

Washington County Land Preservation Referendum Ballot Explanation

WHAT DOES IT MEAN?

April 3 Ballot Question

"Shall the Washington County Board of Supervisors allocate at least \$800,000 per year for 10 years funded by either sales tax, long-term debt obligations and property tax, or a combination thereof, to preserve prime farmland, water resources and natural areas in the County through purchase of development rights, land acquisition or similar programs from willing sellers, on the condition that all County expenditures are at least equally matched by non-county funding sources?"

Why is it called the "Land Preservation" Referendum?

In January 2007 the Washington County Board adopted an ordinance creating a "Land Preservation Program" and segregated funding for it for 10 years, subject to approval by the general public by referendum this April 3. The term "land preservation" is used because a Purchase of Development Rights (PDR) Program would be closely coordinated with the adopted County Park & Open Space Plan.

What is Purchase of Development Rights (PDR)?

PDR is a farmland preservation tool where the County would buy the development rights from willing landowners and record a permanent Land Preservation Easement on the property deed. The land remains in private ownership and on the tax rolls, but can only be used for agricultural and open space purposes.

Why \$800,000?

This amount represents approximately 10% of annual revenues from the existing 0.5% county sales tax. In 2006, the Washington County Board passed an ordinance setting policy on how these funds would be allocated in future annual county budgets. The language in the ordinance was modified to allow for 10% to be used for funding a Land Preservation Program as part of the annual capital planning process. It should be noted that \$800,000 is about 1% of total county expenditures.

Why 10 years?

Any land preservation program requires a long-term commitment to be effective. If a program was here one year and gone the next, it could not preserve any meaningful farmland or natural space and the program would likely lose support quickly. Land preservation and PDR are not experiments that need to be tested first. They have been successful across the country for decades.



What would the cost be to each household in Washington County?

While no new tax is proposed, \$800,000 spread equally around the county averages to about \$17 per household. However, if the existing county sales tax was used to fund the program, it would average to about \$15 per county household, with the rest paid by non-resident shoppers.

Why does the referendum list a combination of funding sources?

The County Board chose to keep the language as flexible as possible so that they could adjust their annual budget as needed to meet the many needs of county government. For example, if all sales tax revenues for several years were needed for a construction project, then bonding could be used to fund the Land Preservation Program, or visa versa.

What is “bonding” or “long term debt obligation”?

Bonding is the sale of government bonds to investors with a guaranteed payback with interest. Doing this can provide a lump sum of money for the county to use up-front to fund a project with long-term value, such as land acquisition, building or road construction projects. The sale of bonds becomes a long term debt obligation for the county because the county must pay a market interest rate over the life of the bonds (usually 10+ years), essentially acting like a bank loan.

What will \$800,000 per year buy?

According to estimates from the PDR Task Force, the costs for land preservation easements vary considerably in Washington County, averaging about \$5,544 per acre. This means if county funds are matched by other funding sources, as required in the referendum, then \$800,000 in county funding may allow the purchase of development rights for about 290 acres per year (almost ½ square mile). Conventional land acquisition would only buy about half as much.

Where will “matching funds” come from?

Matching funds can come in the form of state or federal land preservation program grants, local government contributions (towns, lake districts, etc.) or private donations from land trusts, businesses, organizations or individuals. Also, when a property owner sells land or an easement below market value, the discount would be considered a donation; such a transaction is called a “bargain sale” and can yield income tax benefits to the seller.

Why are county funds needed?

County funds are needed to be eligible for matching grants from state and federal sources. Private sources and local government contributions would never be enough money to make a significant impact on the continued loss of farmland and natural areas in the county. Partnerships are critical for the success of most land preservation programs.

Why now?

Since 1995, well over 2 square miles of our rural landscape have been converted to urban or residential uses each year - double the rate from the previous 30 years. It would appear that if citizens want to change current trends, something must be done soon -- or it will be too late. The Washington County Board spent several years studying different land preservation options and originally chose this path in March 2006. In June 2006, the new County Board repealed this decision. After further debate, the County Board decided in January 2007 to let the voters decide by referendum.



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Saving Our Land, Water, Heritage ~ It's Right for Washington County

Paid for by Washington County Citizens for Farmland & Natural Areas, William Neureuther, Treasurer