

ORDINANCE NO. ORD-2018-21

AN ORDINANCE TO REPEAL AN ORDINANCE ENTITLED "AN ORDINANCE TO PROVIDE TAX CREDITS FOR AGRICULTURAL LAND IN WASHINGTON COUNTY, MARYLAND" AND TO REENACT, WITH AMENDMENTS, THE WASHINGTON COUNTY AGRICULTURAL REAL PROPERTY TAX CREDIT ORDINANCE

RECITALS

In recognition of strong development pressure and rising land costs in Washington County and the desire to preserve agricultural land and woodland in order to provide sources of commercial agricultural products within Washington County, and to protect agricultural land and woodland, the County has an obligation to create incentives to benefit owners of such land and thus encourage them to enter that land into agricultural land preservation districts.

All lands within agricultural land preservation districts are located where land is used for commercial agricultural productions, and owners, residents and users of that or adjacent land should be prepared to accept agricultural practices and operations including, but not limited to, noise, odors, dust, the operation of machinery, the storage and disposal of manure, and the application of fertilizers, soil amendments, herbicides, and pesticides.

The Board of County Commissioners of Washington County, Maryland (the "County") adopted an ordinance entitled "An Ordinance to Provide Tax Credits for Agricultural Land in Washington County, Maryland," on August 28, 1990 (the "1990 Ordinance").

The purpose of the 1990 Ordinance was to encourage the preservation of agricultural land in Washington County, Maryland within established agricultural land preservation districts under the program of the Maryland Agricultural Land Preservation Foundation (the "Foundation"), pursuant to Section 2-509 of the Agriculture Article, Annotated Code of Maryland, and to grant a Property Tax Credit on land that is subject to the County's agricultural land preservation program, pursuant to Section 9-323, Tax-Property Article, Annotated Code of Maryland.

Chapter 650 of the 2007 laws of the Maryland General Assembly ("Chapter 650") altered the requirements relating to the purchase of easements by the Foundation by prohibiting the Foundation from accepting a district petition after June 30, 2008.

In anticipation of the elimination of districts by the Foundation, the County, on January 13, 2009, adopted Ordinance No. ORD-09-01 entitled "An Ordinance for the Establishment of Agricultural Preservation Districts," together with Regulations to

provide for the standards and guidelines by which real property in Washington County is eligible for inclusion within an agricultural preservation district, both effective January 13, 2009.

On August 28, 2018, by Ordinance No. ORD-2018-20, the County repealed Ordinance No. ORD-09-01 and reenacted said Ordinance with amendments. The Regulations adopted under ORD-2009-01 on January 13, 2009 have been revised and are effective as of August 28, 2018.

Chapter 650 also provided that any district in which an easement has been transferred to the Foundation and any district established by a county and landowner for the purpose of providing a property tax credit to the landowner shall remain in force and may not be terminated.

The Foundation assigned all its right, title, and interest in the previously established District Agreements to Washington County, Maryland, effective as of June 30, 2012 and June 30, 2018. The Assignment of District Agreements is recorded among the Land Records of Washington County, Maryland at Liber 4342, folio 0446 and at Liber 5770, folio 148.

A public hearing was held on July 24, 2018, following due notice and advertisement of a fair summary of the amendments proposed to the 1990 Ordinance.

Public comment concerning the amendments proposed was received, reviewed, and considered.

The County believes it to be in the best interests of the citizens of Washington County to repeal and reenact with amendments the 1990 Ordinance to reflect that the Property Tax Credit is granted for all District Agreements listed in the Assignments of District Agreements hereinabove referenced, and for all District Agreements established under County Ordinance No. ORD-2018-20, adopted August 28, 2018.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED that the Ordinance entitled "An Ordinance to Provide Tax Credits for Agricultural Land in Washington County, Maryland, adopted on August 28, 1990, effective January 1, 1991, is hereby repealed; and the following Washington County Agricultural Real Property Tax Credit Ordinance is hereby adopted.

**WASHINGTON COUNTY AGRICULTURAL REAL PROPERTY
TAX CREDIT ORDINANCE**

1. Real Property Tax Credit - Agricultural Land

A. There is a credit from County Real Property Taxes levied on agricultural land, woodlands, and agricultural structures, excluding residential dwellings and one (1) acre surrounding said dwellings, if:

i. The property is included in an agricultural land preservation district as provided in ORD-2018-20; and

ii. The landowner has executed a Contract with the County agreeing to remain in the district for ten (10) years initially, with the option to terminate after five (5) years; the Contract may be renewed in five (5) year increments after completion of the initial ten (10) years.

B. There is a credit from County Real Property Taxes levied on residential dwellings and one (1) acre surrounding same if:

i. The property is included in an agricultural land preservation district as provided in ORD-2018-20; and

ii. The landowner has executed a Contract with the County agreeing to remain in the district for ten (10) years initially, with the option to terminate after five (5) years, said Contract may be renewable in five (5) year increments after completion of the initial ten (10) years; and

iii. Agricultural lands, woodlands, and agricultural structures surrounding said residential dwellings and the aforesaid one (1) acre qualify for the tax credit under this Ordinance.

C. There is a credit from County Real Property Taxes levied on agricultural land, woodland, and agricultural structures if:

i. The real property is located in an agricultural land preservation district in accordance with a recorded agreement; or

ii. The land is subject to an agricultural land preservation easement that has been conveyed to the Maryland Agricultural Land Preservation Foundation.

D. There is a credit from County Real Property Taxes levied on residential dwellings and one (1) acre surrounding said dwellings if:

i. The real property is located in an agricultural land preservation district in accordance with a recorded agreement; or

ii. The residential dwellings and the one (1) acre surrounding said dwellings and the agricultural land, woodlands, and agricultural structures surrounding same are subject to an agricultural land preservation easement that has been conveyed to the Maryland Agricultural Land Preservation Foundation.

2. Once the property owner terminates the Agricultural Land Preservation District Agreement or removes property from the district before the expiration of any Contract term, the landowner shall be liable for all property taxes plus interest for the unpaid taxes that the owner would have been liable for during the term of the current Contract as if the Property Tax Credit had not been granted under this section.

3. Amount of Tax Credit.

A. The amount of the credit granted under Subsection 1.A. of this Ordinance is 100% of the County Real Property Tax levied on the agricultural land, woodlands, and agricultural structures, excluding the residential dwellings and one (1) acre surrounding said dwellings, for a period not to exceed the term of the landowner's Contract with the County.

B. The amount of the credit granted under Subsection 1.B. is 50% of the County Real Property Tax Credit levied on the residential dwellings and one (1) acre surrounding said dwellings, provided that the total credit may not exceed 50% of the County Real Property Tax that would be levied on \$150,000 of assessed fair market value, nor may it exceed that amount of credit granted to the surrounding agricultural land, woodlands, and agricultural structures under Subsections 1.A. and 3.A. of this Ordinance, for a period not to exceed the term of the landowner's Contract with the County.

C. The amount of the credit granted under Subsection 1.C. of this Ordinance is 100% of the County Real Property Tax levied on the agricultural land, woodlands, and agricultural structures, excluding the residential dwellings and one (1) acre surrounding said dwellings.

D. The amount of credit granted under Subsection 1.D. of the Ordinance is 100% of the County Real Property Tax levied on the residential dwellings and one (1) acre surrounding said dwellings, provided that the total credit may not exceed the County Real Property Tax that would be levied on \$150,000 of assessed value, nor may it exceed the amount of credit granted to the surrounding agricultural land, woodland, and agricultural structures under Subsections 1.C. and 3.C. of this Ordinance.

4. The tax credits granted by this Ordinance are not cumulative, and in no event shall the total tax credit of the landowner exceed 100% of the County Real Property Tax for the property.

5. Severability.

If any part of this Ordinance shall be held invalid, any such part shall be deemed severable and its invalidity shall not affect the remaining parts of this Ordinance.

6. Effective Date.

This Ordinance shall become effective August 28, 2018.

Adopted this 28th day of August, 2018.

ATTEST:



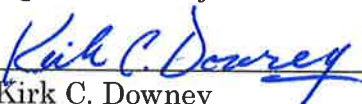
Krista L. Hart, Clerk

BOARD OF COUNTY COMMISSIONERS
OF WASHINGTON COUNTY, MARYLAND

BY: 

Terry L. Baker, President

Approved as to form and
legal sufficiency:



Kirk C. Downey
Deputy County Attorney

Mail to:
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