






Item Name: Briefing on Montgomery County's Building Lot Termination Program

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Summary

Completed: 03/30/16

This briefing and discussion provides an opportunity to update the Planning Board on the Building Lot Termination (BLT) Program.

Description

While established by law in 2008, the first easement purchases using this farmland preservation tool were made in 2011. A BLT Easement restricts residential, commercial, industrial and other non-agricultural uses on a given property. The primary purpose of a BLT Easement is to preserve agricultural land by reducing the fragmentation of farmland resulting from residential development.

A key feature of the BLT Easement is an enhanced level of compensation to a landowner who can demonstrate that his or her land is capable of residential development and who agrees, as part of the BLT Easement, to forego residential development and permanently retire an approved on-site waste disposal system associated with the lot to be terminated under the easement.

BLTs are then subsequently used in the development process. They are required for all optional method projects in the CR, and LSC zones, and are elective in the CRT, and EOF zones as part of the Public Benefit portion of incentive development.

The briefing will focus on:

- Legislative Framework
- Defining BLTs
- Goals of the BLT Program
- Key Features
- BLT Process
- BLTs in Development
- Current Status of the BLT Program

Attachments

- Attachment A: Zoning Code Section 59.1.4.2 (Definition of BLT)
- Attachment B: Zoning Code Section 59.4.7.3.F (BLT Public Benefit Points)
- Attachment C: Executive Order 137-13 (Establishment of BLT Values)

Building Lot Termination (BLT): A transferable development right (TDR) created from land that:

1. consists of at least 25 acres;
2. is capable of being served by an individual sewage treatment unit that satisfies Chapter 27A and applicable regulations issued under that Chapter;
3. is located in the AR zone; and
4. could be encumbered by a BLT easement under this Chapter.

When a BLT easement is recorded in the land records, the easement extinguishes the right to build a dwelling unit in the AR zone; this attribute distinguishes a BLT from other TDRs.

F. Protection and Enhancement of the Natural Environment

Protection and enhancement of natural systems and reduced energy consumption help mitigate or reverse environmental impacts such as heat island effects from the built environment, inadequate carbon-sequestration, habitat and agricultural land loss, and air and water pollution caused by reliance on the automobile.

1. Building Lot Termination (BLT): Up to 30 points for the purchase of BLT easements or payment to the Agricultural Land Preservation Fund (ALPF).

a. In the CR zone:

i. An applicant must purchase BLT easements, or make payments to the ALPF, in an amount equal to 7.5% of the incentive density floor area under the following parameters:

(a) One BLT, equivalent to 9 points, must be purchased or equivalent payment made for every 31,500 square feet of gross floor area comprising the 7.5% incentive density floor area;

(b) A private BLT easement must be purchased in whole units; or

(c) BLT payments must be made to the ALPF, based on the amount established by Executive Regulations under Chapter 2B; if a fraction of a BLT easement is needed, a payment based on the gross square footage of incentive density must be made for at least the fraction of the BLT easement.

ii. Up to 25 points for the purchase of BLTs or equivalent payments to the ALPF may be made for any incentive density above 7.5%. Each BLT easement purchase or payment is equivalent to 9 points, or such proportionate points represented by a fractional BLT purchase or payment.

b. In the LSC zone:

i. An applicant must purchase BLT easements, or make payments to the ALPF, in an amount equal to 50% of the incentive density under the following parameters:

(a) For any floor area above 0.50 FAR, one BLT, equivalent to 9 points, must be purchased or an equivalent payment made for:

(1) each 31,500 square feet of floor area of residential, nonresidential, and Life Sciences between 0% and 40% of the project's floor area; and

(2) each 60,000 square feet of Life Sciences between 40% and 50% of the project's floor area.

(b) Any private BLT easement must be purchased in a whole unit; or

(c) BLT payments must be made to the ALPF, based on the amount established by Executive Regulations under Chapter 2B; if a fraction of a BLT easement is needed, a payment based on the gross square footage of incentive density must be made for at least the fraction of the BLT easement.

ii. Floor area restricted to the following uses is subtracted from the total density before calculating the required BLTs:

(a) workforce housing units;

(b) MPDUs;

(c) Hospitals, including the Hospital's accessory uses, other than medical office buildings;

(d) educational facilities for non-life sciences; and

(e) Life Sciences in excess of 50% of the project's total floor area.

c. In the CRT and EOF zones, BLT payments are optional; each BLT easement purchase or payment is equal to 9 points, or such proportionate points represented by a fractional BLT purchase or payment.



MONTGOMERY COUNTY EXECUTIVE ORDER

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Subject Establishment of the Building Lot Termination Program's Base and Maximum Easement Value and Agricultural Easement Program Base Value for FY2014	Executive Order No. 137-13	Subject Suffix
Originating Department Department of Economic Development	Department Number 78	Effective Date 7/29/13

BACKGROUND

Chapter 2B of the Montgomery County Code establishes a building lot termination (BLT) easement program and the Agricultural Easement Program (AEP) for the purpose of purchasing easements to limit development and preserve agricultural land in the RDT Zone.

For the BLT program: Section 2B.00.01.04D(1) of the Code of Montgomery County Regulations (COMCOR) provides that the County Executive will, by July 1st of each year, determine the Base Value, or base purchase price, and the Maximum Value, or maximum purchase price, of BLT Easements for that fiscal year. When determining the Base Value and the Maximum Value, the County Executive considers recent purchase prices for agricultural easements in the County and recent fair market value prices paid for fee simple acquisition of agricultural land with at least one development right and an individual on-site sewage waste disposal system. Both the Base Value and the Maximum Value are expressed as percentages of the fair market value of a parcel of agricultural land in the RDT Zone with at least one development right and an individual on-site sewage waste disposal system. Both the Base Value and the Maximum Value are applicable County-wide. The price the County will pay for a BLT Easement must not exceed the Maximum Value.

For the AEP program: Section 02B.00.01.02F(1) of the Code of Montgomery County Regulations (COMCOR) provides that the County Executive will, by July 1st of each year, determine the Base Value for the fiscal year. In setting the Base Value, the County Executive considers such factors as recent prices for agricultural easements purchased by the Maryland Agricultural Land Preservation Foundation within Montgomery County, recent County transferable development rights (TDR) prices and recent prices paid for fee simple acquisitions of County agricultural land, including prices for parcels with and without agricultural easements. The Base Value is applicable County-wide.

PURPOSE

The purpose of this Executive Order is to determine is the Base Value and the Maximum Value for purchasing BLT easements in Fiscal Year 2014 and the Base Value for purchasing AEP easements in Fiscal 2014.

ACTION

For Fiscal Year 2014, it is hereby determined for the Building Lot Termination Program that:



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The fair market value of a parcel of agricultural land in the RDT Zone with at least one development right and an individual on-site sewage waste disposal system is \$317,700;

The Base Value of a BLT Easement is \$222,390 (70% of the fair market value); and

The Maximum Value of a BLT Easement is \$254,160 (80% of the fair market value).

For Fiscal Year 2014, it is hereby determined for the Agricultural Easement Program that:

The Base Value for the Agricultural Easement Program will continue to be \$1,600 per acre.

By: _____

Isiah Leggett
County Executive

APPROVED AS TO FORM
AND LEGALITY, OFFICE
OF THE COUNTY ATTORNEY

BY: _____

DATE: _____

7-23-13