Skagit County Conservation Futures Advisory Committee Meeting Summary

December 14, 2021

Andrea Xaver Jim Glackin Owen Peth Margery Hite

Audrey Gravley Scott DeGraw Keith Morrison Trisha Logue (ex-officio)

Members Absent

Hal Hart (ex-officio)

Staff and Others in Attendance

Allen Rozema, Skagitonians to Preserve Farmland Kai Otteson, Belle Bean Services Ryan Jepperson, Skagit Conservation District Sarah Stoner, Skagit County Public Works

Scott called the meeting to order at 7:05 AM.

Member Updates

Andrea brings to the group's attention an old Argus from 1925 which names Skagit County as top in the nation for USDA soil testing. The group would like to see this; Sarah mentioned also planning to include a link to The Argus article on the County's Farmland Legacy webpage.

Scott said in the last two days he's received three calls soliciting him to sell his farm. Owen notes that he's not receiving similar calls, perhaps because he's on a larger swath of farmland. Owen notes that few of the farm sales even go through a realtor.

Sarah shared staffing updates and changes. Notably, Kara Symonds, former coordinator for FLP, departs this week after nearly a decade with the County; Skagit Valley Herald business/ag reporter Jacqueline Allison has taken a position as reporter with The Everett Herald; Public Works Director Dan Berentson's last day is January 28, 2022, after two decades with the County.

November Meeting Summary

Andrea noted that in the 'Application Process / Property Valuation Review' section of the November meeting summary, Nookachamps is noted as now having 500 acres of farmland remaining, but it should be corrected to 250 acres.

Jim made a motion to approve the November 9, 2021 meeting summary with the noted change; Andrea seconded. All were in favor.

Easement Review Subcommittee (Members: Andrea, Keith, Owen)

Purpose: 1. Review the current FLP conservation easement to identify what might be an obstacle to someone signing the Conservation Easement; recommend what might be considered for elimination, or as not relevant to conservation of the ag land; 2. Review the current FLP conservation easement from a legal standpoint to ensure that the contract is watertight and ironclad. Subcommittee chair: Owen

Discussion: Owen, as lead for subcommittee, has three main points to address: 1) what is the subcommittee's authority and role in proposing changes to the easement document? In an advisory capacity, the subcommittee would recommend changes to the Board of County Commissioners. 2) Placing an easement across multiple parcels is different than an easement on a single parcel; this easement should apply across multiple parcels. If a farmer-landowner is looking to get out of farming, perhaps the easement should apply to smaller lots so they would be able to be sold as separate lots. 3) Impervious surface should be addressed.

Scott referred to an existing FLP easement (FLP#78, with 410 acres), which was specifically put into conservation as separate parcels, so that it could be sold separately.

Keith Morrison shared that in his review of FLP#226's requested edits to the conservation easement, Keith believes those easement contract requirements exist for good reason. Keith agrees with most of the deed of conservation easement terms as written.

Sarah reminds group of the process for legal review: to the Board of County Commissioners the Subcommittee would propose any changes to the easement for; if needed, a lawyer specializing in conservation easement law would be deputized; being sure to include the County lawyer into that deputizing process first; then any final changes to the easement are approved through Commissioners.

Owen suggests that FLP can have an airtight easement without covering every detail. The group concurs that the environmental clause and water clause are too detailed.

Allen suggests valuing water rights separately, as an option for the subcommittee to also consider. Scott argues the opposite, as a banker, he'd want to keep land and water connected to the value: land with water vs. dry land will be valued higher so the value is already included in the appraisal. Jim points out that the program is extinguishing development rights so he's not sure why water rights are included in the easement.

Jim shared that Skagit Land Trust (SLT) put an easement on the Anacortes Forest Lands twenty years ago. SLT today is working with lawyer specializing in conservation easement law, to combine many of the separate easements.

Jim suggests another item to consider is that the Program Coordinator be sure to summarize for the applicant or inquiry the basic easement restrictions for the applicant from the start of the application process.

Valuation Process Review Subcommittee (Members: Scott, Margery, Audrey, Jim)

Purpose: make recommendations, if needed, to improve the overall valuation process (versus the appraisal process which is simply one tool for valuation. Evaluate barriers to participation: Is it our appraisal amounts that is the issue? Or do we need to have our appraisals approached differently? See below including a review of the FLP Property Ranking/Scoring Process Review—how the scoring process relates to valuation. Subcommittee chair: Scott.

The group has not met yet. Scott is the chair for the subcommittee and will be organizing a meeting. Jim has information on other appraisers used by SLT.

Monitoring Update

Kai reported that the monitoring for the year is down to the details. Kai needs to work with Sarah on the newly added FLPs for 2021 and how/where those files are stored. In terms of ownership, Kai is surprised by the number of properties now owned out of state. No violations to report, just the two that have been previously mentioned as potential violation (accumulation of derelict vehicles, grown over blackberries). Rental values for an ag parcel of 10 acres is not very high. Allen offers that Viva Farms has several new farmers who are looking to lease land; FLP and Kai as property monitor for ground that is fallow could help foster that ground to be farmed.

Marketing / Application Process

Sarah reported that since the board last met, she's attended several outreach events including the local Ag Leaders Breakfast, the Skagit County Ag Advisory Board meeting, and a statewide Conservation Futures Coalition meeting.

Annual Report 2021

Early May as target to print and insert Annual Report into Skagit Valley Herald, then follow up with mailings to stakeholders both local and regional. Andrea and Sarah met to flush out initial plan for content, and also asked Kai to work on USDA numbers. The group is invited to give further input.

Pre-Application, Draft Review

Sarah heard Scott throw out the idea of creating a one-page Pre-Application. This makes the process more accessible and also makes it more efficient. What FLP needs to start developing an application is their parcel #s. Sarah works with Grace in an unofficial capacity to research Lot Certification Records and what else might be needed to complete the application. In speaking with Planning, Sarah discovered that an "Administrative Lot Cert" is \$271.89—that's the least expensive Lot Cert option available, because it doesn't include deed research. Planning is able to let us know how to best proceed, so as to not waste an applicant's time or money ordering a more complex Lot Cert.

Toolkit for Applicants, Draft Review

The group reviewed the "Intro to Ag Land Preservation Code" one-page flyer that Sarah created as part of the toolkit for applicants. This is the land division option through Planning that allows for substandard lots in the ag zone in exchange for placing a conservation easement on the now-separated ag land.

This "39-and-1 split" (aka <u>Agricultural Land Preservation Code, SCC 14.16.860</u>) conservation easement option was discussed. Allen suggests that it's a benefit to the public to be able to sell the house or the farmland separately, as this code allows via the subdivision. Perhaps the farmer wants to buy an additional plot of land to farm —which means they don't pay the additional costs for the homesite or managed finding a tenant for the house.

Sarah mentions Jim's question from the November CFAC meeting, asking about status of FLP inquiries. She shared information on current inquiries for the program: where the properties are, brief background on the owner, and how they came to be referred to FLP.

New Applicant Review

The group agreed to table the scoring of FLP applicant #169 until January, when additional property information is available.

Easement Status / Property Updates

Sarah provided updates on the properties in the queue. The queued applicants encompass 516 acres and 12 development rights.

Financial Summary

The group reviewed the status of the 2021 revenues and expenditures to-date. Total properties closed in 2021 to-date: \$1,465,000 in Conservation Futures tax funded easement acquisitions representing 740 acres and 17 development rights.

The meeting adjourned at 8:40 AM