30, 1990, the Maryland Agricultural Land Preservation Foundation had a total of 619 easements that were acquired or with contract. After settlement, the 88 easement properties from Cycle One will add another 12,665 acres to last year's calculation of easement acreage. The new total amount of easement acreage, as of June 30, 1990, is 91,448 acres and represents a 16% increase from the FY '89 total.

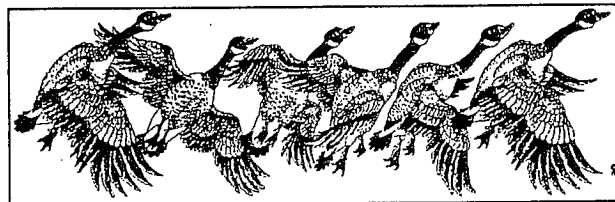
During the two offer cycles in FY '90, the Maryland Agricultural Land Preservation Foundation received a total of 170 applications to sell easements, which is significantly more than the number of applications received last year representing a 53% increase. To further show that the

Foundation is operating successfully with record levels of participation, 188 applications to sell easements have been received as of July 1, 1990 (the beginning of the first offer cycle of FY '91). This number alone surpasses the record number received in FY '90 and only represents one half of Fiscal Year 1991.

The FY '90 Cycle One Easement Acquisition Program cost \$17.3 million, of which \$16.3 million, or 95%, were state funds and \$0.9 million, or 5%, were county funds. The average acquisition cost for Cycle One of FY '90 rose significantly to \$1,366 per acre, while last year's average was \$1,189 per acre. This increase of \$177 per acre over last year's figure, coupled with recent changes in the methodology of determining easement values, is expected to attract more participation in the program for FY '91. The current historic average acquisition cost increased from \$853 per acre in FY '89 to \$925 per acre in FY '90 (cycle one). Current land use of the total acreage base in the program is 64% cropland, 12% pasture, 20% woodland and 4% other uses.

Soil Conservation Plans are in effect on 73% of existing districts. The Foundation is currently working with soil conservation districts on creating plans on districts which did not have a soil conservation plan prior to district establishment.

Since FY '85, a criterion has been in effect that requires a soil conservation plan be developed in order to be eligible to submit an easement application to the Foundation. In addition, landowners who sell their development rights easement(s) have been required since FY '85 to follow the recommendations stated in their soil conservation plans. The plan's schedule of implementation is to be followed to install necessary Best Management Practices where needed.



DRAMATIC CHANGES TO THE PROGRAM

In spite of being the most successful program of its kind in the nation, the efforts of the Maryland Agricultural Land Preservation Foundation, and other similar programs in the State, have not kept pace with the amount of farmland that is being lost to development (see graph on page 29). The Department of Agriculture and the Maryland Agricultural Land Preservation Foundation have been working on ways to improve the program and in turn, increase participation. Several legislative proposals were considered in the 1989 Maryland General Assembly which dealt with the Maryland Agricultural Land Preservation Foundation (See 1989 Annual Report). Although a number of the proposals were enacted into law, Maryland lawmakers expressed concern about the Foundation during those proceedings which they felt deserved closer examination during the 1989 interim.

Consequently, the Senate Budget and Taxation Committee and the House Committee on Appropriations appointed the Joint Subcommittee on Program Open Space and Agricultural Land Preservation. In association with the Agricultural Land Preservation Foundation, the Subcommittee was charged with addressing legislative concerns, focusing principally on improving the success of state and local efforts to preserve Maryland's prime agricultural land. A considerable amount of time was involved in evaluating the Maryland Agricultural Land Preservation Foundation and several issues were raised.

Among these issues was the fact that the average assessed fair market value per acre of properties for which easements have been purchased showed little change from 1984 to 1988. This is true even for counties facing severe development pressure. A historic perspective of the same time period showed an average fair market value of \$2,248, while land being transferred out of agricultural production was nearly three times that amount. There was a significant increase in the average acquisition price per acre from 1988 to 1989 (nearly 50%), but the legislators and the landowners themselves believe it will require still higher values if the state wants to preserve more farmland.

There was a significant increase in the average acquisition price per acre from 1988 to 1989 (nearly 50%).

During FY 1990, the average easement value increased to \$1,436 per acre. This reflects a change in the appraisal process which became effective July 1, 1989. Buildings and structures were no longer included in the appraisals when determining the agricultural use value of a farm. This change was implemented to focus preservation efforts on the land itself and not the structural improvements on the property, as the necessity and usefulness of such buildings may change with management. The anticipated results were lower agricultural values and in

turn, higher easement offers to landowners. Actual results confirmed the Foundation's thinking as seen by figures on page 27.

The Department of Agriculture and the Foundation, with the University of Maryland were in the process of further changing the appraisal method at the same time the Joint Subcommittee was evaluating the program. It appeared that the biggest difference between the appraisals of farmland containing both fair market and agricultural values was in the latter value. Comparable sales in the area of a particular farm being appraised works well in determining fair market values. However, unless a farm nearby has been sold on the open market strictly for agricultural use, completely void of any development potential, it becomes hard to qualify as a comparable sale. Without knowing the true intent of a buyer of agricultural land, one cannot be sure of the value of the property. Many farms in Maryland are sold and purchased at inflated values to provide large lot estates to meet the desires of owning a homestead. Since these purchasers are generally not concerned with the potential farming income that the land could produce, they are willing to pay a price far beyond the agricultural value. The joint subcommittee recommended that the appraisal process must be changed to better reflect agricultural values and to enhance the easement values offered to landowners who wish to sell an easement to the state. As a result, the Department of Agriculture, the Maryland Agricultural Land Preservation

Foundation, University of Maryland, Department of Agricultural Resources and Economic Development and the Maryland Statistical Services created a formula to be used by the Foundation in determining the true agricultural use value of a farm. The method of evaluation takes into consideration weighted factors that are used to determine land rents and the soil productivity index of a farm. These factors include average land rents, soil types, potential agricultural use, current interest rates and the property's distance from the Baltimore-Washington Metropolitan area. Preliminary evaluations indicate a trend that will again lower the agricultural value of a farm by using the formula in lieu of using the comparable sales method of determination. This change alone will significantly increase the easement values of properties entering the State's program and could mean another 30-50% increase in values from last year's average.

New Formula expected to further increase easement values.

The proposed agricultural value was presented to the 1990 Maryland General Assembly by the Joint Sub-Committee as SB 812, which was approved and became effective July 1, 1990. Therefore, those landowners who applied in the July 1, 1990 easement offer cycle will be the first properties evaluated using the new agricultural formula.

Fair market value appraisals will be conducted through contracts with the Department of General Services. This new change in the appraisal process marks a giant milestone for preservation efforts of the State of Maryland and the Maryland Agricultural Land Preservation Foundation.

1990 marks a giant milestone towards Maryland's Agriculture Preservation efforts.

Another issue raised by the Joint Subcommittee on Program Open Space and Agricultural Land Preservation relates to the establishment of effective County programs. Certain counties including those in the Baltimore/Washington Corridor, most threatened by development, have established innovative agricultural land preservation programs separate from the State Program. Other counties are looking into creating incentive programs to coincide with the State in preserving more agricultural land. The Subcommittee thought it would be in the State's best interest to develop a program for certifying those counties which have established viable agricultural land preservation programs and provide additional state funds to those counties meeting certain criteria. The Subcommittee has recommended that this certification program be administered by the Foundation and the Office of Planning to provide an effective method through which scarce agricultural resources are preserved as

quickly as possible. Furthermore, the Subcommittee recommended that those counties which have a demonstrated history of successful local agricultural preservation efforts leading to the purchase of perpetual agricultural preservation easements would be certified as a pre-existing program for a period of two years without going through the full certification process. However, counties being certified as having a pre-existing program would have to follow all criteria set forth by the Foundation and the Maryland Office of Planning when the county applies for recertification.

Certification of County Programs will help increase preservation of agricultural land.

As a result, HB 1280, Agricultural Land Preservation Act of 1990, was presented to the 1990 General Assembly and was signed by the Governor. This Bill also became effective July 1, 1990 and provides for a certification program which allows certified counties to retain 75% of the Agriculture Transfer Tax as opposed to the 33% they would retain if they remain non-certified. These additional funds may be used only for the purchase of perpetual development rights easements on agricultural lands, or financial enhancements related to the purchase of development rights, or any other direct use of funds or financial expenditures to promote the permanent preservation of agricultural land.

A certified county would be allowed to use 10% or \$30,000, whichever is greater, for administrative costs associated with operating the local program. In addition, a certified county may receive a share (based on a formula) of the Maryland Agricultural Land Preservation fund balance if any remain at the end of each fiscal year. This additional money can only be used for the purchase of perpetual development rights.

A county interested in applying for certification must make application to both the Maryland Agricultural Land Preservation Foundation and the Office of Planning. If approved, certification will be valid for a period of two years. Reporting requirements are required on an annual basis as to the program accomplishments, sources and uses of funds, acres preserved and participation in the program. In addition, the report shall include the county's achievements and identify how they compare with the milestones and goals established in the overall preservation strategy of the comprehensive/master plan.

House Bill 1280 also provides for a reimbursement of the costs associated with a landowner obtaining an appraisal of his/her property when applying to sell an easement to the Foundation. This reimbursement of appraisals will be approved, not to exceed the amount determined by the Department of General Services. The reimbursement will only be granted if a landowner submits an appraisal with his/her application to sell an

easement and the landowner actually settles on the sale of such an easement.

Reimbursement of landowners' appraisals are now possible.

Another important change to the Agricultural Land Preservation Program relates to funding acquired through Program Open Space. Over the past several years, the state's preservation program received an allotted amount of \$5 million annually from the State's share of property transfer taxes. The Joint Subcommittee on Program Open Space and Agricultural Land Preservation made recommendations to restructure Program Open Space in the State. With this restructure, the Subcommittee recommended to lift the cap set on the Program to allow more money to be used for the cause. During 1989, the cap was set at \$32 million. In conjunction with this recommendation was a general feeling that if Program Open Space was to receive additional funding, so should the Maryland Agricultural Land Preservation Foundation. Therefore, the Subcommittee recommended that as the cap is lifted, 13.2% of the State's transfer taxes will go to the Maryland Agricultural Land Preservation Fund, which could be substantially more than the \$5 million allocation. This 13.2% represents approximately what the Foundation receives now from Program Open Space, thus explaining the percentage selected.

Lifting of the cap on Transfer Tax may provide more funding.

This proposal was presented to the 1990 General Assembly as Senate Bill 811 and was both passed and signed by the Governor. The total lifting of the cap will be phased in over a five year period and will begin in 1992. Until then, the Foundation will continue to receive the allotted amount of \$5 million with the anticipation that this amount will substantially increase in the future as a result of the signing of this bill.

Finally, another change which occurred during the 1990 General Assembly included adding the State Comptroller as an ex-officio member to the Board of Trustees of the Maryland Agricultural Land Preservation Foundation. The State Treasurer is also an ex-officio member of the Foundation's Board of Trustees. With the signing of this Bill (HB 70), two of the three members of the Board of Public Works, who are responsible for approving easement purchases and other issues affecting Foundation's activities, are on the Foundation's Board of Trustees.

During Fiscal Year 1990, many changes occurred which altered the Maryland Agricultural Preservation Program. Maryland is sincere in its preservation efforts and is attempting to make a great program better.

Fiscal Year 1990 will be considered a historic year during which record levels of participation were achieved and alterations to the program were made.

Presented opposite is a summary of legislation considered by the 1990 Maryland General Assembly, and signed by the Governor, which relates to the Maryland Agricultural Land Preservation Foundation.



- *Chapter 65, House Bill 1280*

Establishes a program under the Maryland Department of Agriculture and the Maryland Office of Planning to certify eligible counties that have effective agricultural land preservation programs. Certification under the program is valid for two years. Under this bill certified counties will be able to increase their share of the agriculture transfer tax revenues collected in the county from 33.3% to 75% and have access to additional funds from the fund balance of the Foundation if any remain at the end of the fiscal year. In addition, this bill requires that any agricultural transfer tax revenues held by a county and unexpended after three years will revert back to the Foundation fund and be used to purchase development rights easements statewide. Finally House Bill 1280 allows applicants to be reimbursed for the cost of their own appraisal, up to a certain amount if submitted with the application to sell an easement, and actually settles on this sale of the easement.

- *Chapter 124, House Bill 70*

Adds the State Comptroller as an ex-officio member of the Board of Trustees of the Maryland Agricultural Land Preservation Foundation.

- *Chapter 63, Senate Bill 811*

Includes numerous provisions that restructure Program Open Space in the State. This bill phases out the current cap of \$32,000,000 on the program over a five year period beginning in Fiscal Year 1992. In addition, property transfer tax revenues will be dedicated to land preservation, as well as a 13.2% allocation of property tax revenues to the Maryland Agricultural Land Preservation Foundation.

- *Chapter 64, Senate Bill 812*

Enhances the viability of the Maryland Agricultural Land Preservation Foundation program by establishing a new methodology to measure more accurately the value of agricultural land and thus, increase the easement values offered by the Foundation. SB 812 establishes a formula which will be used to replace the previous method of appraising the agricultural value of a farm. The formula is driven by land rents, interest rates, soil types, productivity and its location to determine a productivity index and agricultural value of a farm.

FACING THE CHALLENGES OF THE FUTURE

Currently, farm owners are threatened by the effects of suburban development. Not only are they faced with local zoning trends to control growth which may decrease the development potential on agricultural land, but also with the adverse effects of such growth on farming and the rural environment. Although development pressure in rural areas may increase the value of farmland, it also makes farming less desirable for those farmers who may wish to continue farming and ultimately may force them to sell their land.

Unfortunately, farmers and developers are competing for the same land because the best land for development is also the best for agriculture due to drainage and soil characteristics. Although there is a decrease in the amount of land being lost to development from last year, it still surpasses that which is being preserved in the Maryland Agricultural Land Preservation Program. As one may see from the graph on page 29, Maryland is still losing ground. However, it should be noted that there has also been a significant increase in the amount of farmland that has been preserved. Several other programs in the state, as well as the private sector including land trusts, have helped to preserve agricultural lands, sensitive environmental areas and openspace but is not shown on this graph.

Maryland has made a strong commitment towards the preservation of agricultural land and has streamlined the program over the

past two years. With continued dedication and support, as well as providing fair compensation to the landowner, Maryland will preserve a good portion of its agricultural base in perpetuity.

In order for the State program to work successfully, it is essential for local governments to plan effectively for the establishment of agricultural preservation districts as part of a local land use plan providing for future growth. In an attempt to further the preservation of agricultural land, several counties within the State have developed individual programs of their own. Some of these programs provide additional incentives to those who participate in the State's program, while others consist of separate operations outside the regular funding of the Maryland Agricultural Land Preservation Foundation.

With the new County Certification Program which provides additional funding to qualifying counties, a closer relationship may be developed between local governments and the State. Together we will work toward a common goal of preserving productive agricultural land and maintaining a strong agricultural base. Agriculture is the State's number one industry and our efforts will help to preserve it as such.

**MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION
FISCAL YEAR 1990 CERTIFICATION REPORT**

FY '89 Certification	\$ 23,072,137.48	
FY '89 Easement Encumbrances, Expenditures & Reserve	(16,135,994.77)	
FY '88 Easement Reserve	<u>(206,200.00)</u>	
FY '89 Fund Balance		\$ 6,729,942.71
FY '89 Net Revenue		21,263,639.57
FY '89 Unexpended 3 year Old County Agricultural Transfer Tax		649,801.83
FY '87 Encumbrance Cancellation	\$ 848,448.75	
FY '88 Encumbrance Cancellation	<u>302,662.00</u>	<u>1,151,110.75</u>
Unencumbered Fund Balance 6-30-89		29,794,494.86
FY '90 Program Open Space		<u>5,000,000.00</u>
FY '90 Certified MALPF Fund Balance		<u>\$ 34,794,494.86</u>

ACREAGE REDUCTION

The table showing acreage reductions in districts or easement properties lists the five factors that would result in an adjustment of the program's acreage base. A total of 21 easement acres were excluded based on the release of one acre building lots requested by original owners and/or their children. To date a total 67 easement acres were excluded for building lots.

It has been a requirement since 1982 that when new lots are created on lands where the Foundation has purchased a developments rights easement, the landowner must payback the per acre value of the easement offer. Easements purchased prior to 1982 do not require a payback. Easement restrictions are placed in force on the total property acreage; however, a landowner is not compensated for the one acre area surrounding each dwelling that was in existence at the time of easement purchase. The total payback amount collected during FY '90 was \$9,883.23, which brings the total, to date, to \$35,134.45. Land in districts or easements which is directly impacted by public benefit such as improvements of roads, bridges or culverts, is excluded when requested by county governments. There were no acreage reductions for public benefit in FY '90. To date, 17.69 acres have been excluded for such public improvements with a total payback of \$1,549.04.

As in FY '89, the most significant acreage reduction factor was the termination of districts. Eighteen districts, totalling 2,910.6384 acres, terminated after the minimum five year period. In addition, a total of 169.5858 acres were released from the program as two district properties terminated their agreement before the normally required five year period due to economic hardship. Two other district properties had partial terminations. To date, a total of 106 districts covering 18,139 acres have been terminated, 9% of the gross total acreage base in district status. The gross total acreage base is the current district acreage plus terminated acreage.

In the easement settlement process, acreage adjustments are often made after a title search is performed. The verification of acreage through research of ownership including out-conveyances and surveys, may total a different amount than that shown on the district agreement. There are sometimes increases in acreage. The net loss in FY '90 was 21.8 acres, which brings the total, to date, to 537.2 acres.

Acreage reductions from all sources total 3,123.2 acres for FY '90. To date, the sum of acreage reductions from all sources total 15,995 acres.

ACREAGE REDUCTIONS IN DISTRICTS OR EASEMENT PROPERTIES

RECORDED FROM JULY 1, 1989 TO JUNE 30, 1990

(*Partial termination resulting in loss of partial district acreage.)

COUNTY	OWNER'S OR CHILDREN'S LOT EXCLUSIONS		EXCLUSION BY COUNTY FOR PUBLIC BENEFIT			EARLY TERMINATION FOR SEVERE ECONOMIC HARDSHIP		DISTRICT TERMINATION AFTER 5 YEARS		ACREAGE ADJUSTMENTS FROM DEEDS	TOTALS
	Easement Acreage	Payback Amount	District Acreage	Easement Acreage	Payback Amount	Number	Acreage	Number	Acreage		
ALLEGANY											
ANNE ARUNDEL	-1.00	\$3,080.69									-1.00
BALTIMORE	-4.00	\$1,688.50				1	-80.00			-4.185	-88.185
CALVERT								1	-141.688		-141.688
CAROLINE	-6.27	\$1,422.03						6	-586.2453	-8.257	-600.7750
CARROLL	-2.00	\$595.21				1	-73.8358	1	-150.9211	+2.1305	-224.6254
CECIL										-8.084	-8.084
CHARLES	-1.00	N/A								19.582	-1.00
DORCHESTER											-19.582
FREDERICK	-1.00	N/A						5	-912.734		-913.734
GARRETT								1	-324.90	-3.88	-328.78
HARFORD	-2.00	N/A								+28.135	+26.135
HOWARD	-1.00	\$1,000.00				*	-0.75				-1.75
KENT	-1.00	\$768.80								-8.03	-9.03
MONTGOMERY								1	-297.63		-297.63
PRINCE GEORGE'S											
QUEEN ANNE'S											
ST. MARY'S						*	-15.00	2	-430.00		-445.00
SOMERSET											
TALBOT											
WASHINGTON	-2.00	\$1,328.00						1	-66.52		-68.52
WICOMICO											
WORCESTER											
TOTAL	-21.27	\$9,883.23	-0-	-0-	-0-	2	-169.5858	18	-2,910.6384	-21.7525	-3123.294

FY '90 DISTRICT PARTICIPATION

FY '90 has been a record year all around for the Maryland Agricultural Land Preservation Foundation. In addition to the huge participation gain in our easement program, there has also been a significant increase in district participation. In FY '90 the Foundation approved the establishment of 274 agricultural preservation districts protecting 33,022 acres. The new amount represents a 20% increase to last year's total. Despite the growth in district establishment, the average farm size of the new FY '90 districts was 121 acres, down from the FY '89 average of 135 acres. By comparison, the average farm size of all districts was 138 acres, down from last year's average of all districts of 142 acres.

There was a noticeable change this year in comparing individual County participation. This year Caroline County took the lead in terms of additional district acreage. However, it is ranked second among the total acreage of statewide participation with 15.0% of the acreage base. The 41 new districts established in Caroline County in FY '90 indicates more growth in terms of acres than any other county for the year with 4,991 acres; the largest gain in the State. A close second was Queen Anne's County with 4,649 acres. Carroll County, last year's forerunner, ranked 3rd in FY '90 with 3,945 acres, but is ranked number one with 17.1% of the statewide acreage base. Substantial increases were also made in Baltimore, Cecil, Frederick, Harford, Queen Anne's and Wicomico County.

On a regional perspective, all regions are growing. The most growth is in the Upper Shore Region adding 11,765 acres in FY '90

and gaining 1.2% of the State total. However, the Lower Shore, which in the past has only shown a modest gain doubled the amount of acres preserved. They increased their 2.8% in FY '89 to 5.1% of total district acreage in FY '90. The Southern, Central and Western Regions declined slightly.

One of the most beneficial aspects of this program is the establishment and growth of preservation areas. This is the total amount of contiguous land under district agreement. If we can encourage new landowners to join the program, we can insulate against development. Our biggest leverage against development pressure is the greater the "critical mass" of preserved agricultural land.

The largest preservation area in the State is in Carroll County, known as the "Uniontown Preservation Area" consisting of 11 easement and 18 district properties, covering 3,806 contiguous acres. Talbot County has a preservation area which exceeds 2,000 acres consisting of 1 easement and 7 district properties, unchanged from FY '86.

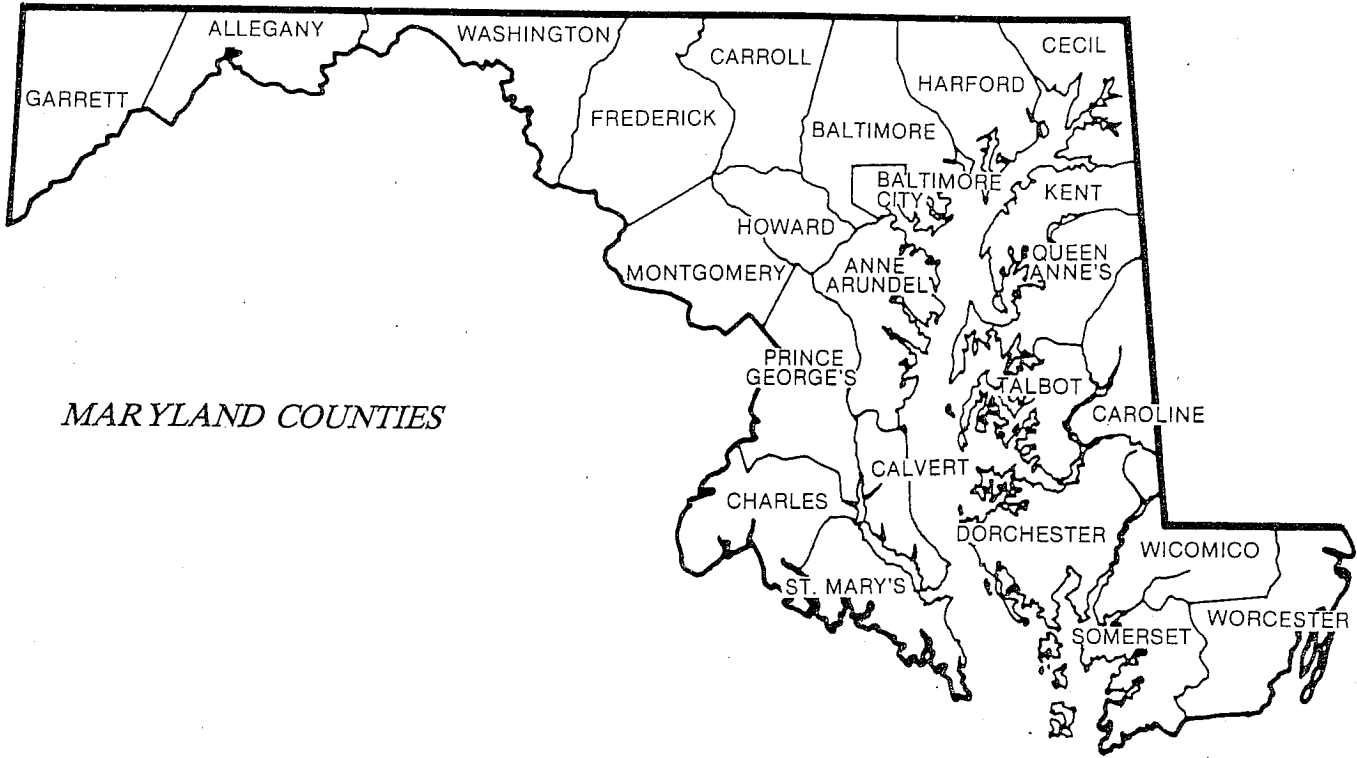
Preservation areas of significant size can be our ally in maintaining the traditional agricultural community and rural atmosphere, which is unfortunately dwindling. It is quite possible that this type of atmosphere will not exist in generations to come. We believe our program is successful. Although it is a voluntary program, just this last year's phenomenal growth is an indication of continued success. It is believed that along with our promotion of the program, the effectiveness of word-of-mouth advertising is non-withstanding.

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION
FY '90 DISTRICT PARTICIPATION

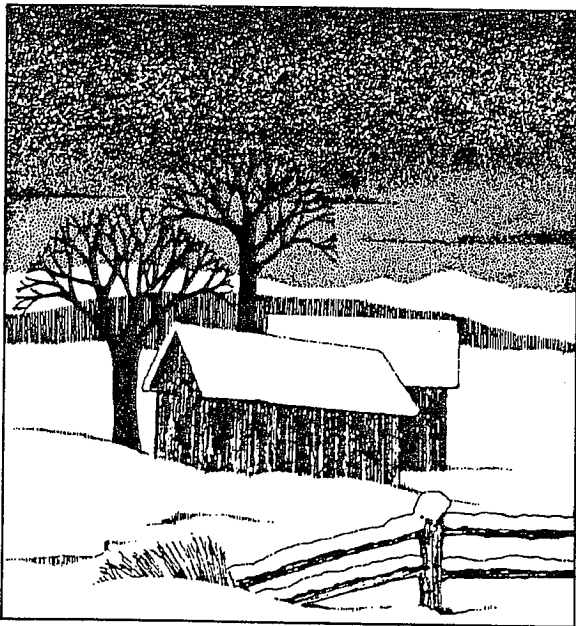
COUNTY	RECORDED DISTRICTS AS OF JUNE 30, 1989		APPROVED DURING FY '90		COUNTY ACREAGE GROWTH RATE	ACREAGE ADJUSTMENTS		TOTAL RECORDED AND APPROVED DISTRICTS AS OF JUNE 30, 1990		PERCENTAGE OF TOTAL
	No. of Districts	District Acreage	No. of Districts	District Acreage		No. of Districts	District Acreage	No. of Districts	District Acreage	
ALLEGANY	3	335,1980	0	0	0%	0	0	3	335,1980	0.2%
ANNE ARUNDEL	53	5,580.1528	9	763.4588	14%	0	-1.0	62	6,342.6116	3.2%
BALTIMORE	151	15,295.6408	40	2,605.7101	17%	1	-88.185	190	17,813.1659	9.2%
CALVERT	44	5,990.2622	1	110.593	2%	1	-141.688	44	5,959.1672	3.1%
CAROLINE ✓	168	24,757.7949	41	4,990.5735	20%	6	-600.775	203	29,147.5934	15.0%
CARROLL	230	29,562.9758	36	3,945.4244	13%	2	-224.6264	264	33,283.7738	17.1%
CECIL	27	4,464.1860	6	1,114.1910	25%	0	-8.084	33	5,570.293	2.8%
CHARLES	21	3,149.8880	2	220.344	7%	0	-1.0	23	3,369.232	1.7%
DORCHESTER	11	1,615.5500	10	1,867.4300	116%	0	-19.582	21	3,463.398	1.7%
FREDERICK ✓	75	12,745.0408	19	2,547.2713	20%	5	-913.734	89	14,378.5781	7.3%
GARRETT	28	4,536.2500	2	257.53	6%	1	-328.78	29	4,465.0000	2.3%
HARFORD ✓	83	9,898.4401	34	3,859.2309	39%	0	+26.135	117	13,783.806	7.1%
HOWARD ✓	54	6,808.1544	0	0	0%	0	-1.75	54	6,806.4044	3.5%
KENT	31	5,132.1472	2	337.916	7%	0	-9.03	33	5,461.0332	2.8%
MONTGOMERY	18	3,125.5380	0	0	0%	1	-297.63	17	2,827.908	1.5%
PRINCE GEORGE'S	0	0	0	0	0%	0	0	0	0	0%
QUEEN ANNE'S ✓	64	13,399.1330	27	4,648.9756	35%	0	0	91	18,048.1086	9.3%
ST. MARY'S	22	4,007.8243	3	292.9490	7%	2	-445.00	23	3,855.7733	2.0%
SOMERSET	6	951.2100	6	754.6310	79%	0	0	12	1,705.8410	1.0%
TALBOT	26	5,498.7200	7	672.8450	12%	0	0	33	6,171.5650	3.2%
WASHINGTON	26	5,652.5465	10	1,333.1958	24%	1	-68.52	35	6,917.2223	3.6%
WICOMICO	13	1,737.3200	19	2,699.3220	155%	0	0	32	4,436.6420	2.3%
WORCESTER	1	246.0000	0	0	0%	0	0	1	246.0000	0.1%
TOTAL	1,155	164,489.9728	274	33,021.6935	20%	20	-3,123.2494	1,409	194,388.3148	100%

**REGIONAL ANALYSIS:
PERCENTAGE OF TOTAL DISTRICT ACREAGE**

REGIONS	FY '87	FY '88	FY '89	FY '90
WESTERN:				
Garrett				
Allegany	15.4%	14.8%	14.1%	13.4%
Washington	22,020 acres	22,467 acres	23,269 acres	26,096 acres
Frederick				
CENTRAL:				
Carroll				
Baltimore	41.5%	39.4%	39.3%	38.3%
Harford	59,152 acres	59,619 acres	64,691 acres	74,515 acres
Montgomery				
Howard				
SOUTHERN:				
Anne Arundel				
St. Mary's	11.6%	12.1%	11.4%	10.0%
Calvert	16,511 acres	18,335 acres	18,728 acres	19,527 acres
Charles				
Prince George's				
UPPER SHORE:				
Queen Anne's				
Talbot	29.5%	31.5%	32.4%	33.2%
Cecil	42,028 acres	47,629 acres	53,252 acres	64,398 acres
Kent				
Caroline				
LOWER SHORE:				
Dorchester				
Wicomico	2.0%	2.2%	2.8%	5.1%
Worcester	2,819 acres	3,273 acres	4,550 acres	9,852 acres
Somerset				
TOTAL ACREAGE	142,530 acres	151,324 acres	164,490 acres	194,388 acres



MARYLAND COUNTIES



FY '90 EASEMENT ACQUISITION PROGRAM

Average values of all accepted offers per county and for the State during the First Offer Cycle in FY '90 is analyzed in this table. After settlement, a total of 12,665 acres will be placed under perpetual easement. Since these values are strictly an average of asking prices and are citing specific appraised values of properties within each county during Cycle One of FY '90, this is not necessarily an accurate depiction of farmland values in any one county.

A component of the program is the competitive bidding factor, allowing the offer amount to equal the landowner's asking price or the appraised easement value, whichever is lower. The only other value allowed is an "insufficient funds offer", which represents less than either the asking price or the appraised value due to limited funding. The total amount of remaining funds on hand to be used for easement acquisition is the basis for such an offer. Since there is no guarantee of a subsequent full offer, there are some acceptances. However, such an offer may be turned down without a penalty. There were enough funds during FY '90 to make full offers to all applicants.

During FY '90, a considerably higher average acquisition cost is noted increasing from \$1,189 per acre in FY '89 to \$1,366 per acre in FY '90 representing a 14.9% increase.

The acceptance of 88 out 110 offers during Cycle One shows a total cost of \$17,302,484, of which \$16,363,402, or 95%,

were State funds and \$939,080, or 5%, were county matching funds. A total of \$884,607 was saved in making offers that were less than the appraised easement value and thus considered a discount to the State. Often times a landowner is willing to sell an easement at a discounted value and asks for less than what the appraised easement value might be to ensure that they will receive a full offer. Using the \$1,366 average acquisition cost per acre, an additional 647.59 acres were acquired in the FY '90 easement program. This can be attributed exclusively to the competitive bidding component of the program. Maryland continues to be the most cost effective program in the country which is due largely to competitive bidding.

A landowner may file for arbitration with the local Property Tax Assessment Appeals Board, if he disagrees with the values established by the State appraisal and ultimately the offer made to him by the Foundation.

Two property owners arbitrated in FY '90. In both cases, Property Tax Assessment Board ruled that the value of the easement was greater than the amount that the Foundation originally offered the landowner. However, this value was still less than the landowner's asking price. The history of the program shows there has been 21 arbitration cases, representing 3% of the 1,054 easement applicants who could have requested arbitration.

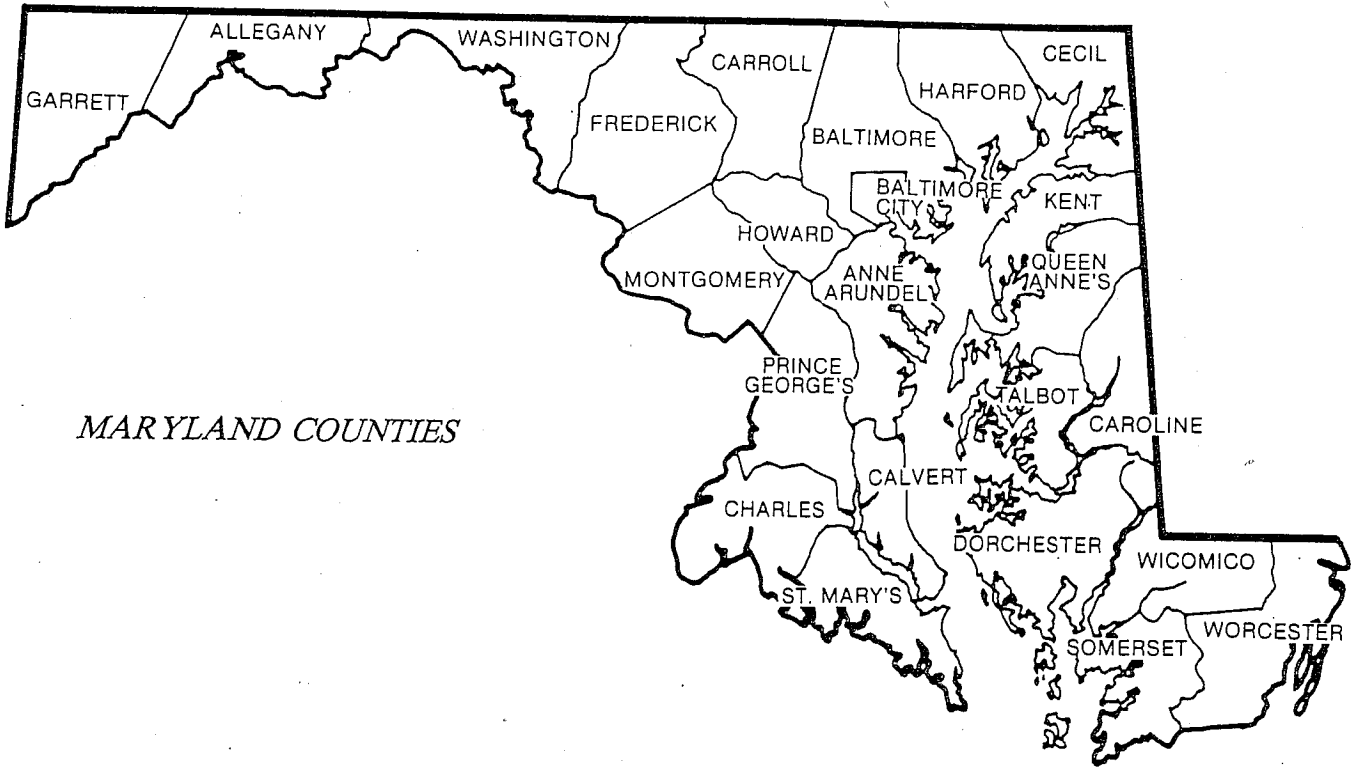
MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION
 FY '90 EASEMENT ACQUISITION PROGRAM
 CYCLE ONE

COUNTY	NUMBER OF EASEMENTS	TOTAL OF ACRES	AVERAGE FARM SIZE	AVERAGE ASKING PRICE PER ACRE	AVERAGE FAIR MARKET VALUE/ACRE	AVERAGE AGRICULTURAL USE/ACRE	AVERAGE EASEMENT VALUE/ACRE	ACQUISITION COST		DISCOUNT
								PER ACRE	TOTAL	
ALLEGANY	0	0	0	0	0	0	0	0	0	0
ANNE ARUNDEL	0	0	0	0	0	0	0	0	0	0
BALTIMORE	9	843,5221	94	\$3,017	\$4,603	\$1,729	\$2,874	\$2,480	\$2,064,566	\$328,133
CALVERT	0	0	0	0	0	0	0	0	0	0
CAROLINE	21	2,831,358	135	\$910	\$1,922	\$1,113	\$809	\$727	\$2,065,808	\$193,876
CARROLL	20	2,363,139	118	\$2,201	\$3,089	\$1,268	\$1,821	\$1,793	\$4,191,295	\$56,051
CECIL	3	694,615	232	\$2,817	\$4,266	\$1,666	\$2,600	\$2,540	\$1,746,438	\$89,888
CHARLES	0	0	0	0	0	0	0	0	0	0
DORCHESTER	1	214.08	214	\$1,200	\$1,261	\$572	\$689	\$689	\$146,087	0
FREDERICK	2	445.24	223	\$1,900	\$3,274	\$1,245	\$2,029	\$1,948	\$855,599	\$38,600
GARRETT	3	377,205	126	\$1,092	\$1,540	\$770	\$770	\$770	\$288,025	0
HARFORD	10	974,571	97	\$2,178	\$3,478	\$1,882	\$2,035	\$1,701	\$1,618,301	\$338,419
HOWARD	0	0	0	0	0	0	0	0	0	0
KENT	1	157.00	157	\$1,275	\$3,000	\$1,599	\$1,401	\$1,275	\$200,175	\$19,825
MONTGOMERY	0	0	0	0	0	0	0	0	0	0
PRINCE GEORGE'S	0	0	0	0	0	0	0	0	0	0
QUEEN ANNE'S	10	1,774,497	177	\$958	\$2,245	\$1,406	\$839	\$774	\$1,368,976	\$108,741
ST. MARY'S	1	274.00	274	\$1,450	\$2,000	\$800	\$1,200	\$1,200	\$324,000	0
SOMERSET	2	338.05	169	\$800	\$1,039	\$661	\$378	\$378	\$127,000	0
TALBOT	0	0	0	0	0	0	0	0	0	0
WASHINGTON	3	1,102,638	368	\$1,833	\$2,165	\$850	\$1,315	\$1,087	\$1,193,243	\$249,157
WICOMICO	2	275.19	138	\$1,804	\$2,879	\$1,304	\$1,575	\$1,382	\$374,900	\$52,100
WORCESTER	0	0	0	0	0	0	0	0	0	0
TOTAL	88	12,665,105	144	\$1,658	\$2,668	\$1,232	\$1,436	\$1,366	\$17,302,484	\$884,607

* cycle two information not available at this time and will be reflected in 1991 annual report.

REGIONAL ANALYSIS: PERCENTAGE OF TOTAL EASEMENT ACREAGE

REGION	FY '87	FY '88	FY '89	FY '90
WESTERN:				
Garrett	15.9%	15.2%	13.8%	14.1%
Allegany	9,534 acres	10,648 acres	10,987 acres	12,914 acres
Washington				
Frederick				
CENTRAL:				
Carroll	48.2%	44.9%	42.8%	41.8%
Baltimore	28,957 acres	31,374 acres	34,052 acres	38,198 acres
Harford				
Montgomery				
Howard				
SOUTHERN:				
Anne Arundel	11.2%	10.2%	9.2%	8.3%
St. Mary's	6,767 acres	7,100 acres	7,293 acres	7,565 acres
Calvert				
Charles				
Prince George's				
UPPER SHORE:				
Queen Anne's	23.4%	28.2%	32.0%	33.1%
Talbot	14,049 acres	19,664 acres	25,430 acres	30,245 acres
Cecil				
Kent				
Caroline				
LOWER SHORE:				
Dorchester	1.3%	1.5%	2.2%	2.8%
Wicomico	763 acres	1,072 acres	1,720 acres	2,528 acres
Worcester				
Somerset				
TOTAL ACREAGE	60,070 acres	69,858 acres	79,482 acres	91,448 acres



MARYLAND COUNTIES



EASEMENT PARTICIPATION

The FY '90 Easement Participation Program provided a 16% increase to last year's total with an additional 12,665 acres for a new total of 91,448 acres permanently preserved. By the end of FY '90 the Foundation received accepted offers to purchase development rights easements from 88 of 110 applicants during Cycle One. This acceptance rate of 80% is the largest ever received in the history of the program and brings the total number of easements acquired or with contract to 619 properties.

These figures far exceed any other program of its kind in the nation! The amount of acreage received in any one year and the increased levels of District participation reflect a record year for the Foundation and we are confident that this type of upward trend will continue. With continued participation, permanently protecting productive agricultural land is the long-term goal of the program with continued participation.

This year, Caroline County took the lead over Queen Anne's County (last year's leader) with preserving 2,831 acres for a total of 16,193 permanently preserved acres - representing 17.7% of the States total up from 17.3% last year. Carroll County had the second largest amount of preserved land with 2,363 acres offered in FY '90. Although Carroll County ranked second with the amount of acreage this year, it still leads the State in the amount of total-preserved acreage with 18,882 acres representing 20.6% of the State total.

Cecil County added 695 acres, again this year doubling its county growth rate over FY '89. This makes two years in a row that the county growth rate exceeded 100%.

Another county doubling its participation in FY '90 was Somerset County by preserving 338 acres. This brings that county's total participation to 707 permanently preserved acres.

Several other counties also showed significant activity including Frederick, Harford, Garrett, St. Mary's, Washington and Wicomico.

Due to the efforts of Governor Schaefer in conjunction with the legislature, an additional offer cycle was added to the fiscal year calendar enabling landowners twice the opportunity to apply for an easement sale by January 1, 1990 as well as June 1, 1990. Unfortunately, the easement sale process does not allow Cycle Two figures to be available at the time this report goes to press. However, the Foundation is happy to report that an additional 60 applications have been received. If these landowners accept offers made to them by the State, a total of 7,719 preserved acres would be added to the Cycle One figure of 12,665 preserved acres for a total of 23,384 acres in FY '90 alone. This could result in a grand total of 99,167 acres of permanently preserved acres.

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION

EASEMENT PARTICIPATION*

COUNTY	EASEMENT ACQUIRED OR W/ CONTRACT STATUS AS OF JUNE 30, 1989		EASEMENTS OFFERED AND ACCEPTED DURING FY '90		COUNTY ACREAGE GROWTH RATE	LESS: EASEMENT REDUCTIONS		TOTAL EASEMENTS ACQUIRED OR W/ CONTRACT STATUS AS OF JUNE 30, 1990		PERCENTAGE OF TOTAL
	Number	Acreage	Number	Acreage		Acreage	Number	Acreage		
ALLEGANY	1	183.292	0	0	0%	0	0	1	183.292	0.2%
ANNE ARUNDEL	23	2,617.9197	0	0	0%	-1.0	-1.0	23	2,616.9197	2.9%
BALTIMORE	67	7,872.6797	9	843.5221	11%	-4.0	-4.0	76	8,712.2018	9.9%
CALVERT	22	3,296.2013	0	0	0%	0	0	22	3,296.2013	3.6%
CAROLINE	87	13,367.4204	21	2,831.358	21%	-6.2735	-6.2735	111	16,192.5049	17.7%
CARROLL	123	16,521.3198	20	2,363.139	14%	-2.0	-2.0	143	18,882.4588	20.6%
CECIL	6	639.5555	3	694.615	109%	0	0	9	1,334.1705	1.5%
CHARLES	1	222.7500	0	0	0%	-1.0	-1.0	1	221.7500	0.2%
DORCHESTER	3	465.412	1	214.08	46%	0	0	4	679.492	0.7%
FREDERICK	38	6,733.4655	2	445.24	7%	-1.0	-1.0	41	7,177.7055	7.9%
GARRETT	13	2,059.21	3	377.205	18%	0	0	16	2,436.415	2.7%
HARFORD	32	3,992.4607	10	974.571	24%	-2.0	-2.0	43	4,965.0317	5.4%
HOWARD	27	3,958.7802	0	0	0%	-1.0	-1.0	27	3,957.7802	4.3%
KENT	21	3,314.1902	1	157.00	5%	-1.0	-1.0	22	3,470.1902	3.8%
MONTGOMERY	9	1,680.2078	0	0	0%	0	0	9	1,680.2078	1.8%
PRINCE GEORGE'S	0	0	0	0	0%	0	0	0	0	0
QUEEN ANNE'S	30	5,939.197	10	1,774.497	30%	0	0	40	7,713.694	8.4%
ST. MARY'S	9	1,155.7230	1	274.00	24%	0	0	10	1,429.723	1.6%
SOMERSET	2	369.0000	2	338.05	92%	0	0	4	707.05	0.8%
TALBOT	4	1,533.582	0	0	0%	0	0	4	1,533.582	1.7%
WASHINGTON	8	2,015.6575	3	1,102.638	55%	-2.0	-2.0	11	3,116.2955	3.4%
WICOMICO	5	866.2500	2	275.19	32%	0	0	7	1,141.44	1.3%
WORCESTER	0	0	0	0	0%	0	0	0	0	0
TOTAL	531	78,804.2743	88	12,665.1051	16%	-21.2735	-21.2735	619	91,448.1059	100%

*Information presented in this table represents easements offered and accepted ONLY in Cycle One of FY '90

EASEMENT ACQUISITION PROGRAM HISTORIC PERSPECTIVE

The Historical Perspective table shows easement acquisitions by year. The final annual figure reflects the adjustments from deeds and late rejections after an initial acceptance of an easement offer. Appraisal acreage is based on the total dollar figures and average per acre figures by year for asking price, fair market, agricultural and easement values. These figures do not reflect adjustments for acreage as settled. The total acquisition cost and per acre average reflect final dollar figures. The historic total of acreage reductions resulting from lot exclusions were made at the bottom of the acreage column. An adjustment to reflect the total payback amount for lot exclusions, to date, is shown at the bottom of the acquisition cost column.

A total of 619 of a potential 1,054 easement applicants, or 59%, have accepted offers permanently protecting 91,448 acres over the last 10 years. Historically, the average farm size was 147 acres. The range of annual averages was from 135 to 172 acres. The average asking price was \$1,098 per acre with a range in the annual averages from a low \$884 per acre, to a high of \$1,638 per acre this year. The historic average of appraised fair market value was \$2,426 per

acre. The historic average of appraised agricultural value was \$1,369 per acre, with a range of annual averages of \$1,232 to \$1,541 per acre. The historic average appraised easement value was \$1,032 per acre, ranging from \$837 to \$1,436 per acre.

The acquisition cost is the cost that is actually paid. It reflects either the asking price or the appraised easement value, whichever is the lower of the two. In order to improve ranking and better insure an offer will be made, it is not uncommon for landowners to discount their asking prices as a form of competitive bid. The new historic average acquisition cost was \$912 per acre, with annual averages ranging from \$753 to \$1,342.

The discount value over the history of the program totals \$10,424,025 in savings. This is a direct result of making offers at a discounted asking price, rather than the appraised easement value. Using the historic easement acquisition cost of \$912 per acre, an additional 11,237 acres were acquired. This was accomplished by virtue of the competitive bidding process. The most cost effective component is distinguished by using the competitive bidding mechanism.

MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION
EASEMENT ACQUISITION PROGRAM - HISTORIC PERSPECTIVE

FISCAL YEAR	ACCEPTED OFFERS % TOTAL APPLICATIONS	TOTAL ACRES	AVERAGE FARM SIZE	ASKING PRICE THAT ACCEPTED	APPRAISED VALUES			ACQUISITION COST	DISCOUNT VALUE
					FAIR MARKET	AGRICULTURAL	EASEMENT		
				AVG. PER ACRE TOTAL AMT.	AVG. PER ACRE TOTAL AMT.	AVG. PER ACRE TOTAL AMT.	AVG. PER ACRE TOTAL AMT.	ADDTL. ACRES TOTAL AMT.	
1977 to 1982	93 of 190 49%	14,630.1882	157 acres	\$983/acre \$14,386,070	\$1531/acre \$22,399,805	\$958/acre \$14,019,741	\$852/acre \$12,465,509	1,824.22 acres \$1,554,232	
1983	58 of 122 48%	8,530.2088	147 acres	\$892/acre \$7,608,819	\$1358/acre \$11,586,544	\$886/acre \$7,555,099	\$790/acre \$6,736,910	1,035.68 acres \$818,189	
1984	39 of 101 39%	5,783.4085	148 acres	\$913/acre \$5,282,660	\$1323/acre \$7,653,424	\$997/acre \$5,764,339	\$853/acre \$4,931,295	976.61 acres \$833,044	
1985	51 of 97 53%	8,157.6447	160 acres	\$898/acre \$7,325,615	\$1262/acre \$10,292,869	\$1011/acre \$8,246,827	\$838/acre \$6,838,017	1,681.16 acres \$1,408,810	
1986	70 of 98 71%	10,990.6083	157 acres	\$942/acre \$10,347,664	\$1281/acre 14,081,344	\$837/acre \$9,201,010	\$753/acre \$8,278,757	\$1,224.77 acres \$922,253	
1987	77 of 121 64%	11,091.0373	144 acres	\$919/acre \$10,197,369	\$1458/acre \$16,165,810	\$849/acre \$9,415,158	\$764/acre \$8,478,243	1,226.33 acres \$936,915	
1988	77 of 104 74%	10,366.1767	135 acres	\$945/acre \$9,798,920	\$1337/acre \$13,865,850	\$953/acre \$9,875,430	\$792/acre \$8,198,193	2,120.40 acres 1,677,237	
1989	66 of 111 59%	9,300.9209	141 acres	\$1538/acre \$14,306,184	\$1541/acre \$14,333,220	\$1426/acre \$13,266,916	\$1225/acre \$11,399,272	1,523.36 acres \$1,867,644	
1990	88 of 110 80%	12,665.1051	144 acres	\$1668/acre \$21,124,232	\$1232/acre \$15,598,253	\$1436/acre 18,187,091	\$1342/acre \$17,302,484	647.59 acres \$884,607	
TOTAL	619 of 1054 59%	91,515.2984 LESS: 67,192.6 91,448.1058	147 acres	\$1098/acre \$100,377,533	\$1369/acre \$125,234,716	\$1032 \$94,396,022	\$84,628,680 925/acre LESS: 40,384 \$84,588,296	11,786.95 acres \$10,902,931	

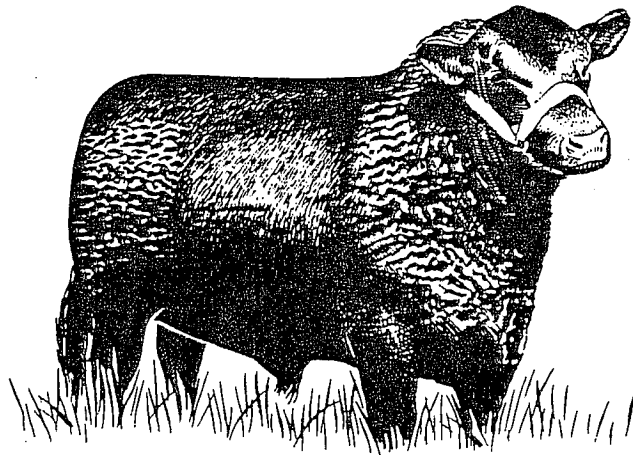
PRESERVATION VERSUS CONVERSION

The graph and table reflecting preservation versus conversion show a comparison between the amount of Maryland farmland that has been preserved versus farmland converted to other land uses. The graph covers the period 1982 - 1990. It also shows the corresponding amount of easement acreage acquired for each of those years.

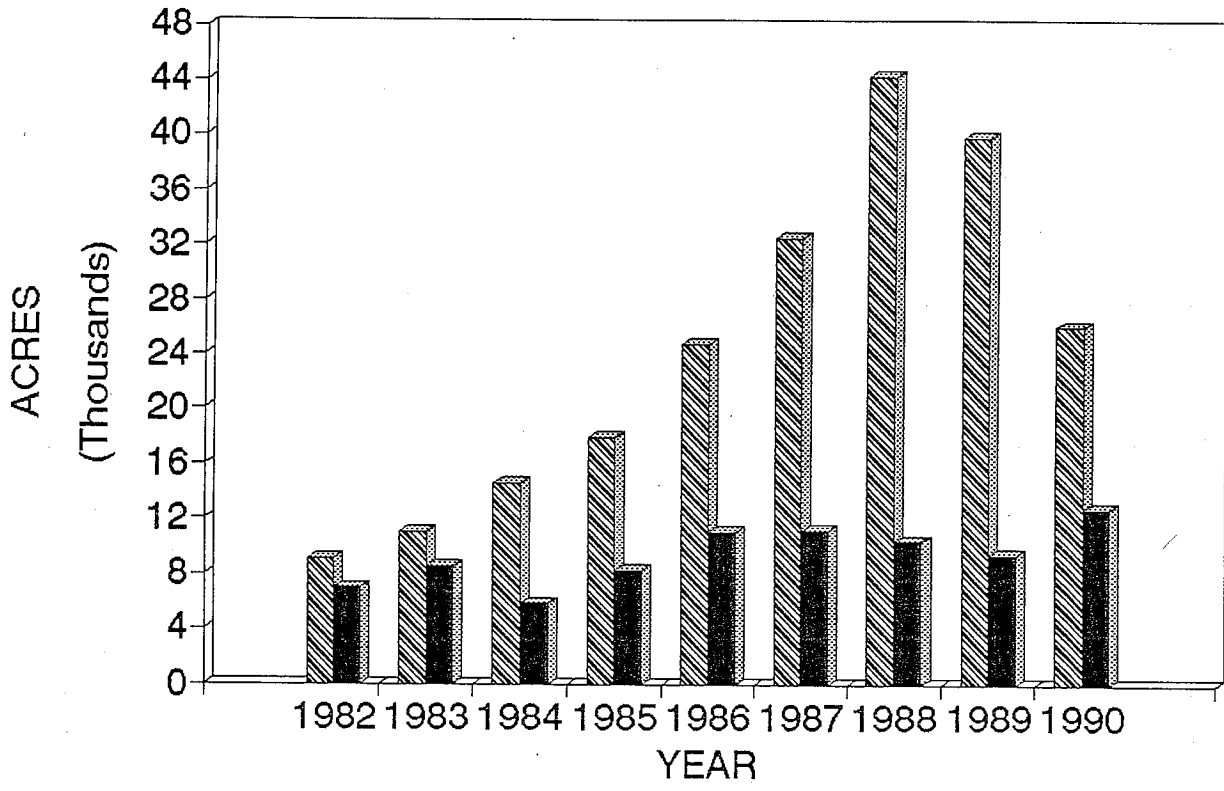
It is apparent that lost farmland is exceeding the amount of preserved farmland. Unfortunately these figures may be the harbingers of the future of farming. Despite the fact that Maryland has one of the most successful programs in the country, pressure


of development and trends in the real estate market are the result of the decline. To date, preservation has superseded 40% of the farmland lost during the past ten years, up from 37% last year and equalling the percentage retained in FY '88. The amount of farmland being converted to other uses has slowed drastically during the past year, while the preservation of land has increased.

The Foundation is proud of its accomplishments, although a more substantiated and sustained effort must be made to keep pace with the farmland that will be lost.



PRESERVATION VERSUS CONVERSION



 CONVERTED FARMLAND
  PRESERVED FARMLAND

	1982	1983	1984	1985	1986	1987	1988	1989	1990	TOTAL
CONVERTED FARMLAND	9142	11036	14663	17859	24831	32524	44269	39801	26079	220204
PRESERVED FARMLAND	6899	8530	5783	8158	10991	11091	10366	9301	12665	83784
DIFFERENCE	-2243	-2506	-8880	-9701	-13840	-21433	-33903	-30500	-13414	-136420

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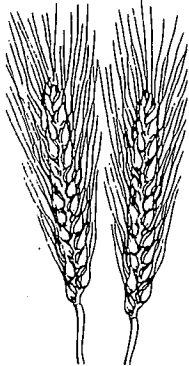
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PRINCE GEORGE'S COUNTY

Vacant

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Thank you to the staff of the Maryland Agricultural Land Preservation Foundation for their dedication, hard work and long hours towards the completion of this report and the successful administration of the program.

A special thank you goes to Data Processing Services and Dr. L. Michael Goff for the support, guidance and help in the typesetting of this report.

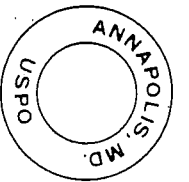
Sincerely,

A handwritten signature in cursive script, appearing to read 'Paul W. Scheidt', written over a horizontal line.

Paul W. Scheidt
Executive Director

MARYLAND DEPARTMENT OF AGRICULTURE

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