

Report on the Special Meeting of April 15, 1999

The special meeting of the Sussex County Planning and Zoning Commission was held Thursday evening, April 15, 1999, at 7:30 P.M., in the County Council Chambers, County Administrative Office Building, Georgetown, Delaware, with the following present: Mr. Allen, Mr. Hastings, Mr. Lynch, Mr. Phillips, Mr. Wheatley, Mr. Schrader - Assistant County Attorney, and Mr. Lank - Director.

This meeting was requested by the Delaware Agricultural Lands Preservation Foundation for the purpose of establishing a summary of the proposed changes of State regulations on the agricultural preservation.

The meeting was not tape recorded since it was only a presentation by representatives of the Department of Agriculture.

Michael McGrath and Stewart McKenzie were present on behalf of the Department of Agriculture.

Approximately 30 people were in attendance.

Meeting adjourned at 9:30 P.M.

FARMLAND PRESERVATION IN DELAWARE

The Delaware Agricultural Lands Preservation Program was formed with the adoption of House Bill 200 in July, 1991. The goal of the program is to preserve farmland in Delaware to ensure the continued existence and success of agriculture in Delaware.

Facts about Delaware's farmland preservation program:

- *An Agricultural Preservation District contains at least 200 contiguous acres which are devoted to agricultural uses, such as cropland and woodland. Any lands less than 200 usable (and contiguous) acres within three miles of an established district can be considered a "District Expansion."*
- *Landowners who place their lands into Agricultural Preservation Districts agree to not develop their lands for 10 years, devoting the land only to ag-related uses. In return, the owners receive tax benefits, right-to-farm protection, and an opportunity to sell the development rights to preserve the land in perpetuity.*
- *There are now 113,809 acres in 416 Agricultural Preservation Districts and District expansions in Delaware. These lands are owned by over 400 different families and organizations (title holders).*
- *Out of the 113,809 acres currently in ag preservation districts, 154 properties encompassing approximately 36,800 acres have been permanently protected through the purchase of development rights (PDRs) for \$38 million. Furthermore, 232 properties totaling over an additional 44,000 acres are being reviewed and ranked for PDRs. The Foundation anticipates approximately \$12 million to purchase additional easements this year.*
- *While the immediate rush to preserve farmland is encouraging, the long-term success of the Program will depend on the availability of funding that goes beyond 2001 and the ability of local jurisdictions to implement land use plans and growth management policies/ordinances which complement the preservation effort.*
- *The initial \$40 million allocation from the 21st Century Fund to purchase development rights has enabled the Program to become one of the most successful in the nation in a very short amount of time. Another \$20 million has been appropriated over the next three years in an effort to protect some of the state's most prime farmland that is under severe development pressure. Delaware is also the recipient of a \$2.3 million appropriation from USDA which hopefully symbolizes the beginning of a partnership with the federal government in the protection of prime farmland through preservation easements. We hope that these additional funds will help preserve the agriculture industry and rural landscape as viable components of Delaware's future.*

Delaware Agricultural Preservation Districts (Approved)

County	#Districts	Total Acres	Percentage
Kent	205	60,117.41	52.8%
New Castle	46	13,411.10	11.8%
Sussex	165	40,280.75	35.4%
Delaware	416	113,809.26	100%

Note: There are 610.18 acres pending approval and 3,129.36 acres that have not been processed which brings the potential total to 117,548.80 acres.

Delaware Farms Permanently Protected By Purchase of Development Rights

County	# Farms	Total Acres
Kent	79	20,027.15
New Castle	21	5,009.35
Sussex	54	11,772.16
Delaware	154	36,808.66

Round 1 = 31 farms Round 2 = 35 farms

Round 3 = 31 farms Round 4 = 57 farms

Delaware Purchase of Development Rights Applications Submitted for Round 5

County	# of Applications Received	Acres
Kent	122.00	23,243.95
New Castle	25.00	4,357.01
Sussex	85.00	16,694.78
Delaware	232.00	44,295.74

Current available funds total \$12.54M - an estimated \$48.9M is needed to permanently protect the remaining farms in the program. These estimates are based on the 154 farms protected with \$39,754,341. With offers discounted at an average of 35.2% from the appraised easement values, the Foundation has spent approximately \$1,080 per acre.

Highlights of the Proposed Changes to the Regulations of the Delaware Agricultural Lands Preservation Foundation

The major changes proposed to the regulations of the Delaware Agricultural Lands Preservation Foundation are the Foundation's response to the requirements of the Fiscal Year 1999 Bond Bill. The Bond Bill set new priorities for the Foundation to focus its efforts on areas near and adjacent to growth areas.

While there are numerous "housekeeping" changes to the regulations brought about by statutory changes and experience, the major, proposed changes are those relating to the new priorities from the Bond Bill. In sum, these changes encompass three major features.

(1) Ten points have been added to the Foundation Priority Ranking System for applicant's parcels which are within three (3) miles of a designated Growth Area. (The map the Foundation will use is the Cabinet Committee for Statewide Planning Issues map.)

(2) A minimum of 75% of available funds will be directed for farms which are within three (3) miles of a designated Growth Area.

(3) A rebate of 20% of appraised value of the Development Rights for farms which are within three (3) miles of a designated Growth Area. This provision echoes the Bond Bill waiver allowed on the matching requirements of the appropriation. This rebate should help to offset discount resistance among owners close to growth areas where opportunity costs for preservation are high.