Between 1970 and 2000, Montgomery County lost 91,000 acres of farms and open land. Intense growth is putting a serious strain on public infrastructure. Our roads, schools, and sewers are all under siege and the natural environment is vanishing at an alarming rate.

The window of opportunity for land preservation in Montgomery County is narrowing quickly. Fuelled by sprawling development and a successful County Open Space Program, citizens and their elected officials are developing an awareness that cherished places throughout every community are disappearing.

The time for local investment in land preservation is now!

The truth is, loss of open space and farmland leads to increased taxes to pay for schools and municipal services that residential development requires. There is sound economic justification for community investment in the preservation of select properties that fit into a community vision for thoughtful, well-planned growth.

Buying land saves money.

Funding exists for the purchase of land or conservation easements from several sources. Money is available from Montgomery County open space and farmland protection programs and the state provides support for land conservation and park development.

However, all these programs have limited resources and all funding awards require local matching monies. The message to local municipalities is loud and clear. An investment of locally raised dollars is a necessity for leveraging funding available at the state and county level.

Montgomery County townships are far behind 14 communities in Bucks County that have approved bond initiatives for close to $90 million. Four other Bucks County townships have passed real estate and earned income measures so that they can save areas designated as important open lands.

Timing is critical. Many Montgomery County municipalities are now assessing voter willingness to use tax dollars for acquiring open space or preserving farmland. A referendum passed by Franconia Township in the November (continued on back page, second column)
EXCHANGE GIVES FARM OWNERS BEST OF BOTH WORLDS

The recent public awareness of our vanishing open space and suburban sprawl has awoken many farm owners to the numerous ways they have for getting substantial amounts of cash out of their financially dormant real estate without having to give up the land itself. The sale of development rights is allowing farm owners to keep the farm while investing a large part of its cash value in places with better annual returns than real estate alone can afford.

The numbers work for most farms, even if capital gains taxes must be paid on the land's appreciated value. But the IRS allows the seller to defer those taxes if he invests his proceeds in other investment real estate. This is called a “1031” or “3-cornered” exchange. So, a farmer can use his proceeds from selling the development rights to buy more farmland, or he can buy similar income-producing real estate such as rental houses or commercial property. The benefits: A. If he can earn an 8% net return on his investment in the new income producing property, he will have created a considerable new cash flow. B. He will have substituted the appreciation on one real estate investment with the appreciation on another. C. If he has been getting farm income from the old property, that will continue. D. He will have deferred the payment of capital gains taxes (since the old cost basis will go to the new property). E. He may even find that rental income on his new investment rises over the years with inflation. F. There may also be depreciation and reduced real estate taxes to consider.

The farm owner’s estate taxes, as we know them today, would not be affected, but under current rules, holding the new investment until the end of the owner's life would eliminate the capital gains tax entirely as the heirs get a stepped up basis.

All of which adds up to a much better investment than the mere appreciation the farmer would have yielded on the development rights that were given up. And he will have helped in the permanent preservation of farmland and Worcester’s quality-of-life.

Interested residents can call John Harris, Worcester’s Open Space Coordinator at (610) 584-8395.

[ FOW provides this information only to make Worcester residents aware of the many sound reasons and benefits for preserving open space. Consult a qualified accountant or attorney for professional tax or legal advice.]

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Congratulations to Rob Hayes who was recently appointed to the Worcester Planning Commission.

TURNPIKE WIDENING UPDATE

According to Barry L. Troup, Assistant Chief Engineer for the Pennsylvania Turnpike Commission, the PTC is continuing the feasibility study for widening the Northeast Extension between the Mid-County and Lansdale Interchanges in Montgomery County. This includes a traffic and noise analysis for slip ramps under several scenarios in the area. A meeting is expected to be scheduled sometime in Spring 2002 to discuss the results. The Pennsylvania Turnpike Commission will provide notification in advance of the meeting so that interested parties can attend. FOW will continue to monitor this issue.

________________________________________

IMPORTANT! IMPORTANT!

Please write or call our Worcester Supervisors and let them know you support their active participation in the preservation of open space.

BOARD OF SUPERVISORS

Frank L. Davey, Chairman
John H. Graham, Vice Chairman
Chase E. Kneeland, Secretary

Township of Worcester
1721 Valley Forge Road
P.O. Box 767
Worcester, PA 19490-0767
(610) 584-1410

Congratulations to Rob Hayes who was recently appointed to the Worcester Planning Commission.
SUPPORT FRIENDS OF WORCESTER

FRIENDS OF WORCESTER is a non-profit organization made up of new and long time residents of the township. All involved residents share an appreciation for the rural quality of Worcester and share a common concern for its future. FOW seeks to influence that future. All funds received are used to support our efforts to preserve open space, maintain the rural lifestyle of the community and keep our neighbors informed through our minutes and newsletters. All Friends are involved on a strictly volunteer basis. Friends receive our monthly agenda and minutes as well as phone chain notification of important township events.

• Supporter - $20     • Contributor - $35     • Benefactor - $50 or more

All residents, contributing or not, are always welcome at FOW monthly meetings.

Please send your contributions to:

FRIENDS OF WORCESTER
P.O. BOX 545
WORCESTER, PA 19490

FRIENDS OF WORCESTER OFFICERS
Kim David - President (610/584-1805)
Michael Simeone - Vice President (610/584-2075)
Wini Hayes - Treasurer (610/584-0371)
Barbara McMonagle - Secretary (215/699-8225)
Mary Leister - Recording Secretary (610/584-5129)

Join us at these upcoming meetings
WE WELCOME YOUR SUPPORT

February 12 7:30PM Barbara & Mike McMonagle
2242 Berks Road
215-699-8225

March 12 7:30PM Chris & Kim David
1704 Berks Road
610-584-1805

Meetings are held at various locations in the township on the first Tuesday of each month at 7:30PM.

DEVELOPMENT IN WORCESTER

According to a township report dated 11/30/01, in the last 5 years 1,321 new homes have been approved for development in Worcester.

At the current rate of growth, it is estimated that about half of the undeveloped land in Worcester will be gone by 2010.

Worcester has had a 60% increase in population since 1990. It is the fifth fastest growing municipality in the county and 20th fastest in the tri-state region.

MERRYMEAD FARM RANKS FIRST IN STATE IN MILK QUALITY

Merrymead Farm has been ranked number one in the state by the Pennsylvania Dairy Herd Improvement Association. The farm registered the lowest Somatic Cell Count (SCC) in the state, a measure that is used to assess milk quality. High SCC indicates the presence of bacteria that reduces milk quality. In order to achieve a low count, a farm has to have healthy cows in a clean environment.

Merrymead goes to great lengths to maintain its milk quality. Each month samples are taken from each of the dairy’s 100+ cows and sent to Penn State to be tested. The milk is processed and sold at their Worcester store.

The lower the SCC the longer the keeping quality of the milk. In Pennsylvania, the average count is 310,000 somatic cells per milliliter; a count below 200,000 is considered very high quality milk. Merrymead’s count for the year was 57,000.

According to the Penn State Cooperative Extension Veterinary Coordinator, “it shows that they manage their cows very well and also shows that they have been doing an excellent job now and in the past. Once a cow has an infection, the somatic cell count will not return back to the point it was once. Cows must be clean and well managed to achieve a SCC that low.”

Merrymead’s petting zoo opened again this Fall with a clean bill of health from state and local officials.

Supporting Merrymead supports a Worcester working farm and open space.
WHERE IS EVERYBODY?

On a recent evening, I joined a few others in Chris and Kim David’s kitchen, drinking coffee, eating cookies, and discussing open space in Worcester Township. After a few years of membership, and procrastination, I was finally attending my first meeting of the Friends of Worcester!

Officers for the year were nominated, future meeting dates set, delegates for township meeting were assigned and goals for the coming year were discussed. One of those goals is attracting members to FOW meetings.

I learned that FOW has a membership of over two hundred but many fewer than that regularly attend meetings. I also learned that Township Zoning Board, Planning Commission, and Supervisor Meetings attract even fewer people. Although there is interest in land use in Worcester Township, few seem to be available to monitor its development.

Preservation of open space and the impact of haphazard suburban growth are hot topics nationally as well as regionally. Organizations like FOW have been successful in focusing the concerns of residents and shaping the decisions of local administrations to retain the uniqueness of communities, especially in the areas of land use and historic preservation. In order to have an impact, FOW needs the active involvement, ideas, and energy of its members—a broad representation of township residents.

Making time to attend meetings is difficult. However, with over two hundred residents who have demonstrated interest and appear on the FOW mailing list, we should be able to increase attendance at FOW meetings and township meetings. So get together with a neighbor or come on your own, and get involved in this endeavor. The alternative is to sit back, watch, and wonder in a few years what happened to our community. It’s inevitable that Worcester will change. I urge you to be a voice in shaping that change.

(This is a letter from a new active member, Charley Muir)

(continued from front page)

ber election established a fund to buy both agricultural and conservation easements and fee simple purchase of land when appropriate.

In Montgomery County in 2000, Limerick, Lower Frederick and Lower Providence Township purchased open space independently of the county program. Upper Salford Township preserved a large portion of Spring Mountain by using local dollars. Whitpain Township issued a $10 million bond in 1999 to save 80 acres of land.

Being innovative and using creative partnerships will also capture challenging land preservation opportunities. Worcester Township is the first municipality to recognize that partnering with the county on the purchase of agricultural easements is a sound investment of local tax dollars. Not only does the policy save working farms, but also helps to maintain the quality of life for present and future generations.

How we spend our public dollars is really the center of the issue. It becomes clearer with the loss of every farm field: it is less expensive to protect land than to support the residential development that rushes in to fill it. Investing in open space preservation makes sound economic sense for today and for the future.

[This article was contributed by Dulcie F. Flaharty, Executive Director of the Montgomery County Lands Trust]