Skagit County Conservation Futures Advisory Board Meeting Summary December 12, 2023

Members in Attendance

Scott DeGraw	Jim Glackin
Andrea Xaver	Keith Morrison

Margery Hite Owen Peth Sarah Stoner (ex-officio)

Members Absent

Audrey Gravley

Staff and Others in Attendance

Jenn Johnson, Skagit County Public Works Kai Ottesen, Belle Bean Services

Scott called the meeting to order at 7:30AM.

Review Agenda

Agenda approved.

November 14 Meeting Summary

Andrea made a motion to approve minutes; Keith seconded. All in favor.

Marketing & Application Process

- Rewards still being reaped from Year-in-Review press release, with <u>news coverage from</u> <u>La Conner Weekly News</u> this week (2 of the 5 properties protected 2023 were in La Conner, so this is great – also, many farmland owners in that area)
- Continue conversations with Cascade Daily News reporter, including him taking up the invitation to attend Skagit Ag Summit this Friday.
- Admin and prep work for upcoming CFAB meeting.
- Work with Assessor Danny Hagen and his chief deputy Annette to arrange their March CFAB attendance; work with Chair Scott on plan for gathering Qs in advance.

• Meet with easement monitor Kai for our quarterly check in. Biggest task and discussion point: the Plan for changes we want to make in our annual monitoring notice letters (how to include impervious surface, and get around database double entry issues).

• Field average of two calls a day, from farmland owners and easement holders. *The VSP-FLP postcard seems to serve a different purpose for our ag landowners, giving them a clear direct line and contact for the various ag-land questions that come up.*

Farmland Legacy in the News: La Conner 300 Acre Ball Farmland Protected

Skagit Valley Herald ran a front page article, <u>"Farmland Legacy Program works to preserve more land"</u> (November 25, 2023). The ag reporter Racquel Muncy interviewed the Ball family and Jerry Nelson of Double N Potatoes who farms the land and referred them to the program. Sarah contacted and met with Racquel several times in advance of this piece.

County social media posts on November 27, 2023, sharing the news link with land and family photos of the Balls were well received; on Facebook, more than 550 likes, 20+ comments, 30+ shares.

Revised, Improved Program Webpage: skagitcounty.net/farmland

Content on the <u>Farmland Legacy web page</u> on skagitcounty.net is now revised to include: photos of protected properties; media links to news about the program; an "Apply Today" section at the top corner, with the program application, <u>enrollment process milestones</u>, and the easement template organized underneath, for easy access by potential applicants.

Farmland Legacy Awarded \$100,000 Land Transfer Navigator Grant

Sarah reports that the Board of County Commissioners signed last Monday, December 4, 2023, the grant Memorandum of Understanding (MOU). Through Farmland Legacy, Sarah applied for and was awarded a <u>\$100,000 grant over a 4-year period</u> starting this fall, from American Farmland Trust.

The grant was only available to holders of Farm and Ranch Lands Protection Program (FRPP) easements. Farmland Legacy holds multiple FRPP easements.

Goal of the Land Transfer Navigator grant: to support transfer of agricultural lands to the next generation of farmers. As per grant goals below, grant funds will be used locally to:

- Encourage more dialogue and action for succession planning and land transfer;
- Build organizational capacity;

Review—how FLP scoring process relates to valuation.

- Integrate succession planning and land transfer work as a vital aspect of land protection;
- Promote forward-thinking and innovative ideas towards supporting land transfer work;
- Leverage organizational knowledge;
- Harness the expertise within the organization to advance land and farm transfer initiatives through annual action plans.

Owen notes that offering resources for farmland owners who are dealing with succession is much needed. Accessing a land use attorney, for example, is difficult and needed.

Subcommittee Reports

Valuation Process Review Subcommittee (Members: <u>Scott (Chair)</u>, <u>Margery</u>, <u>Audrey</u>, <u>Jim</u>) Purpose: Make recommendations, if needed, to improve the overall valuation process (keeping in mind that the appraisal process is simply one tool for valuation). Evaluate barriers to FLP participation: Is the appraisal process the issue? Or do we need to have our appraisals approached differently? Possibly includes need for FLP Property Ranking/Scoring Process

Scott reported that he and Sarah Stoner, FLP Program Manager, attended a work session with the Board of County Commissioners in October 2023 to present the finalized committee report, "Review and Recommendations on FLP Valuation Process." Grace Kane, Public Works Director, and Jennifer Johnson, Natural Resources Division Manager, were in attendance. The presentation was well received and the Commissioners were receptive. The report recommendations are pending legal review.

The group discussed and shared notes related to the valuation conversation, specifically, the interest in finding non-appraisal related methods of valuation. Washington State Conservation Commission (SCC) staff recently shared that ag conservation easements across the nation are being held up, by a year or two, due to lack of available qualified ag appraisers. The group concurred that a main objective for the

program moving forward is the ability to remain agile. Jim suggested looking to the County Assessor's Office for an appraiser, and to consider a "Broker's Opinion of Value' as another method of valuation.

SCC staff in conversation with Sarah shared that the <u>RCO Manual</u> for acquisition projects includes a section titled, "Acquisition for More than Appraised Value." Continuing to page 25, the section states, "In limited circumstances, RCO may approve paying up to 10 percent more than the appraised market value of the property." This option is, as stated, for limited circumstances. And applicable currently only with RCO as a funder.

SCC staff is putting calls out to state and national groups to find additional examples of government agencies offering more than appraised value, or who use non-appraisal valuation methods. Margery notes that there have been examples of state funding approved for use in the building of stadiums; with the idea that perhaps a constitutional amendment could be sought for farmland acquisition.

Easement Review & Recommendations (Members: Owen (Chair), Andrea, Keith)

Purpose: 1. Review the current FLP easement template to identify what might be obstacles to a landowner signing the Conservation Easement; recommend what might be considered for elimination, and/or not relevant to conservation of the ag land; 2. Review the current FLP conservation easement and the Subcommittee's recommended changes from a legal standpoint to ensure that the contract is watertight and ironclad.

Owen reported that the review work is on hold; it's the agreement of the subcommittee that the easement terms are good as-is, for now. Keith added that, during the review process, they would end up putting sentences back in that they took out. The easement review committee members concluded that there is a reason for everything in the easement, and that the wording is tight.

Sarah shared that a La Conner landowner is looking to protect their land for the long-term with an easement. The family members are currently grappling with the issue of how... They are interested in a climate change provision, which Sarah provided them a sample of via Washington Farmland Trust.

Sample Easement Provision Language: Washington Farmland Trust sample easement provision language is included case-by-case; note that the excerpt below does not represent all the relevant language incorporated in this easement scenario:

"Notwithstanding the foregoing, as further provided in Section 5.3 below, if Grantor and Grantee mutually agree that commercially-productive agricultural activity is no longer viable on certain portions of the Protected Property, Grantee may allow the protection, restoration, enhancement and management of Habitat Values on those portions of the Protected Property as a Purpose of this Easement even if such activities are inconsistent with maintaining the opportunity for agricultural activity on those portions of the Protected Property."

Program Enrollment Criteria Recommendations (Members: Jim (Chair), Andrea, Margery. *Support: Sarah*) **Purpose**: Make recommendations to clarify parameters for acceptance into the program, taking into considerations the mission and purpose of Farmland Legacy Program. Subcommittee work currently includes a review of farmland properties with no development rights, and the task to define recommended criteria for enrolling such properties for protection through the FLP purchase-of-ag-conservation-easement (PACE) model.

Jim reported that Margery has now joined as a member of the group. The discussion of valuing land without a development right considers non-appraisal valuations, as discussed earlier in the meeting.

Monitoring Report

Kai reported that monitoring work is wrapping up for 2023 easements. A big win this year had been having live digitally shared files between the staff coordinator and the contract monitor. The prior file management system required an annual exchange of a physical flash drive and subsequent lengthy, higherror potential consolidation of data changes.

Kai is now including impervious surface calculations in the FLP monitoring summary report spreadsheet. He also shares that USDA reports were submitted on time by the USDA's early-bird deadline (for preferred consideration) of August 31, but USDA has yet to reply to confirm receipt. Kai is following up on USDA confirmation of receipt of these 70 or so easement reports.

Property Updates

The group discussed updates on the properties currently in queue for agricultural conservation easements. The queued applicants encompass 430 acres and 8 development rights.

- Year recap, closed or expected to close/record: 425 acres by year-end 2023 with eight development rights extinguished on these protected acres.
- **25-year total, projected by close of 2023**: 14,745 acres protected; 273 residential housing development rights extinguished.

FLP 25-Year Overview Reports

The group reviewed program averages related to this past year, 5-year averages, 10-year averages, and data across the 25-year span of the program.

FLP Acres Protected		
5-year average	10-year average	25-year average
607 acres/year (with PDS acres	471 acres/year (with PDS acres	550 acres/year (with PDS acres
included—from land division	included—from land division	included—from land division
ALP code)	ALP code)	ALP code)
443 acres/year (only FLP)	336 acres/year (only FLP)	450 acres/year (only FLP)

Additional data reviewed and discussed by the group: by year, total acres protected, total cost spent, average development right valuation, FLP vs. ALP acreage protected.

Member Updates

Andrea shared that the Skagit Ag Summit agenda is now available. The Ag Summit takes place February 9, 2024. Sarah added that she accepted the invitation from Skagit Ag Summit Planning Committee to present on Farmland Legacy as part of its "Positive Work" segment. WSU Extension hosts this 8th annual summit.

Financial Summary

The financial summary is updated for 2023 and reflects easement properties closed and recorded.

Administrative CFAC 2024 Meeting Dates

January 9 February 13 March 12 April 9 May 14 June 11 July 9 August 13 (tbd) September 10 October 8 (tbd) November 12 December 10

The meeting adjourned at 9:30 AM