Proposed Comprehensive Plan Policies to Implement the Skagit County Conservation and Development Incentives (CDI) Program

The main policies supporting implementation of the CDI program would be located in Chapter 2, the Urban, Open Space & Land Use Element of the Comprehensive Plan, following a new Goal H beginning on page 2-17. These policies are shown immediately below.

Additional policies, included following the main CDI policies, would be included elsewhere in Chapter 2 and in Chapters 3, the Rural Element, and Chapter 4, the Natural Resource Lands Element.

Main CDI program text: NEW Goals, Policies, and Narrative

Goal 2H Implement a conservation and development incentives program

Implement a program that provides an economic incentive to guide development to areas best suited for additional growth while engaging the private market to support the voluntary and permanent conservation of farm, forest and open space lands.

Conservation and Development Incentives Program

The Skagit County Conservation and Development Incentives Program is a voluntary, market-based program to support the permanent conservation of farm, forest and open space lands while encouraging development in urban areas and certain rural areas best suited for additional growth.

The program works by allowing owners of farm, forest or open space lands in designated "conservation priority areas" to sell their residential development rights directly to the County or to private purchasers, in exchange for placing their land in a permanent conservation easement held by the County. The program also allows developers to purchase development credits from the County or from private landowners, in order to access additional development potential in designated "development priority areas."

The development incentives offered by the program are intended to generate a new source of private support for land conservation, thereby complementing existing publicly funded programs such as Farmland Legacy. The program will support farmland conservation efforts on Rural Resource-NRL and Rural Reserve lands which often have active farms and high-quality soils but are

not eligible for Farmland Legacy Program participation. It will also help to conserve working forest and open space lands for which there is no County conservation program comparable to Farmland Legacy.

In addition to establishing the Skagit County Conservation and Development Incentive Program, the below policies encourage cities and towns to implement similar incentive programs in coordination with the County. This will enable cities and towns to assist in conserving farm, forest and open space lands located in the County that are important to city and town residents.

Policies

- **2H-1.1** Skagit County should establish a program to facilitate the permanent conservation of farm, forest, and open space lands while encouraging development in urban areas and in selected rural areas best suited for additional growth.
- **2H-1.2** The program should be voluntary and incentive-based, providing additional options for farm, forest and open space landowners who want to permanently conserve their land.
- **2H-1.3** Landowners in areas identified by the program as conservation priority areas may choose to participate in the program; under no circumstances will landowners be required to sell development rights.
- **2H-1.4** Landowners in areas identified as development priority areas may develop their property based on its current development potential or they may obtain additional development potential by purchasing development credits through the program.
- 2H-1.5 The program must be designed and implemented in a manner that advances the overall goals of the Growth Management Act, the Skagit County Comprehensive Plan, and the comprehensive plans of participating cities and towns, which direct most new growth to designated urban areas while prioritizing the long-term conservation of natural resource lands and open space.

Goal 2H-2 Participation options

In order to encourage program use, provide two different options for persons interested in purchasing development credits for additional development potential or selling development rights to conserve natural resource or open space land.

Policies

2H-2.1 Purchase of development credits: The program should allow the purchase of development credits either from the County based on an established fee schedule, or from private landowners in conservation priority areas at prices negotiated directly between the buyer and seller.

2H-2.2 Sale of development rights: The program should provide landowners interested in conserving their land the option of selling development rights to the County, or in private market transactions to willing buyers who receive development credits in exchange.

Goal 2H-3 Rural development priority areas

Identify a select number of rural development priority areas where additional residential development is allowed with the purchase of development credits, provided that development is consistent with Comprehensive Plan and Growth Management Act requirements to protect rural character.

Policies

- **2H-3.1** Residential densities in unincorporated Skagit County should be maintained at current levels; increases in those densities through upzones should only be granted with the purchase of development credits through this program.
- **2H-3.2** The following rural areas are eligible for increases in residential development potential with the purchase of development credits:
 - (a) Modest residential infill opportunities in Rural Village and Rural Intermediate areas, which are identified in the Comprehensive Plan as rural areas of more intensive rural development (LAMIRDs).
 - (b) Lands approved for Comprehensive Land Use/Zoning Map amendments, including urban growth area expansions, that create additional residential development potential; and
 - (c) Certain Conservation and Reserve Developments (CaRDs) that are slightly short of the acreage needed for a bonus density.
- **2H-3.3** The County will establish development regulations to ensure that the use of development credits in rural areas protects rural character consistent with the requirements of this Comprehensive Plan and the Growth Management Act.

Goal 2H-4 County-city partnerships

Encourage partnerships with the cities and towns to conserve lands of mutual interest, while directing development to urban areas best suited for additional growth.

Policies

- **2H-4.1** Skagit County should encourage cities and towns to implement similar incentive programs in coordination with the County, enabling cities and towns to assist in conserving farm, forest and open space lands that are important to their residents.
 - (a) Cities and towns may designate their own development priority areas and establish development incentives through their public planning processes, ensuring that resulting development has public support and is consistent with each jurisdiction's planning vision and goals.
 - (b) Municipal urban growth area expansions that generate increased residential development potential will be designated as development priority areas based on mutual agreement between the County and the respective city or town through an interlocal agreement.
 - (i) Development projects undertaken by agency or non-profit housing developers that build, own or manage affordable housing for individuals not adequately served by the private market should be exempt from this program's development credit purchase requirement.
 - (ii) The County should also explore alternatives in code whereby development projects undertaken by for-profit housing developers that also provide bonafide, long-term affordable housing for individuals not generally served by the private market could be exempted from the program's development credit purchase requirement. Such housing must meet standard definitions of affordable housing over a guaranteed period of years to qualify for this exemption.
 - (c) The County and any participating city or town should identify shared conservation priorities that will be supported by development credit purchases within municipal boundaries or urban growth areas.
 - (d) The County and any participating city or town should enter into an interlocal agreement addressing the terms of their cooperation.

Goal 2H-5 Conservation priority areas

Complement existing Skagit County conservation programs by generating private market support for land conservation and focusing conservation efforts on lands and resources not protected by existing programs, including Industrial Forest-NRL, Secondary Forest-NRL, Rural Resource-NRL, and certain Rural Reserve lands.

Policies

- **2H-5.1** Lands eligible for conservation through the program are:
 - (a) Those located in the following Natural Resource Land designations:
 - (i) Industrial Forest-NRL within a fire district;
 - (ii) Secondary Forest-NRL;
 - (iii) Rural Resource-NRL;
 - (iv) Ag-NRL; and
 - (b) Lands in the Rural Reserve designation that have active farm or forestry uses or significant open space value.

Goal 2H-6 Conservation easements

Enable private landowners to enter into conservation easements that retire a property's residential development rights while allowing and supporting natural resource management practices and open space uses.

Policies

- **2H-6.1** Land conserved through the program must be protected by a permanent conservation easement held by Skagit County.
 - (a) The land will remain in private ownership unless the landowner subsequently chooses to sell it to a public entity. The easement will not convey to the public a right of access or use of the property.
 - (b) The easement must retire residential development rights that have been sold through the program but will continue to allow customary natural resource management practices.
 - (c) The easement must permanently encumber the property but may allow for termination of the easement in a limited set of circumstances beyond the control of the property owner.
 - (d) The easements must be monitored annually by the County.

Related Policies

Goal 2A Urban Growth Areas

Goal 2A-1 Urban Growth Area Designation

Insert NEW Policies:

- Work with cities and towns to establish criteria for evaluating future proposals for Urban Growth Area expansions including: land capacity analysis; ability to provide urban services; impacts on critical areas, natural resource lands, and hazard areas; and compliance with related Countywide Planning Policies.
 - (a) Urban Growth Area expansion proposals shall demonstrate that expansion is necessary within the 20-year planning period, that public facilities and services can be provided concurrent with development, and that reasonable efforts have been made to encourage infill and redevelopment within existing Urban Growth Area boundaries before those boundaries can be expanded.
 - (b) Urban Growth Area expansion proposals that generate increased residential development potential will be designated as development priority areas under the County's Conservation and Development Incentives Program based on mutual agreement between the County and the respective city or town.

Goal 2A-4 Joint City-County Planning

Conduct joint planning between the County and local jurisdictions for future annexation areas within the Urban Growth Areas in accordance with the Framework Agreement and the Countywide Planning Policies.

Changes to Existing Policies:

- **2A-4.1** Joint planning should consider issues including, but not limited to:
 - (a) coordination of development permit review.
 - (b) assessment of the capacity of current public facilities and services to accommodate projected growth.

- (c) the phasing of development within the Urban Growth Area and the provision of capital improvements to the area concurrent with development.
- (d) the impacts of annexation on property owners, service providers, and other stakeholders in the Urban Growth Area.
- (e) fiscal impacts and cost/revenue implications of future annexations.
- (f) applicability of the County's Conservation and Development Incentives Program policies and provisions to land added to a municipal Urban Growth Area and subsequently annexed into the city or town.
- (g) <u>identification of city or town conservation priorities within or surrounding its</u>
 <u>Urban Growth Area that can be advanced in partnership with the County</u>
 <u>through the Conservation and Development Incentives Program.</u>

Goal 3C Rural Residential Designations

Goal 3C-1

Changes to Existing Policies:

- ac-1.1 Rural Reserve (RRv). The Rural Reserve designation applies to all rural areas outside of the following designations: Natural Resource Lands, Rural Intermediate, Rural Village, any of the various Rural commercial/industrial designations, Open Space of Statewide/Regional Significance, or Urban Growth Area. The maximum allowed residential gross density is 1 residence per 5 acres in conservation and reserve development (CaRD) land divisions; (and slightly more when allowed through the Conservation and Development Incentives Program with the purchase of a development credit) and 1 residence per 10 acres in standard land divisions.
- **3C-1.2** No change.
- Rural Intermediate (RI). The Rural Intermediate (RI) designation applies to rural areas where the average existing and/or surrounding parcel density is predominantly more than or equal to 1 parcel per 2.5 acres or 1/256th of a section, not including any lands within a UGA. If rural lands proposed to be added to the RI designation have a density of less than 1 parcel per 2.5 acres, these lands must be included in any calculation of "average existing and/or surrounding parcel density." These RI designations are intended to balance property rights in the legally vested lots and the built environment that is reflected in certain rural areas of the County with the GMA requirements to minimize sprawl and concentrate growth in urban areas.

Areas may be considered for designation as RI by identifying clearly-contained logical boundaries that are delineated predominantly by the built environment existing on July 1, 1990, per policy 3B-1.2 above. However, in some cases, where lots were legally created since that time, but prior to adoption of the Comprehensive Plan and have either been developed, or have vested rights to develop at those densities, RI designation may be appropriate on those lots as well. Finally, as described in more detail under the Rural Study Areas policies in the Plan Implementation and Monitoring Element, some RI density may be appropriate in one or more of those study areas, but only after completion of the necessary community plan.

- (a) The RI designation does not necessarily apply to every existing lot smaller than 2.5 acres in the County since, to do so, could result in a pattern of scattered and unconsolidated areas of more intense rural development.
- (b) Within the Rural Intermediate designation, the minimum lot size that may be created through a land division is 2.5 acres, resulting in a maximum residential gross density of 1 dwelling unit per 2.5 acres, except as allowed through the Conservation and Development Incentives Program where 1-acre lots may be created in very limited circumstances with the purchase of a development credit.

Changes to Existing Policies

- **3C-1.9** Single-family residential densities for land designated as Rural Village Residential are:
 - (a) 1 residential dwelling unit per acre, with public water and an approved on-site septic system, or as allowed in limited circumstances through the Conservation and Development Incentives Program with the purchase of a development credit;
 - (b) 1 dwelling unit per 2.5 acres, with private water and an approved on-site septic system; or
 - (c) a Rural Village Community Plan may recommend smaller lot sizes, provided public sewer and water are available, and if those smaller lots are consistent with existing Rural Village development patterns and/or are appropriate to better protect critical areas, open spaces or public health and safety.

Goal 4A Agricultural Resource Designation Criteria

Changes to Existing Policies

4A-3.1 Long-Term Designation of Agricultural Lands

Designation of Agricultural Lands is intended to be long-term. De-designation is discouraged, but may be considered only when compelled by changes in public policy, errors in designation, new information on resource lands or critical areas, circumstances beyond the control of the landowner, or an overriding benefit to the agricultural industry.

4A-3.2 Development Rights Programs

Maintain and continue to fund the voluntary purchase of development rights through the Farmland Legacy Program to limit potential conversions or development in agricultural lands. <u>Implement the Conservation and Development Incentives Program as an additional means to support the purchase of development rights from agricultural lands and the permanent conservation of those lands.</u>

Goal 4B-3 Preserve The Forest Land Base

Preserve and enhance the forest land base as an essential component of a healthy forest economy.

Changes to Existing Policies

4B-3.1 Conserve Forest Lands

Implement conservation and management measures that retain commercial forestry activities in designated forest resource lands, including the Conservation and Development Incentives Program that allows the voluntary sale and retirement of residential development rights from forest resource lands while supporting the continued practice of forestry.

Goal 4C-3 Allowable Land Uses

Allow uses in Rural Resource Lands that further the use of the lands for the production of agricultural, forest and mining products and uses.

Changes to Existing Policies

4C-3.1 Principal Uses

Principal uses of Rural Resource Lands include natural resource production and businesses that support or are compatible with agriculture, forestry and mining activities.

4C-3.2 Accessory Uses

Allowed accessory uses of Rural Resource Lands include agricultural and forest-based businesses and small businesses that support or are compatible with natural resource production.

4C-3.3 Residential Uses

Residential uses are allowed on Rural Resource Lands consistent with the density policies of this chapter.

4C-3.4 Resource Land Conservation

Allow the sale and retirement of residential development rights from Rural Resource Lands through the Conservation and Development Incentives Program in order to permanently conserve those lands for natural resource management and production.