

THE
RURAL
LEGACY
PROGRAM



Annual Report Fiscal Year 2011
(July 1, 2010 thru June 30, 2011)





RURAL LEGACY PROGRAM– FISCAL YEAR 2010 ANNUAL REPORT

Legislative Requirement for the Annual Report

This is the thirteenth Annual Report¹ on the progress of the Rural Legacy Program pursuant to Section 5-9A-07(g) of the Rural Legacy law. This report covers the time period from July 1, 2010 through June 30, 2011 (FY 2011) and includes the thirteenth cycle of grant applications submitted on February 10, 2010. 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 2011 and the grants applied for during that fiscal year.

Background

Maryland's Rural Legacy Program was established 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-up 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 governmental 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 insure 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.

Strategic Conservation

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

The Rural Legacy Program is consistent with Governor Martin O'Malley's "Smart, Green & Growing" strategic planning effort and Chesapeake Bay restoration initiative by focusing land conservation in designated areas to reduce negative impacts on the State's natural and agricultural resources.

Governor O'Malley's commitment to land conservation was underscored again this year through the GreenPrint Maryland. GreenPrint Maryland is a first in the nation web-enabled map showing the relative ecological importance of every parcel of land in the State. Combining color-coded maps, information layers, and aerial photography with public openness and transparency, this valuable new tool applies the best environmental science and geographic information systems to the urgent work of preserving and protecting environmentally critical lands today.

The Rural Legacy Program ecological targeting efforts are consistent with GreenPrint efforts... "to strategically target and protect the most ecologically valuable areas in Maryland." The important efforts of GreenPrint keeps critical portions of Maryland as ecologically sound as possible, ensures a healthy population of plants and animals, keeps our State beautiful, and ensures the protection of lands for our children before they are consumed by sprawling development... all of which mirror the goals of the Rural Legacy Program. Using tools like GreenPrint, the Rural Legacy Program is able to more effectively target land conservation decisions today, while building a base for sustainable growth and land preservation decisions into the future.

Furthermore, conservation under the Rural Legacy Program meets the standards set for land conservation policy including:

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

The law states that the Program "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; ensure that Rural Legacy Areas and acquisitions represent strategic conservation of resources. Easement requirements include Soil and Water Quality Plans and riparian buffers to ensure water quality benefits. In addition, Forest Management Plans are required that also contribute to the protection of 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. Proposals are also reviewed for consistency with the Strategic Forestland Assessment and for specific water quality benefits, for example, the watershed restoration potential as identified in the Unified Watershed 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, 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.

Rural Legacy Program Advisory Committee and Board

The FY 2011 Rural Legacy Advisory Committee members and their area of representation on the Committee included:

Edward A. Halle, Jr., Maryland Environmental Trust
Elizabeth E. Jones, Property Owners
Vera Mae Schultz, Maryland Agricultural Land Preservation Foundation
Gary W. Mackes, Parks & Recreation
Samuel M. Pierce, Municipal Corporations
James C. Ashby, Minerals Resource Industry
Frederick L. Tutman, Agriculture Industry
Randall P. Worthington, Sr., Business Organizations
Kelly Carneal, Non-Profit Land Conservation Organization
Kent Whitehead, Non-Profit Environmental Organization
John Colton, Forestry Industry

The FY 2011 Rural Legacy Board members included:

Secretary John R. Griffin, Maryland Department of Natural Resources,
Chairman of the Rural Legacy Board

Secretary Richard E. Hall, Maryland Department of Planning

Secretary Earl F. Hance, Maryland Department of Agriculture

Program Progress and Accomplishments in FY 2011

The Rural Legacy Program supports the goals of the O'Malley Administration 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 natural and agricultural 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 were encouraged whenever possible to negotiate a minimum of 100 foot riparian buffers into easement terms.

In FY 2011, over 4,454 acres were preserved in Rural Legacy Areas throughout the State. As of June 30, 2011, the Rural Legacy Program had preserved a total of 70,953 acres of Maryland's most scenic landscapes and critical natural resources that support the State's resource based industries.

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

Stewardship of Rural Legacy easements is a priority of the Administration. 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 the conservation easement. 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 2011, 130 Program easements were monitored to ensure that conservation practices are being followed and maintained on Rural Legacy Program easements.

The Financial Status of the Program

Since the Program's inception in FY 1998 through FY 2011, the General Assembly has appropriated a total of \$232,845,051.00 to the Program including \$118,655,401.00 in transfer tax funds, \$109,189,650.00 in General Obligation Bonds, and \$5,000,000.00 in supplemental general funds. All of these funds have been awarded by the Rural Legacy Board and encumbered by the Board of Public Works as grants to Rural Legacy Program Sponsors. For FY 2011, \$12.637 million was originally allocated for Rural Legacy Program grants. The FY 2011 funding was changed by the General Assembly during the 2011 session (determining FY 2012 funding).²

² For FY 2011 Grant Awards, the Rural Legacy budget allocation was to be \$12.637 million. During the May 2010 meeting, the Rural Legacy Advisory Committee used the original \$12.637 million allocation in recommending Grant Awards for each RLA. The legislature split the \$12.637 million allocation into an immediate allocation of \$6.3 million for FY 2011 and a "pre-authorized" allocation of \$6.3 million that was to be available in FY 2012. Due to an under-attainment in the State's transfer tax revenues for FY 2011, the pre-authorized allocation for FY2012 (i.e., the second half of FY2011 funds) was reduced from \$6.3 million to \$4.515 million in the spring of 2011. The reduction was an approximate 29% reduction in the funding available for Rural Legacy Areas which received awards in FY 2011.

FY 2011 Grant Applications Received

Applications are submitted on a yearly basis by Rural Legacy Program Sponsors -- local governments and land trust organizations. Applications include requests for grant funding, Area boundary expansions and proposed new Area designations. In February 2010, 25 applications requesting a total of \$103.35 million were submitted for FY 2011 grants. Seven applications requested an expansion of an existing Rural Legacy Area, and one application requested designation of a new Rural Legacy Area in Allegany County.

FY 2011 Grant Applications Reviewed

In an effort to be consistent with Governor O'Malley's plan to focus all State land preservation efforts on the same technological platform and 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 2011 grant awards. These rankings were used to determine numerical values to assess resources and priority funding areas where grant funding would make the greatest impact in furthering Governor O'Malley's 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 greenbelt of forests and farms around rural communities to preserve their cultural heritage and rural character.
4. Protect riparian forests, wetland, 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 grant funding and to give a methodology to Rural Legacy Sponsors on how grant funding was determined and distributed. The following was the main focus for awards:

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.

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 2011 grant funding.

FY 2011 RLA Expansion Requests

There were seven Rural Legacy Area expansion requests as part of the FY2011 annual grant process. The Rural Legacy Areas that requested expansions were: Fair Hill, Little Pipe Creek, Upper Patapsco, Mattapan, Coastal Bays, Forman Branch and Agricultural Security Corridor

(Sassafras Focus Area).

The overarching themes of all requested expansions included:

- Increased ecological benefits/ protection of important watersheds;
- Access to a larger pool of willing landowners;
- More opportunity for negotiated discounts and leveraging;
- Five (5) of the seven (7) proposed expansions have a significant percentage of protected lands within the existing RL boundaries, with few remaining landowners willing to participate at this time.

The Rural Legacy Advisory Committee and the Rural Legacy Board approved all of the expansion requests.

FY 2011 RLA New Area Request

In the FY 2011 grant cycle, Allegany County submitted an application to form a new Rural Legacy Area, as they had also done during the FY2010 grant cycle. The Area was approved by both the Rural Legacy Advisory Committee and the Rural Legacy Board for the following reasons:

- The Sponsor worked closely with DNR staff this year in defining a stronger Area in terms of ecological and working resources;
- The Area includes eleven (11) Ecological Sensitive Areas and Sensitive Species Project Review Areas;
- The Area includes a highly significant neotropical and predatory avian migration corridor and perhaps the most significant golden eagle flyway in the State;
- The Allegany Highlands Trail and the Western Maryland Scenic Railroad transects the proposed Area through lands with no current protection;
- Approval of the Area is intended to provide a catalyst for the County-proposed preservation zoning within the Area boundary.

Award of FY 2011 Funds

The Rural Legacy Advisory Committee's recommendations for FY 2011 Grant 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 consideration given to Areas with "projects ready to go" and the need for immediate funding to make those projects happen.

In addition, the RLAC recommended awarding additional funding for the top scorer - Deer Creek - for showing innovation in its easement purchases, including large riparian buffers, public access and social benefits. Anne Arundel County was given additional funding for an innovative prospective easement that will assist young female farmers starting an organic farm with public

access.

The Rural Legacy Board recommended the FY 2011 grants to 15 of the 25 applicants:

Rural Legacy Area	County	FY 2011 Grant Award
Agricultural Security Corridor	Caroline, Cecil, Dorchester, Kent and Talbot	\$500,000.00
Anne Arundel South	Anne Arundel	\$1,125,000
Coastal Bays	Worcester	\$500,000
Deer Creek	Harford	\$1,362,000
Fair Hill	Cecil	\$400,000
Foreman Branch	Queen Anne's	\$1,000,000
Little Pipe Creek	Carroll	\$1,000,000
Manor	Baltimore, Harford	\$1,000,000
Mid-Maryland Frederick	Frederick	\$1,000,000
Mid-Maryland Washington	Washington	\$500,000
Nanticoke	Dorchester	\$500,000
Piney Run	Baltimore	\$1,000,000
Quantico Creek	Wicomico	\$1,000,000
Zekiah Watershed	Charles	\$1,000,000
Mountain Ridge	Allegany	\$750,000

The Board of Public Works approved the FY 2011 Grant Awards and Rural Legacy Area boundary expansions as outlined above at the September 1, 2010 Board of Public Works meeting.

FY 2012 Grant Applications Received

In February 2011, 26 applications requesting a total of \$87,325,683.95 were submitted for FY 2012 grants. These applications included six applications for an expansion on existing Rural Legacy Areas.

This year, Sponsors/Applicants submitting grant applications for FY 2012 funds were encouraged to propose potential projects that support public access, local food supply, and highest standards of conservation practices.

Designated Rural Legacy Areas

Rural Legacy Areas are located in all of Maryland's 23 counties. The existing Areas cover 879,876 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	Caroline, Cecil,	Eastern Shore Land Conservancy

Corridor	Dorchester, Kent, Talbot	
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 Program continues as shown by the number of applications for the FY 2011 and FY 2012 grant cycles for Rural Legacy Areas. As in previous years, the amount requested far exceeds the available grant funds. Over the thirteen application cycles (FY 1998 through FY 2012), there have been \$1.46 billion in requests for \$243.84 million in available grant funds.

At the end of FY 2011 the Program had conserved over 70,953 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 Advisory Committee, the Rural Legacy Board and the Staffs of the Department of Natural Resources, Department of Planning and Department of Agriculture for their dedicated work on behalf of the Rural Legacy Program. The Rural Legacy Program efforts further Governor O'Malley's vision for a "Smart, Green & Growing" Maryland. 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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