



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor
Mark Belton, Secretary
Joanne Throwe, Deputy Secretary

October 18, 2018

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

The Honorable Thomas V. Miller, Jr.
President, The Senate of Maryland
State House, H-107
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
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 Miller and Speaker Busch:

Enclosed is the Department of Natural Resources, Land Acquisition and Planning, Rural Legacy Program Fiscal Year 2017 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 (Acting), Stephen Schatz, directly at 410-260-8004, or by email at stephen.schatz@maryland.gov.

Sincerely,



Mark Belton
Secretary

cc: Sarah Albert, Department of Legislative Services Library
Ryane Necessary, Legislative Policy Committee

THE RURAL LEGACY PROGRAM



Annual Report Fiscal Year 2017 *(July 1, 2016 thru June 30, 2017)*





RURAL LEGACY PROGRAM– FISCAL YEAR 2017 ANNUAL REPORT

Legislative Requirement for the Annual Report

This is the nineteenth Annual Report¹ on the progress of the Rural Legacy Program pursuant to Section 5-9A-07(g) of the Natural Resource Article. This report covers the time period from July 1, 2016 through June 30, 2017 (FY 2017) and includes the nineteenth cycle of grant applications submitted for FY2018. 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 preservation efforts. This report is intended to satisfy these requirements based upon the Rural Legacy Program statistics for FY 2017 and the grants applied for that fiscal year.

Background

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. 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 driven approach to land preservation, stressing partnerships among federal, state, and local governments and non-profit land trusts. Counties are encouraged to initiate other land conservation measures to build upon the land preservation accomplishments achieved through Rural Legacy Program funds.

Rural Legacy Program Criteria

The Rural Legacy 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.

Rural Legacy Program 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.

¹The 1998-99 Fiscal years were combined into one Grant Cycle and one Annual Report.

Rural Legacy Areas represent a targeted strategy of land conservation through local and state partnerships. The 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 which desire to protect working farms and forests, support the local resource-based economy while conserving natural resources and open space are able to do so through Rural Legacy Program grants.

Strategic Conservation

The Rural Legacy Program meets the conservation standards set for land conservation policy. This includes:

- A focus on (1) the most strategic lands to protect in the Chesapeake Bay and tributaries and (2) lands with significant natural and agricultural resources.

The law states that the Program "is 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 Rural Legacy Areas 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 Rural Legacy Areas and specific properties proposed for conservation under Rural Legacy 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 Department of Natural Resources, the Department of Agriculture, and the Department of Planning. The Rural Legacy Advisory Committee, an eleven-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 to determine the value of a perpetual conservation easement.

In 1999, DNR, in conjunction with the Department of Planning, 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. *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 Rural Legacy DNR, MDP and MDA staff (as designees of the Rural Legacy Board).

Rural Legacy Program Advisory Committee and Board

The FY 2017 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
 Josh Hastings, Land Conservation
 Kyle Murray, Mineral Resource Industry
 Honorable Daniel Colmer, Municipal Corporation
 Jeff Degitz, County Parks and Recreation
 Vacant, Agriculture Industry

The FY 2017 Rural Legacy Board members included:

Secretary Mark Belton, Maryland Department of Natural Resources, Chairman of the Rural Legacy Board

Secretary Wendi Peters, Maryland Department of Planning

Secretary Joseph Bartenfelder, Maryland Department of Agriculture

Program Progress and Accomplishments in FY 2017

The Rural Legacy Program supports the goals of strategic conservation through focused land preservation 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.

3,778 acres were preserved by the Rural Legacy Program in Rural Legacy Areas throughout the State in FY 2017. As of June 30, 2017, the Rural Legacy Program had preserved a total of 90,385 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, Rural Legacy 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 FY 2017, 100% of the Program easements in the cycle were to be completed, and were, in fact, completed to ensure that conservation practices are being followed and maintained on Rural Legacy Program conservation easements.

The Financial Status of the Program

Since the Program's inception in FY 1998 through FY 2017, the General Assembly has appropriated a total of \$299.57 million to the Program including \$17.663 million authorized in the FY2017 budget. These funds have been awarded by the Rural Legacy Board and approved by the Board of Public Works as grants to Rural Legacy Program Sponsors.

FY 2017 Grant Applications Received

Applications are submitted on a yearly basis by Rural Legacy Program Sponsors. Applications include requests for grant funding, Area boundary expansions and proposed new Area designations. In February 2016, 23 applications requesting over \$77 million were submitted for FY 2017 grants.

FY 2017 Grant Applications Reviewed

In an effort to provide a method of evaluating land for purchase or easement, agency staff provided the Advisory Committee with statistical data derived from various environmental databases and analyses for their use in determining recommendations for FY 2017 grant awards. These rankings were used to determine numerical values to assess resources and priority funding areas where funding would make the greatest impact in furthering land conservation initiatives as well as the goals of the Program:

1. Preserve critical habitat for native plant and wildlife species.
2. Support natural resource based economies like farming, forestry, tourism, and outdoor recreation.
3. Establish greenbelts of forests and farms around rural communities to preserve their cultural heritage and rural character.
4. Protect riparian forests, wetlands, and greenways to buffer the Chesapeake Bay and its tributaries from pollution runoff.

This statistical data and information was provided to assist the Advisory Committee in their formulation of their recommendations regarding funding and to give a methodology to Rural Legacy Sponsors on how funding was determined and distributed. The following was the main

focus for funding:

1. Areas with various criteria including natural and ecological resources, green infrastructure, land use, water quality benefits, and protection of the Chesapeake Bay watershed;
2. Areas located in targeted focus and/or high development pressure areas;
3. Areas having all previous grant funding expended; and
4. Areas with properties identified and ready to begin negotiations with landowners.

The Rural Legacy Advisory Committee'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 Department of Natural Resources, Department of Planning, and Department of Agriculture 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 followed the scoring system, with additional consideration given to areas with projects "ready to go" and the need for immediate funding to make those projects happen. The RLAC recommended awarding 15 Rural Legacy grants totaling \$17.663 million, the total Fiscal Year 2017 funding available.

FY 2017 Recommendations and Approval

Based on the review of the Grant Applications submitted, statistical data, and criteria provided, the Committee made recommendations to the Rural Legacy Board for FY 2017 grant allocations totaling \$17.663 million. The Rural Legacy Board, chaired by Secretary Belton, accepted these recommendations and the Board of Public Works approved the FY 2017 Allocation of Grant Funds as outlined below on October 19, 2016 as Agenda Item 8A on the Department of Natural Resources Real Property Agenda.

FY 2017 Grant Awards

The Board of Public Works approved the following grant awards totaling \$17.663 million:

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

Grant of \$1,125,543 to acquire conservation easements and fee simple interests 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 \$941,760 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 designation of the Bear Creek Rural Legacy Area in 2002.

3. Coastal Bays Rural Legacy Area: Worcester County

Grant of \$1,104,326 to acquire conservation easements and fee simple interests to protect forest, agricultural, natural areas and shoreline in Worcester County's coastal bays. This area includes important tidal marshland areas, forests, and farmland, which provides one of the most ecologically diverse and outstanding wildlife habitats in the State. Conservation of property in this area will support the local resource-based economy. The Board approved the designation of the Coastal Bays Rural Legacy Area in 1998.

4. Deer Creek Rural Legacy Area (Formerly Lower Deer Creek): Harford County

Grant of \$1,444,915 to acquire conservation easements and fee simple interests within the watershed of Deer Creek, 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. Foreman Branch/Lands End Rural Legacy Areas: Queen Anne's County

Grant of \$1,450,956 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.

6. Little Pipe Creek Rural Legacy Area/Upper Patapsco: Carroll County

Grant of \$1,450,956 to acquire conservation easements and fee simple interests 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.

7. Manor Rural Legacy Area: Baltimore and Harford Counties

Grant of \$1,424,674 to acquire easements and fee simple interests to protect farmland, woodlands and significant natural and cultural resources in My Lady's Manor National Historic District and along the Little Gunpowder Falls, a Class Three Trout Stream. The Board approved the designation of the Manor Rural Legacy Area in 2000.

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

Grant of \$1,130,367 to match Navy Readiness and Environmental Protection Integration (REPI) program funds to acquire conservation easements and fee simple interests 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 Mattapan Rural Legacy Area in 2006.

9. Mid-Maryland Frederick-Carrollton Manor Rural Legacy Area: *Frederick County*

Grant of \$1,258,950 to acquire conservation easements, fee simple interests, and to potentially leverage additional conservation opportunities via permanent Conservation Reserve Enhancement Program (CREP) 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.

10. Mid-Maryland Washington Rural Legacy Area: *Washington County*

Grant of \$946,610 to acquire conservation easements, fee simple interests, and to potentially leverage additional conservation opportunities via permanent CREP 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. The Board approved the designation of the Mid-Maryland Washington Rural Legacy Area in 1998.

11. Mountain Ridge Rural Legacy Area: *Allegheny County*

Grant of \$862,167 to acquire easements and fee simple interests of significant woodland, farmland and wetlands. Situated within the Ridge & Valley Physiographic Province where it meets the Allegheny Front, the first Rural Legacy Area in Allegheny County includes large blocks of unbroken forest, pristine ecologically significant areas and historic sites. It includes exemplary plant and wildlife habitat, and is an important migration corridor and perhaps the most significant golden eagle flyway in the state. The area is delineated around 10,163 acres of existing protected lands which may be further connected and consolidated, forming a greenway potentially linking ridge tops in West Virginia with Pennsylvania, as well as westward into the Allegheny Plateau. The Board approved the designation of Mountain Ridge Rural Legacy Area in 2010.

12. North Calvert Rural Legacy Area: *Calvert*

Grant of \$1,135,239 to acquire conservation easements to protect farmland and forests, and provide habitat for resident and migrating species. The area forms an 8-mile long greenway along the Patuxent River, a State Scenic River. Riparian buffers will protect the sensitive wetlands and forests of four watersheds. The area is also historically significant, including the historic town of Lower Marlboro that was active in the War of 1812 and was also an important port town until the 1930's. Conservation of property in this area will support the local resource-based economy. The Board approved the designation of the North Calvert Rural Legacy Area in 2004.

13. Piney Run Rural Legacy Area: *Baltimore County*

Grant of \$1,160,000 to acquire conservation easements and fee simple interests 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 water supply reservoirs for the Baltimore Metropolitan Area. The Board approved the designation of the Piney Run Rural Legacy Area in 1998.

14. Quantico Rural Legacy Area: *Wicomico County*

Grant of \$1,300,000 to acquire conservation easements and fee simple interests to protect forests, farmland, pristine creek and wintering waterfowl habitat and historic villages. Conservation within the area will provide water quality benefits to Quantico Creek, part of the Nanticoke Watershed Greenway. The Board approved the designation of the Quantico Creek Rural Legacy Area in 2000.

15. Zekiah Rural Legacy Area: *Charles County*

Grant of \$1,185,000 to acquire conservation easements and fee simple interests 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 Rural Legacy Areas cover approximately 900,000 acres of Maryland’s most significant natural resource, agricultural, open and scenic lands. To date, there are 31 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	Calvert 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

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 Rural Legacy Program continues as shown by the amount of funds requested for the FY 2017 grant cycle. As in previous years, the amount requested far exceeded the amount of funding available. Over the 18 application cycles (FY 1998 through FY 2017), requests for grant funds have totaled \$1.827 billion for only \$299.58 million in available funding. In the FY 2018 grant cycle, this trend continues as DNR received applications totaling over \$87 million for \$22.913 million in available FY 2018 funding. Rural Legacy Program funding increased by 30% between FY17 and FY18, as a new law signed by Governor Hogan in April 2016 (Chapter 0010) continues to increase State funding for critical land conservation, preservation and recreation programs.

At the end of FY 2017 the Program had permanently conserved over 90,385 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 of supporting the preservation of the State's most valuable agricultural, natural, open space resources and scenic landscapes.

Acknowledgements:

The Rural Legacy Program Staff would like to acknowledge the Rural Legacy Area Sponsors, the Rural Legacy Advisory Committee, the Rural Legacy Board and the staffs of the Departments of Natural Resources, Planning and Agriculture for their dedicated work on behalf of the Rural Legacy Program. It is through the Rural Legacy Program's targeted objectives 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 from urban sprawl....a legacy to be passed on to all Maryland citizens and future generations to come.

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Larry Hogan, Governor

Mark Belton, Secretary

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