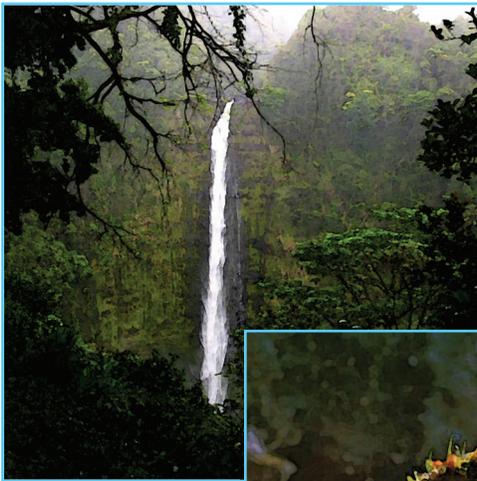


PLANNING FOR RURAL AREAS THE ROAD LESS TRAVELED

Policies
Standards
Tools

May 2006



HAWAII



Horsley Witten Group

TOWNSCAPE, INC.



Planning for Rural Areas: The Road Less Traveled

A workshop of the
Rural Policy and Best Practices Project
May 1-4, 2006



Afternoon Workshop Agenda

- 12:30 **Registration**
- 1:00 **Welcome**
County Planning Director
- 1:10 **Current Rural Policy and Project Overview**
Laura Thielen, Office of Planning
- 1:20 **Survey of Rural Landscapes**
A visual montage
Scott Horsley and Richard Delaney (Horsley Witten Group)
- 2:00 **An Introduction to Rural**
What makes “rural” rural? What is the range of rural land-uses? What is a rural life style? What are rural forms and functions? What are the top guiding principles of developing and preserving rural areas?
Tom Daniels, Professor of City and Regional Planning, University of Pennsylvania
- 2:50 **Local Planning Strategies for Maintaining Rural Areas-A Case Study**
A detailed examination of one County’s continuing successful efforts to effectively protect its rural character.
John Zawitoski, Montgomery County Department of Economic Development
- 4:00 **Break**
- 4:10 **Exploring Rural in Hawaii—Q&A/Discussion**
A full group discussion of rural policy and planning with Tom Daniels, Scott Horsley, Richard Delaney and John Zawitoski.
- 5:10 **Closing**
Where are we now? What happens next and when?
Laura Thielen and Ruby Edwards

Evening Presentation and Discussion

- 6:00 **Welcome and Project Overview**
Laura Thielen, Office of Planning
- 6:10 **Presentations on Rural Policies and Montgomery County**
Tom Daniels and John Zawitoski
- 6:30 **Exploring Rural in Hawaii—Q&A/Discussion**
A full group discussion of rural policy and planning with Tom Daniels, Scott Horsley, Richard Delaney and John Zawitoski.
- 7:20 **Closing**
Where are we now? What happens next and when?
Laura Thielen and Ruby Edwards, Office of Planning
- 7:30 **Pau**

Elements of the Rural Community



Open Space

Open space in rural areas can take several different forms based on design considerations and the location of different open space areas. Public green space can be planned as an amenity while conservation areas can be integrated into residential development through Conservation Subdivision Design. Stream buffers and active agricultural lands are two other examples of open space opportunities that should be identified and preserved where ever possible in the rural setting.



Rural Village Centers

A Rural Village Center typically defines the center of a rural community and is comprised of a cohesive core of residential, civic, institutional, and commercial buildings. Buildings are “human-scale” and arranged along a main street and where applicable, public green space. Development is generally more compact and arranged in a way that facilitates access to a range of commercial and civic uses designed to provide for everyday needs. Higher density housing is integrated into the village center, often above commercial uses and public transportation options provide residents with alternative means of transport to and from their neighborhood.



Rural Corridors

Rural corridors are the roadways connecting rural communities with other rural and urbanized areas. These corridors often become the village center “Main Street” as they pass through the heart of a rural community. These roadways are often overlooked as important resources to rural communities as they establish community character, provide transport routes for goods and services, and serve as a gateway into individual communities. Planners must ensure that zoning does not allow for commercial sprawl along these routes, which creates significant amounts of traffic congestion and spoils the vistas normally associated with well-maintained corridors.



Rural Housing

Rural housing can include a mix of housing types such as high density village center units, single family housing communities along the outskirts of village centers and isolated agricultural housing in larger lots between rural core communities and conservation lands. Based on its proximity to village centers or other urbanized areas, rural housing will have widely varied levels of infrastructure and will often serve a broad range of socioeconomic groups. What is important to plan for in rural communities is the preservation of housing for a diverse population and the provision of adequate infrastructure where higher density housing is desirable.



Cultural Values and Assets

Rural culture is anchored strongly in the history of local land use and focuses on building self-sufficient communities. The way in which people relate to their surroundings in rural areas is unique as there is both a strong presence of natural systems and a well-established working community. In rural settings, agrarian ideals steeped in local culture create the foundation for strong community ties that account for generations of stewardship on working landscapes. Maintaining the cultural connections between individuals, the land they cultivate, their gathering places and their history should be a fundamental consideration in fostering and maintaining rural communities. Physical features of the natural and built environment should be maintained or designed in a way that fosters relationships, connects with the history of the land and creates a lasting sense of place.



Active Agriculture in Rural Residential Communities

As the global agricultural economy continues to shift, diversified agriculture becomes more of a centerpiece for preserving agricultural operations in rural communities. Small family farms, community gardens, so-called “lifestyle farms” and specialty operations are all examples of different types and scales of agriculture that can help sustain rural communities and enhance local quality of life.



Large Lots (Agriculture and Estates)

Large lot estates and/or agricultural operations are often integrated into the fringe areas of rural lands as they approach larger conservation areas. These lots can be used to preserve farming operations and vistas and can leave vast expanses of open space resources along the periphery of rural areas and along corridors. True large lot zoning is generally at least 10 acres but is often 20 to 50 acres per unit or operation. Rural communities that have planned for a diverse housing stock at varied densities are more likely to be able to successfully integrate large lot zoning into the landscape. Communities must be careful to ensure that access to conservation areas from village centers is not cut off through the use of large lot zoning techniques.



Transition Zones (Urban Fringe and Conservation Lands)

Rural communities often serve as a transition zone between urban core areas and conservation lands. In both cases, it is important to clearly define the rural boundaries to prevent the encroachment of sprawl from urban areas and the expansion of rural uses into conservation resources. Urban growth boundaries can be established to clearly establish a separation not only between urban and rural use, but also between different standards for roadway design and infrastructure. Poorly planned boundaries represents one of the leading causes of suburban sprawl consuming established rural corridors and vulnerable agricultural lands.



Human Scale Design

Human scale design implies creating elements of a community landscape appropriate for typical use intensities and day to day access. This approach lies in contrast to over-sizing and over-engineering roads, buildings and parking lots based on worst case scenarios. Overall, this type of design requires thinking about the spatial and access requirements of residents and visitors as primary focus. Walkable connections between different uses and appropriate scaling of buildings in relationship to roads and walkways create a comfortable, manageable space for pedestrians and motorists. Lower impact design elements in roadways also work to calm traffic and encourage alternate means of transportation.



Rural Planning Principles



1. Plan for Development and Preservation

It is important to plan for both development and the preservation of land and natural resources concurrently in order to minimize or avoid alteration of ecologic and hydrologic functions. This approach also ensures that a more holistic community planning process occurs and a positive community vision is realized. Focusing on both aspects of land use generates support for potential zoning improvements that may be necessary for land preservation to occur. Low impact design recognizes that watershed wide “no-build” scenario may not be realistic, and looks to incorporate preservation techniques into continued economic development on a community and regional scale.



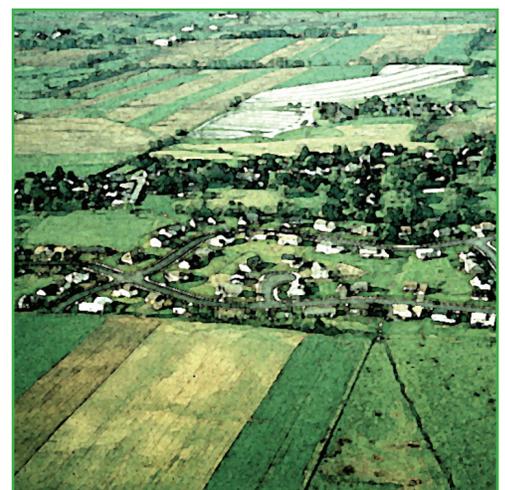
2. Minimize Reliance on On-Site Septic Systems

A common misconception among local planners is that a more centralized approach to wastewater treatment will result in uncontrolled growth and significant losses of open space. While this could be the case, it is also important to note that reliance on septic systems to control growth can also increase sprawl because of larger lot size requirements. Further, effluent from septic systems can cause significantly higher levels of groundwater contamination when compared to more centralized approaches. With proper growth controls and design regulations, centralized wastewater treatment can help preserve open space and mitigate environmental impacts.



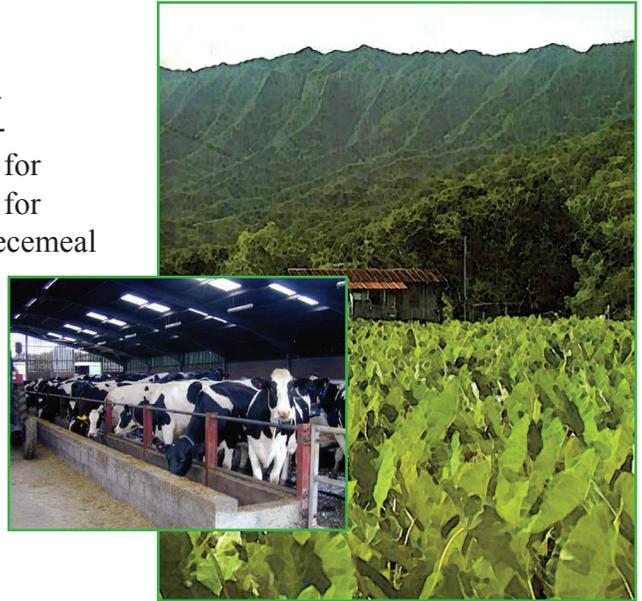
3. Compact Development and Maintaining Boundaries

Maintaining a clear edge between villages and the countryside and natural resource areas is important to avoid impacts to natural resources and the potential of incompatible land uses. It also helps to curb residential sprawl into outlying areas and encourage infill opportunities. Establishing zoning districts with distinct use intensity and design guidelines will help to create breaks in the landscape that establish different but complimentary rural elements. Local planners can also take advantage of natural features such as stream buffers or changes in slope to provide buffers between different use intensities.



4. Minimize Rural Use Conflicts

Separate farm, and forestry from rural residential areas. Avoid the “impermanence syndrome” – when resource-based landowners believe that there is very little future for resource activities in their field due to market demands for their land. These areas are vulnerable to sprawl and piecemeal development that can drastically alter community character. Using preservation tools such as acquisition of development rights, zoning methods, taxation polices, and right-to-farm laws can help create a more coordinated approach to managing transitional farmland areas.



5. Minimize Road Construction

It is important to minimize the amount of paved surfaces in the rural setting to protect the hydrologic balance and community character. Maintaining permeable areas allow for natural drainage and decrease chances of flooding. Developing a distinct set of rural roadway and parking lot standards will help to achieve both aesthetic and environmental objectives. When pavement for parking areas and roads become a necessity, techniques for reducing impervious cover and reducing impacts include: providing compact car spaces, utilizing alternative paving in overflow parking, and treating stormwater with the use of alternative, on-site treatment facilities such as bioretention units, and grassed and vegetated swales.



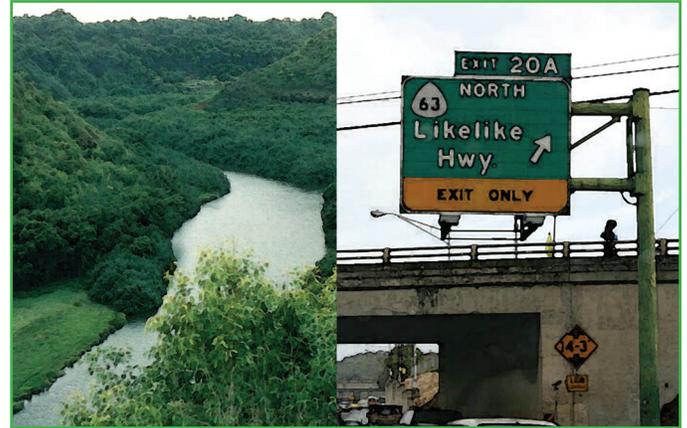
6. Maintain Natural Areas

Conserving natural drainages, vegetation and soils is a fundamental step toward low impact development. Trees and natural forest cover act as “sponges” for storing and slowly releasing stormwater. Comprehensive land use planning, watershed or basin planning, habitat conservation plans, and stream and wetland buffers are good tools to identify and set aside natural areas within a community. Once conservation areas are established for each site, a designer can work within the remaining developable area to evaluate the effects of different design options.



7. Establish Urban and Village Growth Boundaries

Urban and Village growth boundaries are boundaries around a rural village that are intended to maintain a distinct level of density within designated areas and to prevent development from sprawling. These boundaries are used by local governments as a guide to zoning and land use decisions. Governments can publicly declare that a specific area surrounding a municipality will be the target for growth and those areas beyond the boundary will not be supported with public infrastructure services. If the area affected by the boundary includes multiple jurisdictions, it is possible to designate or create a special planning agency to manage the boundary.



8. Use Low Density Zoning

The purpose of this type of zoning is to provide a low density, rural residential atmosphere where families may reside, and also to provide a buffer between agricultural and higher density residential uses. Generally, the following types of uses are allowed in low density zones areas: detached single-family dwelling on each lot and the accessory structures, keeping of livestock, small farming, and a home occupation. Minimum lot sizes relating to viable resource use should be designated in rural areas where agriculture, forestry, and other resource uses predominate. These lot sizes may be especially appropriate in a transition area adjacent to designated resource lands of long-term commercial significance or critical areas.



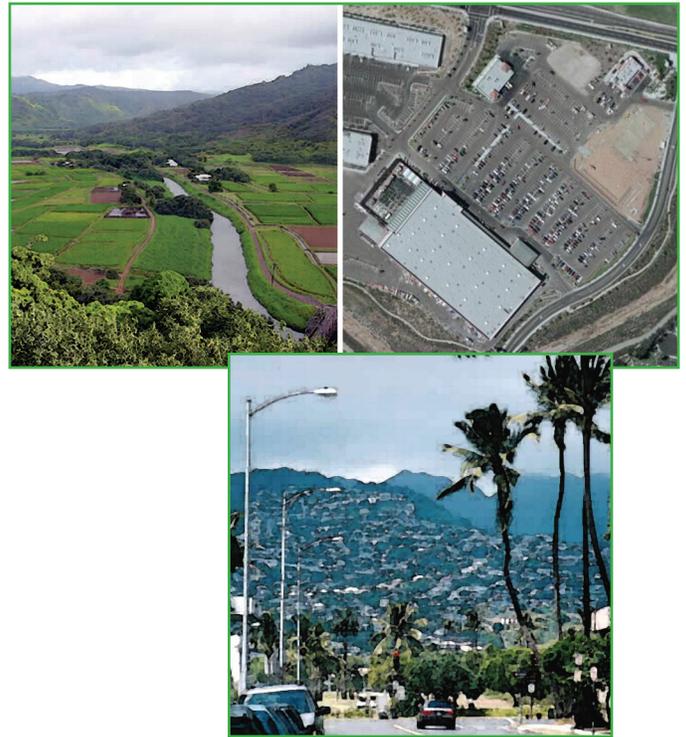
9. Preserve Open Space

The preservation of open space is important for maintaining natural hydrologic functions, as well as the preservation of wildlife habitat, natural buffer zones, preserving view planes, and recreational areas. Benefits to a municipality, and developers, include: the reduction of infrastructure and maintenance costs, reduction of water pollution impacts, protection of unique or fragile habitats, and the promotion of aquifer recharge. Acquisition programs such as land and land rights purchasing, is a successful open space preservation technique. Open space in rural areas can be park lands, conservation lands, existing farms or forested areas.



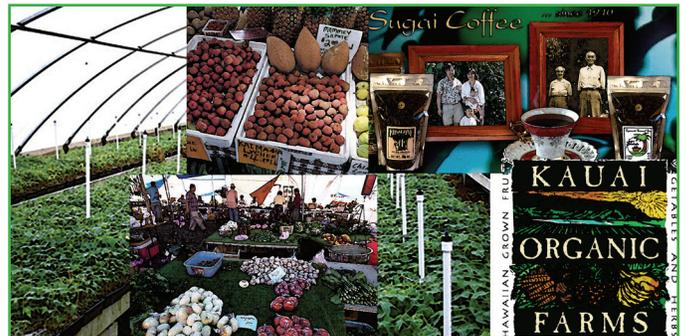
10. Balance Site Hydrology

It is critical to preserve the integrity of local watersheds by maintaining the natural, pre-developed hydrology of an area. Low impact design techniques allow for a functional hydrologic landscape by maintaining natural drainages, like streams, and by using small-scale stormwater controls distributed evenly throughout the development. The goal is to work with the site characteristics to maintain hydrologic functions and processes rather than attempt to mitigate impacts. For example, avoiding the disturbance and grading of vegetated areas can significantly reduce the need for stormwater controls and will help to recharge groundwater. Reducing impervious surfaces by reducing road widths, clustering buildings and using permeable surfaces for parking reduces surface runoff and improves infiltration.



11. Support Viability of Rural Industry

According to the USDA Economic Research Reserve, agriculture, forestry, and mining are still the most important industries in most rural areas. However, the service and retail industries, and the manufacturing and leisure industries, have accounted for most job growth in rural America over the past few decades. Using various agricultural incentives and establishing right-to-farm communities can help to preserve rural industry opportunities in the face of market pressures that would make it difficult to maintain these operations.



Biographies



Tom Daniels

Tom Daniels is a Professor in the Department of City and Regional Planning at the University of Pennsylvania where he teaches Environmental Planning, Land Use Planning, Growth Management, and Land Preservation.

For nine years, Tom managed the nationally-recognized farmland preservation program in Lancaster County, Pennsylvania, where he now lives.

Tom is the author of When City and Country Collide: Managing Growth in the Metropolitan Fringe, and co-author of Holding Our Ground: Protecting America's Farms and Farmland, The Small Town Planning Handbook, and The Environmental Planning Handbook. He often serves as a consultant to state and local governments and land trusts on growth management and land preservation issues.

John Zawitoski

John Zawitoski is the Director of Planning and Promotions with the Montgomery County Department of Economic Development, where he is responsible for coordinating the various agricultural land preservation programs available to landowners in Montgomery County.

John has worked with the Maryland farm community since 1989. Through his work with the Maryland Department of Agriculture, he helped implement soil conservation and water quality programs at the local, county, and regional level, and assisted other states in developing nonpoint source pollution control programs for agricultural operations. As District Director for the United States Department of Agriculture Farm Service Agency he provided guidance to a number of Maryland counties regarding farm commodity support, rural economic development and other environmental cost share programs.

John holds an Associate of Arts in Forest Technology from Allegany Community College in Cumberland Maryland, and a Bachelors of Science in Agriculture from the University of Maryland.

Scott Horsley

Scott Horsley is the President of the Horsley Witten Group, Inc. Scott has twenty-five years of professional experience in the field of water resources management, and has worked as a consultant to federal, state, and local jurisdictions, and private industry throughout the United States, Central America, the Caribbean, the Pacific Islands, and China.

Scott has taught numerous seminars in water resource protection, and is an Adjunct Professor at Tufts University where he teaches courses in Water Resources Policy and Wetlands Management. He also serves as an instructor for a nationwide series of U.S. Environmental Protection Agency (EPA) workshops on water resources management, and has authored numerous publications on water resources mapping and protection.

Scott is a recipient of the 1999 Environmental Technology Innovator Award from the U.S. Environmental Protection Agency for designing constructed wetlands for stormwater and wastewater treatment.

Rich Delaney

Rich Delaney is an Executive Vice President for the Horsley Witten Group, and directs the firm's coastal management efforts. Rich' work for the firm focuses primarily on integrated coastal management and water resource management. As a firm partner and vice president, he is also responsible for business development, governmental and client relations and project management.

Rich has over 25 years of experience with environmental policy, planning and management issues. As Assistant Secretary of Environmental Affairs and Director of the Massachusetts Coastal Zone Management Program during the 1980's, he was responsible for the development and implementation of comprehensive harbor, coastal and ocean policies, planning techniques and management strategies for Massachusetts. During this time, Rich played a major role in the promulgation of wetlands, waterways and water quality regulations, coastal and waterfront policies and the acquisition of open space in Massachusetts.

Rich was the founding Executive Director of the Urban Harbor Institute, a public policy and research group at the University of Massachusetts Boston during the 1990's. During this period, he provided technical consultations to governments in over 25 countries regarding capacity building, institutional strengthening and public information. As Chairman of the Coastal States Organization, Rich presented testimony before Congressional committees on major US coastal and ocean legislation, budgetary matters and federal-state relations.

Tom Daniels Slides



An Introduction to “Rural”

Prof. Tom Daniels Dept. of
City and Regional Planning
University of Pennsylvania

What is Rural?

- Density of People and Places
 - Less than 500 people per square mile
 - Less than 2,500 people in a town
- Land Uses
 - Agriculture
 - Forestry
 - Recreation: Parks, Wilderness
 - Housing

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

What is Rural?

- Character
 - Open Space
 - Walkable Towns and Human Scale Buildings
 - Low Density in the Countryside
 - Working Landscapes
 - Cultural/historic assets

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

What is Rural?

- Form and Function
 - Working Landscapes
 - Self-Sustaining Towns
 - Low Impact Design
 - Smaller-Scale Infrastructure

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

What is Rural?

- Economic Function
 - Extractive Rural Industry
 - Mix of Housing Types
 - Service Support
 - Recreation and Tourism

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

What is Rural?

- Natural Systems
 - Habitat
 - Hydrologic Balance
 - Connections to Conservation Lands

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

How do We Plan for and Protect Rural Communities?

- Preserve Character?
- Provide Infrastructure?
- Change Zoning?
- Set Standards?
- Draw Boundaries?

Identify Planning Elements in a Successful Community

Rural Housing Densities that Work

- Rural Residential Area: More than one house per 20 acres and less than one house per 1/2 acre: Too big to mow and too small to plow.
- Agriculture/Forestry Areas: Less than one house per 20 acres.
- Conservation lands: Less than one house per 20 acres.

State of Hawaii, Office of Planning | Planning for Rural Areas | May, 2006

Other Typical Rural Housing Densities

Rural Residential zoning allows one house per **1/2 acre**, up one house per 10 acres.

Smaller lots in this scale encourage sprawl.

Larger lots raise overall housing costs.

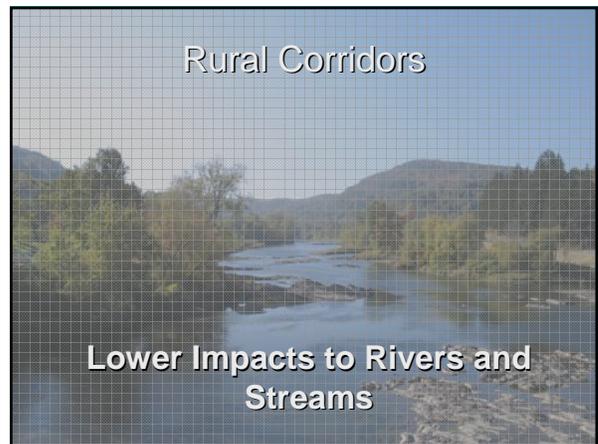
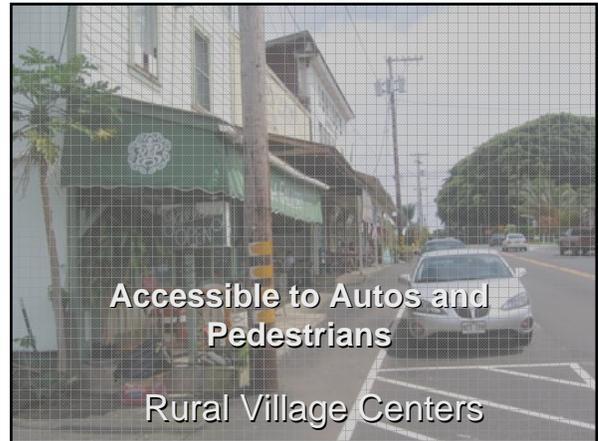
State of Hawaii, Office of Planning | Planning for Rural Areas | May, 2006

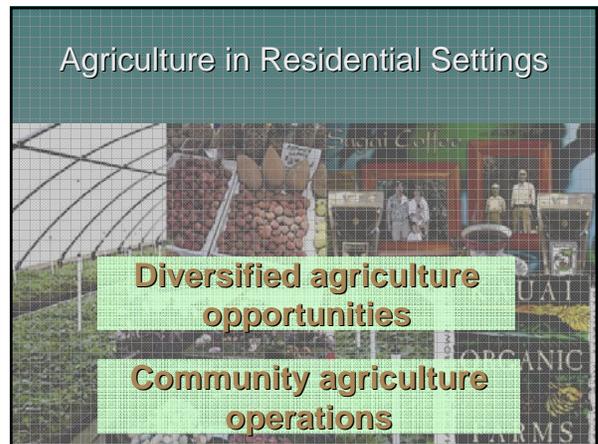
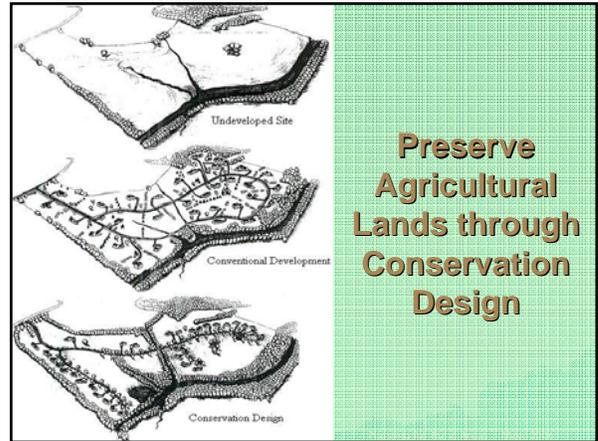
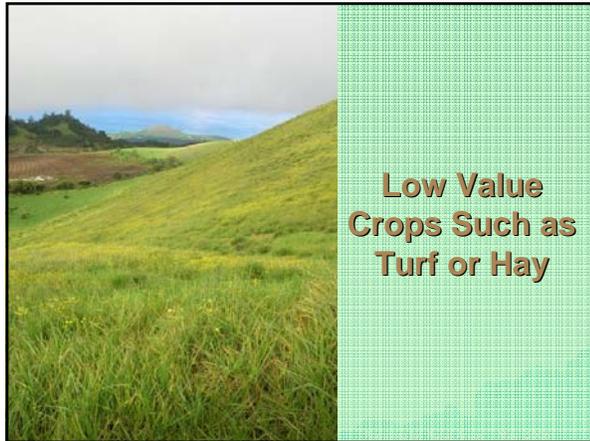


Rural Village Centers

Clear edge between the village and surrounding countryside

Ideally, central sewer and water service



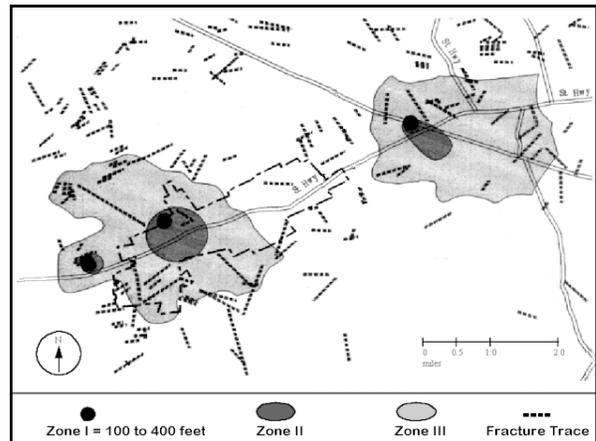


Fringe Areas: Conservation Land and Urban Core

- Water
 - Well-Head Protection Areas
 - Reservoirs
 - Wetlands
- Wildlife
 - Habitat Conservation Plans
- * Recreation Lands

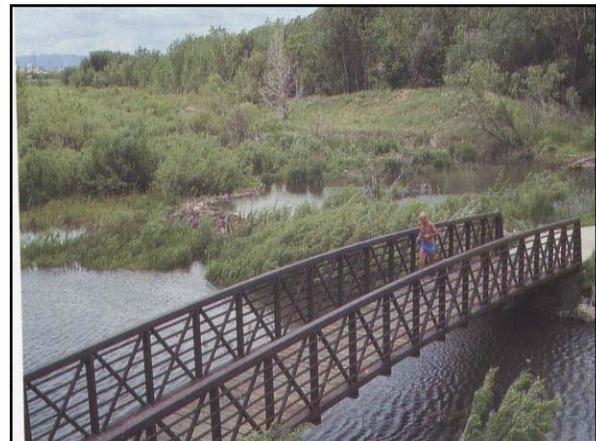
State of Hawaii, Office of Planning

Planning for Rural Areas, May, 2006



State of Hawaii, Office of Planning

Planning for Rural Areas, May, 2006



Four Planning Steps

1. Vision: What Land to Keep Open, What Land to Develop, How Much and Pattern of Development in the Countryside
2. Comprehensive Plan
3. Tools: Financial Incentives, Land Use and Design Regulations, Infrastructure Policies and Investment
4. Implementation: When, How, and By Whom?

ELEVEN FUNDAMENTAL PRINCIPLES OF RURAL PLANNING

State of Hawaii, Office of Planning

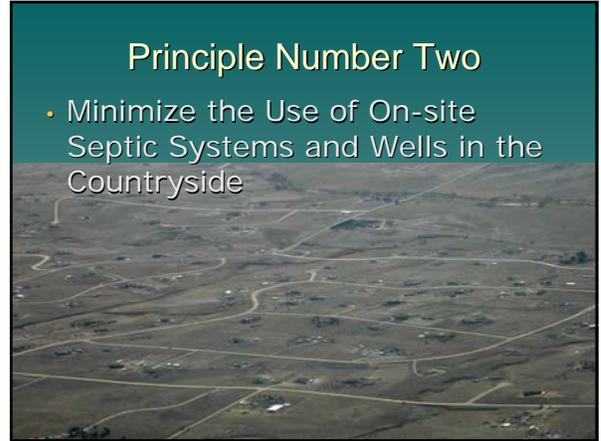
Planning for Rural Areas, May, 2006



Principle Number One

- You need to plan for both **development and preservation**

Planning for Rural Areas May, 2006



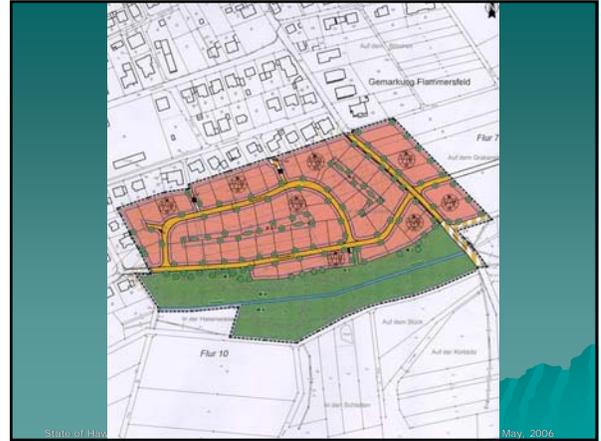
Principle Number Two

- Minimize the Use of On-site Septic Systems and Wells in the Countryside



Principle Number Three

- Keep Development Compact and Maintain a Clear Edge Between the Village and the Countryside



State of HI

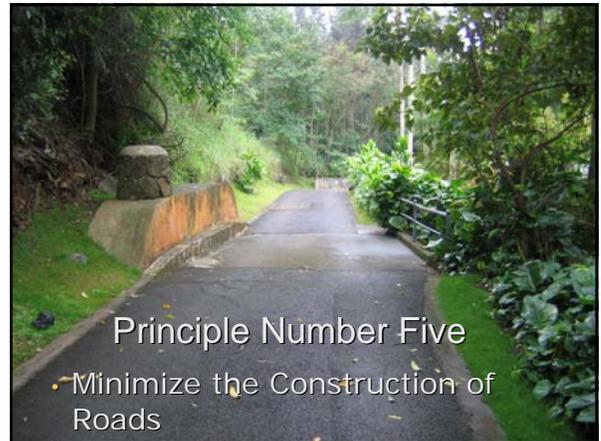
May, 2006



Principle Number Four

- Separate farm and forestry operations from rural residential areas

-Avoid the "Impermanence Syndrome"



Principle Number Five

- Minimize the Construction of Roads

Principle Number Six

- Maintain natural areas, and avoid construction on wetlands, steep slopes, floodplains, areas with threatened and endangered

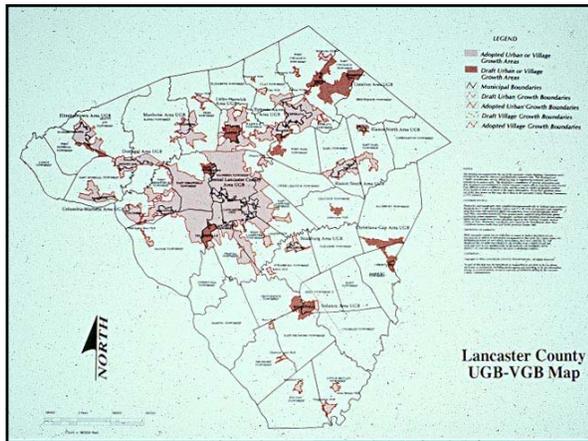


Principle Number Seven

- Urban and village growth boundaries for limited expansion that will be serviced by central sewer and water

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006



Principle Number Eight

Very low density zoning for agricultural and forestry areas

25...

40...

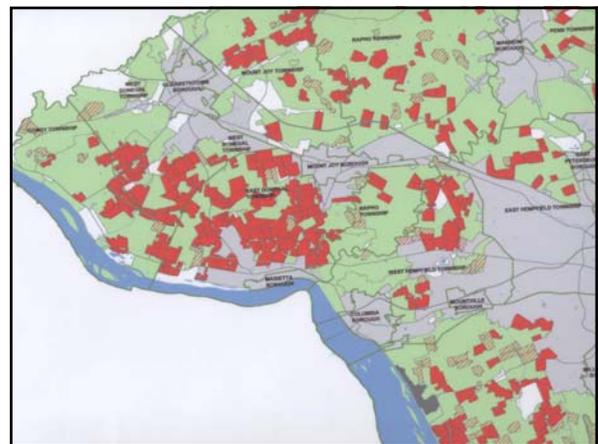
50-acre Zoning

Principle Number Nine

- Preserve open space, working landscapes, and natural areas through conservation easements (government funded and private non-profit funded).

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006



Principle Number Ten

- Balance Site Hydrology through the careful planning of wastewater and stormwater management
- LOW IMPACT DESIGN

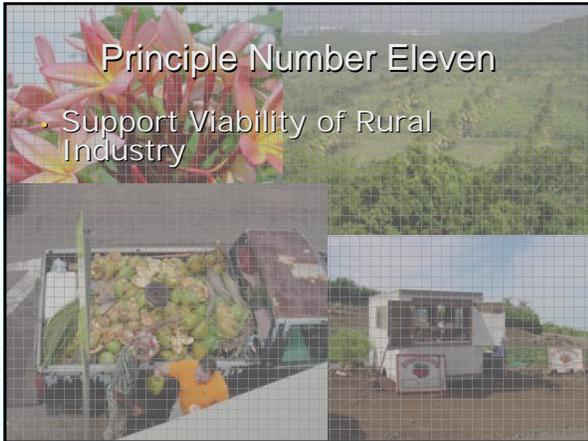
State of Hawaii, Office of Planning

Planning for Rural Areas, May, 2006



Principle Number Eleven

- Support Viability of Rural Industry



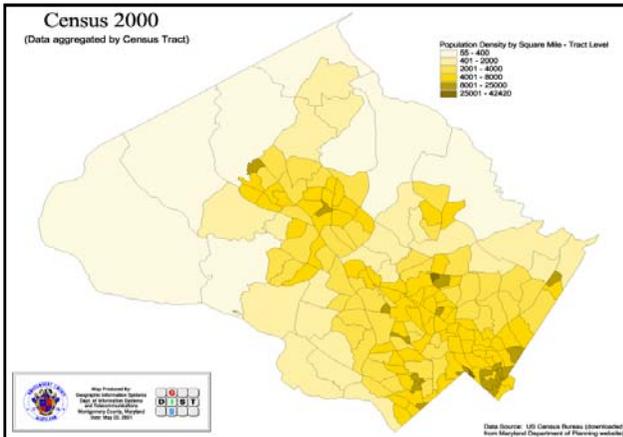
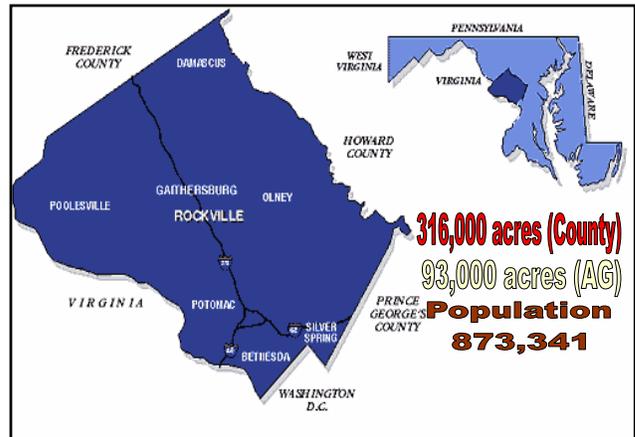
John Zawitoski

Slides



Montgomery County

Preserving Rural Lands for Working Landscapes and Economic Viability



Department of Economic Development Agricultural Services Division

- **Rural Land Protection Policy Framework**
- **Agricultural Zoning** – Rural Land Use Zoning
- **Master Plan Development** – Public Policy Framework
- **Rural Land Preservation** – Land Protection Tools
- **Rural Economic Development Support** – Business Oriented
- **Public/Private Partnerships**
- **Other Important Rural Development Initiatives**

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Protection Policy Framework

- Late 1950's – Agricultural and Open Space Preservation arose as a social and economic issue
- As a Planning Issue – this was expressed in terms of the need to preserve open space and the diseconomy in building costly infrastructure to service scattered sub-urban sprawl

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Protection Policy Framework

- In 1956 – Maryland was the first state to enact “preferential” assessments on farmland
- Encourage rural landowners not to sell into development
- The heart of the issue involves striking a balance of planning techniques, farm and rural land conservation and growth

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Protection Policy Framework

- Achieving the balance is problematic
- Inability of local government to develop comprehensive growth management plans that acknowledge there is a saturation point affecting environmental/community based systems in which the overall decay of the quality of the system results

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Protection Policy Framework

- The purpose of the Rural Land Use Plan must develop a scheme for growth which will provide for, encourage and accommodate a variety of rural land uses



State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Zoning and Rural Land Management

- **General Plan for Montgomery County (1964)** Developed a "Wedges and Corridors" concept to regional Planning
- This regional land use plan envisioned growth corridors radiating out from Washington, D.C. like spokes of a wheel that were separated by green wedges of open space, rural and farmland, and lower density residential uses

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

General Plan for Montgomery County (1964)

- **The Rural Component of the County's General Plan had four broad purposes:**
 1. To help make the urban pattern efficient and pleasant
 2. Provide and protect large open spaces for recreational opportunities
 3. Provide a rural environment in which farming, mineral extraction and other natural resource activities could be carried out
 4. Conserve natural resources and protect the public water supply and recreational waters.

State of Hawaii, Office of Planning

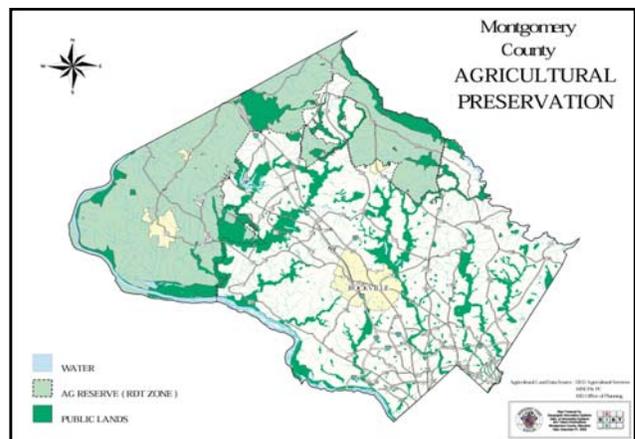
Planning for Rural Areas May, 2006

Zoning and Rural Land Management

- These first steps, while good intentioned, did not stop the rapid conversion of rural lands. The County embarked on a more aggressive approach to reducing the conversion of rural lands.
- **Functional Master Plan for the Preservation of Agriculture and Rural Open Space (October 1980)** which created a **93,000** acre agricultural reserve which reduced the threat of residential development from **1 unit per 5 acres to 1 unit per 25 acres.**

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006



Zoning and Rural Land Management

- **The Functional Master Plan** established a rural zone that identified agricultural as the **primary** land use
- It incorporates *right to farm provisions* stating that all agricultural operations are permitted at **anytime**, including the operation of farm machinery

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Use Zoning

5 types of Rural Residential Zoning

1. **Rural Zone** – 1 dwelling unit per every 5 acres
2. **Rural Service** – Same as Rural Zone with minimum lot size of 2 acres
3. **Rural Cluster Zoning** – 1 dwelling unit per every 5 acres – Mandatory Clustering provision –60% open space remainder
4. **Rural Neighborhood Cluster** – Same as RC except, there is an optional cluster method allows up to one dwelling unit per acre; minimum lot area of 4,000 square feet
5. **Rural Density Transfer Zone** – 1 dwelling unit per every 25 acres – with TDR option

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Rural Land Use Zoning

- Key Feature – As you move outward from the designated medium to high density growth areas – Zoning becomes less dense
- Transitions to medium to low density – clustered development – to very low density expressed by the RDT zone
- Prior to the designation of the RDT zone – the County lost 4 – 5 thousand acres per year to development
- Since 1980 (26 years) a total of less than 6,000 acres has converted to residential development

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Master Plan Development

The need to preserve rural lands can be justified in broad *public purpose* areas which include:

- Control of Public Costs and Prevention of *Urban Sprawl/Growth Management Systems*
- Preservation of Regional Food Supplies
- Energy Conservation
- Protection of the Environment
- Maintenance of *Open Space*
- Preservation of Rural Life-Styles
- **The development and adoption of a Master Plan establishes a public policy guide for local jurisdictions to formulate a holistic approach to protect rural lands**

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Control of Public Costs and Prevention of *Urban Sprawl/Growth*

- County determined that there was substantial benefit in managing growth in a compact form as encouraged by the General Plan
- This compact growth pattern conserves air, water, land and energy resources by promoting development in specified growth areas

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Control of Public Costs and Prevention of *Urban Sprawl/Growth*

- Sprawl Development Places Large Fiscal Demands on Government – Promoting Rural Landscapes helps by reducing the costs associated with sprawl development.
- Rural Lands place few demands on government for services and other infrastructure needs

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Growth Management Systems

- Guide growth in terms of location, timing, cost determinations in a manner that is responsive to the public interest:
 - TDR Programs
 - PDR Programs
 - MPDU and Workforce housing
 - Tax credits
 - Brown-fields programs
 - Urban Redevelopment
 - Long Range Planning
 - Rural Economic Development

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Preserving Regional Food Supplies and Energy Conservation

- Protecting Rural Lands –also has a benefit in preserving farmland. 60% of the food needed locally is produced on Maryland farms.
- Sprawl development increases demand for energy as well as the costs associated with energy demand.
- Smart – Growth Methods help conserve energy and promote mass transit alternatives

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Protection of the Environment

- Rural Land Protection helps protect the environment
 - Sensitive headwater areas (water supply)
 - Conservation areas
 - Wildlife habitats
 - Floodplains
 - Open spaces promote cleaner air
 - Efficient ground water recharge

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Promoting and Maintaining Rural Open Space

- The Open Space qualities of land preservation are significant
 - It provides productive, privately maintained rural open space with environmental benefits that include rural aesthetics, and improved air and water quality

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Preservation of Rural Life Styles

- Montgomery County has a rich rural heritage, which was a blend of two cultural traditions
 - English Planters who arrived in 18th century
 - German and Quaker farmers who arrived from Pennsylvania in the 19th century
 - These two cultural traditions are reflected in the blend of building materials and types throughout the County. These cultural values are as significant to the County as any museum and the public policy to protect the cultural landscape is also a high priority within the County

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Tools Effective in Promoting Rural Landscapes

- Zoning – help to promote Rural Landscapes
- Unfortunately, zoning itself does not place long term protections to the land
- Must consider other tools that can help accomplish long term protections
 - **Preservation Easements**

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Are There Different Types of Preservation Easements?

YES!

- **Agricultural Preservation Easements** are designed to maintain a land base for agricultural use, by restricting the land to an agricultural use.
- **Conservation easements** are designed to protect natural resources and preserve scenic open space.

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

How Easements are Acquired?

- Purchase of Development Rights Programs
- Donated Easement Programs
- Transferable Development Rights Program

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

How are Easements Valued?

Purchase of Development Rights programs there are two methods:

1. Use of Fair Market Appraisals
2. Added Value Formulas

In general easement values range between 4,000 and 8,000 per acre

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Fair Market Value FMV– Appraisal Method Approach

- Two Appraisals – Land Only (Not any improvements)
- Determines FMV of the Land
- Determination of Ag Value (Restricted Value)
- Difference between FMV minus Ag Value = Maximum Easement Value
- Time consuming – adds time to the acquisition process

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Montgomery County Agricultural Easement Program (AEP)

- Established 1986
- Designed to Protect Agricultural Lands from residential development – Perpetual Easement
- Employs use of an Added Value Formula to determine Easement Value
- Funding Sources – Agricultural Transfer Taxes, Investment Income, Bonds

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach

- Employs Use of a Formula
- Formula quantifies certain resource based features, some of which influence development potential (Roads, Quality of Soils, Proximity to more densely zoned areas)
- Points awarded are converted into terms of dollars per acre
- Quick process – Landowners can get a firm easement value immediately

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Base Value = 100
- Every Farm Regardless of Size or other attributes receives 100 points
- This becomes the minimum easement value

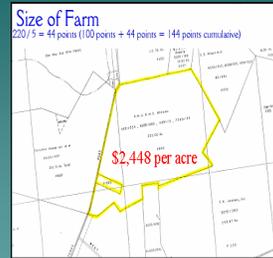


State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Size of Farm
- For each Five acres of land, the added value is 1 percent of the base value

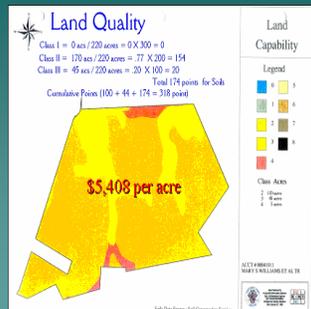


State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Value varies by Soil Quality
- It is 3% of the base value for each 1% of the land in Classification I Soils
- 2% of BV for each 1% in Classification II Soils
- 1% of BV for each 1% in Classification III Soils
- Considered Prime and Productive Soils



State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Land Tenure
- 25 percent of the base value
- 25 points for \$5,000 plus annual gross farm income
- (100+44+174+25 = 343 cumulative points)
- \$5,831 per acre



Farmer
25 Points



Harrison Ford
0 points

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Road Frontage
- 1 percent of the base value for each 50 foot of public road frontage
- To a maximum of 100 percent of the BV



State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Soil and Water Conservation Planning and Nutrient Management Planning Implementation
- 10 percent of base value
- Paid when plans are agency certified as being fully implemented



State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Formula Based -Appraisal Approach Added Value Formula (AEP)

- Ag Zone Edge
- 100 percent of BV
- Properties ½ mile from Zone border or municipality
- \$1,873,740
- Difference \$374,000 in the example if points are awarded



State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

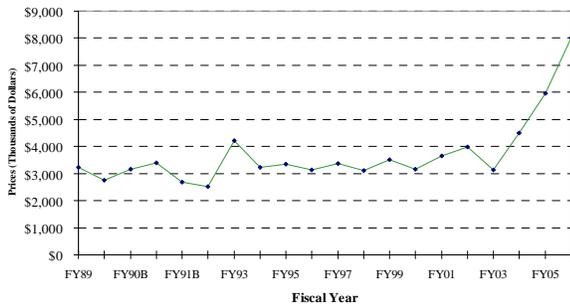
Review of Administrative Process: AEP (PDR program)

- Landowner make application – Asking Price is determined
- Value of Easement is determined - Negotiated
- Title Review/Contract of Sale
- Easement is settled by recording among the land records of the County

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

AEP Prices by Fiscal Year



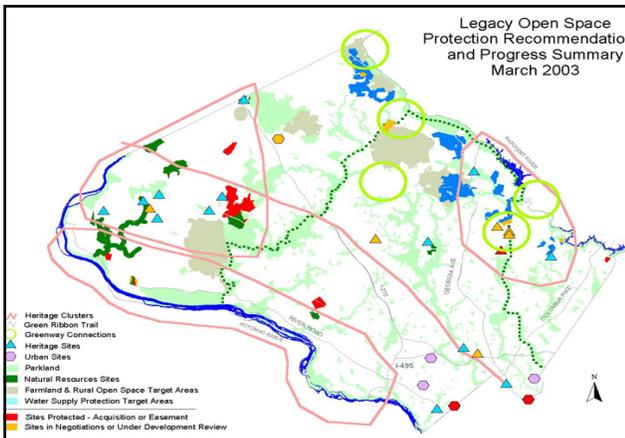
Legacy Open Space

- An initiative to preserve the distinctive resources that set the County apart and enhance its appeal as a quality place to live, visit, work and invest.
- \$100 million in Bond funding over 10 years to provide a visionary framework for the strategic protection of irreplaceable unprotected open space, watershed lands, and historic properties by the purchase of land or easements

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Legacy Open Space Protection Recommendation and Progress Summary March 2003



Funding for Preservation Programs

- Agricultural Transfer Tax – State Tax (5 percent of the total consideration on Farm to non- farm sales)
- County is Eligible to retain 75% of Tax Collected to Fund Preservation Programs
- Farm to Farm Sales – No Tax is Levied
- Investment Income – Ag Taxes Collected are placed in an interest bearing account

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Funding for Preservation Programs

- General Obligation Bonds – Future revenues needed for debt service on bonds
- Zero Coupon Bonds – Installment Payment, Balloon payment at the end of the coupon period (requires debt servicing on bonds)
- State Grants – Rural Legacy Program
- Federal Grants – Federal Ranchland and Farmland Protection Program

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

How are Easements Valued?

For Donated Easement Programs:

- Use of Fair Market Appraisals
- The appraised easement value is used to determine the value of the donation
- Financial benefits take the form of tax deductions
- Makes it much easier to pass the land to the owner's children without paying large estate taxes

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Review of Administrative Process: Donated Easements

- For Donated Easements – 2 Fair Market Appraisals are conducted to establish value of donated.
- Landowner contracts with MET or Land Trust
- Easement is settled by recording among the land records of the County

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

How are Easements Valued

For Transferable Development Rights Programs:

- Private negotiations between a landowner and Developer: 1 TDR = 5 acres
- Generally based on Market Forces, Supply and Demand Models, Fluctuations in the Economy
- Values have ranged over a 24 year period from about \$4,000 dollars per TDRs upwards of \$40,000 per TDR

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

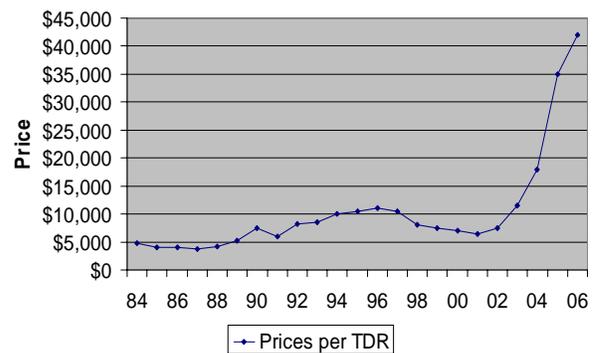
Review of Administrative Process: How are TDRs Created and Transferred

- **TDR Easement** – Creates and severs the TDR by a assigned serialized number
- **Deed of Transfer** – Transfers Ownership of TDR from Landowner to Developer/Broker
- **Record Plat** – Records TDR Use/assigned serialized number
- **TDR Extinguishment** – Recorded Document that details use of TDRs by serial number – Shows the TDR has been used and applied and no longer available for use.

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

TDR Prices Per Fiscal Year



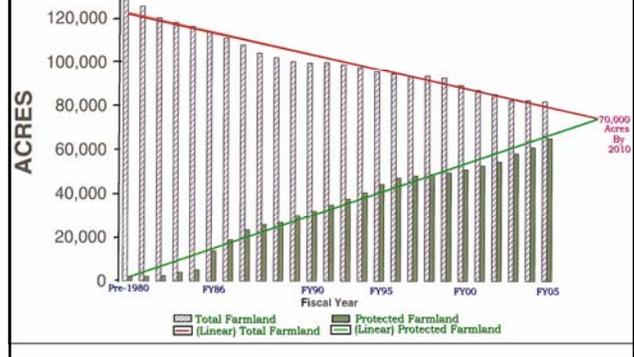
Rural Land Preservation Programs

- Maryland Environmental Trust (1967 – Donation)
- Maryland Agricultural Land Preservation Foundation (1977 - PDR)
- The Montgomery County Transferable Development Rights Program (1981-TDR)
- The Montgomery County Agricultural Easement Program (1986 -PDR)
- Rural Legacy Program (1997 -PDR)
- Legacy Open Space Program (2000 -PDR)

State of Hawaii, Office of Planning

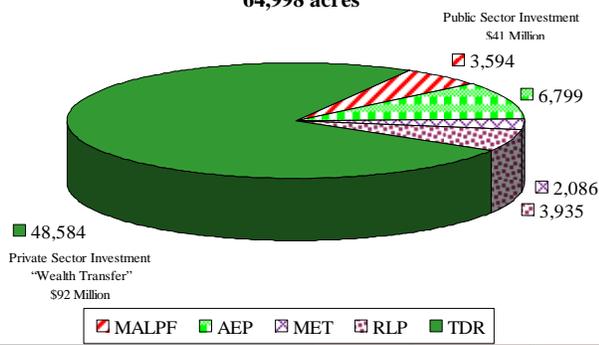
Planning for Rural Areas May, 2006

Protected Farmland Acres and Total Farmland Acres



Farmland Protected by Easements as of June 30, 2005

64,998 acres



Agri-Business Support

- "Pride of Montgomery County" Labeling
- County Sponsored Farmers Markets
- Annual Farm Tour and Harvest Sale
- Training Programs and Networking Opportunities
- Emergency Drought Assistance Program
- Agricultural Energy Tax Relief Program
- Ethanol E-85 Program
- Liaisons to the County Government for the Agricultural Community

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Public/Private Partnerships

- An effective policy making process can contribute to a positive relationship between community residents overall and landowners who perceive the process and policy as legitimate.

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Public/Private Partnerships

- Local Land Trusts
- Community Supported Agriculture (CSA's)
- League of Women Voters
- Community Action Groups
- County/State/Federal Boards and Committees
- Environmental Groups
- Public Forums
- Chamber of Commerce
- Local Business/Government Entities

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Other Important Rural Development Initiatives

- Rural Village and Clustering Zoning - (1 unit per 5 acres Clustered: Leaving a 60% Agricultural/Open Space Remainder)
- Promote Rural Service Town Centers to Provide Goods and Services to Rural Communities. **Requires Mix of Residential and Commercial Zoning** – Surrounded by Low Density Residential Development/ Farmsteads

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Other Important Rural Development Initiatives

Montgomery County

- Program Open Space - Provides funds for In Fee acquisition of land – Recreational uses, Parks, Golf Courses, Special Use Area
- Historic Preservation Master Plan
- Rural and Rustic Roads Master Plan
- Trails Master Plan

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Other Important Rural Development Initiatives

Federal, State and Regional Support

- RC&D – Resource Conservation and Development – Rural Development - Federal
- Agricultural Stewardship Act of 2006 – State Establishes Quasi- Public/Private Corporation (MARBICO)

To provide grants/guidance to assist in Rural Development and other Economic Opportunities

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Other Important Rural Development Initiatives

- **Tri-County Council** – Three (3) County Board which provides funding on a regional basis to promote Alternative and Innovative Rural Economic Opportunities (Regional)
- **Council of Governments** – Regional Body whose focus is to examine mutually important initiatives, like rural development, and collectively work towards recommendations for regional planning, development and implementation (Regional)

State of Hawaii, Office of Planning

Planning for Rural Areas May, 2006

Stay Tuned

The State of Hawaii will be hosting a second round of workshops this June to explore:

- 1) Different rural planning strategies that can be used to implement the ideas presented in the first round of workshops;
- 2) A detailed presentation of implementing principles of Better Site Design and Low Impact Design for stormwater and wastewater management.



**State Office of Planning
Coastal Zone Management Program
Rural Policy & Best Practices Project**

*funded in part by a grant from the
National Oceanic & Atmospheric Administration*

Project Contacts:

Laura H. Thielen
Director

Ruby Edwards
Voice: (808) 587-2817
Email: redwards@dbedt.hawaii.gov

Susan Elliott Miller
Voice: (808) 587-2883
Email: smiller@dbedt.hawaii.gov

Sibel Mestanova
Voice: (808) 587-2898
Email: smestanova@dbedt.hawaii.gov

**Hawaii Coastal Zone Management Program
State Office of Planning
Department of Business, Economic Development & Tourism
P.O. Box 2359
Honolulu, Hawaii 96804
Voice: (808) 587-2846
FAX: (808) 587-2824**