



MEETING MINUTES

Land Bank Commission Meeting

April 15, 2016

Lopez Library Community Room, 2225 Fisherman Bay Road, Lopez Island

Commission Members in Attendance:

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| Jim Skoog, District 1, position 1, | Doug Strandberg, at large, position 5 |
| Brian Wiese, at large, position 4 | Amanda Wedow, District 3, position 3 |
| Christa Campbell, at large, position 7 | VACANT, District 2, position 2 |

SJC Council Member in attendance: Bob Jarman, District 1, until 10:15 am; Jamie Stephens, District 3, 10:20 am.

Commission Member Absent: Amanda Azous, at large, position 6

Land Bank Staff in Attendance: Lincoln Bormann, Tim Clark, Judy Cumming

Land Bank Staff Absent: Ruthie Dougherty, Casey Hons, Ethan Schmidt, Eliza Habegger, Doug McCutchen and Tanja Williamson.

Public in Attendance: Eileen Drath, Dan Post, Douglas Smith, Tom Reeve, Tracey Cottingham, Dianne Dyer, Charlie Janeway, Tom Cowan, Chris Coiley, Sally Reeve, George & Kay Keeler, Marlis K. Sandwith, Christine Kerlin, Ann Palmer, Kirman Taylor, Nancy Greene, Marvin Peterson, Karan Yvonne, Robert Walker, Diana Sheridan, David Williams, Adrienne Adams and Spencer Spit State Park Rangers; Meghan Harold and Tina O'Brien.

| Topic | Key Discussion Points & Agreements | Actions and Next Steps |
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| <u>Call to Order</u> 10:09 am | The meeting was called to order by Chair Jim Skoog. | |
| <u>Adoption of Minutes</u> | The March 18, 2016 minutes were reviewed. One correction was made. | Amanda Wedow moved to accept the March 18, 2016 minutes as corrected. The motion was seconded by Christa Campbell. There was no further discussion. Motion passed unanimously. |

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| <p><u>Chair's Report</u> Commission selection progress</p> | <p>There were several candidates for the District 2, position 2 Land Bank Commission position. Three of the candidates were interviewed.</p> | <p>The SJC Council will announce the new Land Bank Commissioner for the District 2, position 2 at their April 26, 2016 meeting.</p> |
| <p><u>In The News</u></p> | <p>The Chair summarized recent news items related to the Land Bank:</p> <ul style="list-style-type: none"> • Facebook mention of Deadman Bay • San Juan Islander article on health • USFW Island Marble Butterfly bulletin • Facebook 'rave' about Mt. Grant • San Juan Update announces Sundays at the Summit | |
| <p><u>San Juan County Council Update</u></p> | <p>Bob Jarman, SJC Council Member, District 1 reported that the Council has completed the Shoreline Master Plan (SMP).</p> | |
| <p><u>Public Comment</u></p> | <p>Eileen Drath of the San Juan Island Trails Committee made 3 announcements</p> <ul style="list-style-type: none"> • Sunday July 31, 2016 - An All Islands Mt. Grant event. This event will coordinate with the inter-island ferry schedule. Pack a lunch, transportation from ferry will be provided. • Friday April 29, 2016 - The SJI Trails Committee will be bringing walkers to Lopez Hill. • Saturday June 18, 2016 the Lopez Community Trails Network (LCTN) will travel to Mt Grant. <p>Ann Palmer was interested to hear an update on the status of the acquisition of Lopez Hill and Odlin South.</p> <p>The LCTN survey and comments were provided to LBC members prior to today's meeting.</p> <p>Jim Skoog assured the members of the public present at the meeting that the investigation into the acquisition of Lopez Hill is in process.</p> | <p>Lincoln reported that he talked with an appraiser to look at potential values of both Lopez Hill and Odlin South. The procedure in working with the Department of Natural Resources (DNR) on projects such as this is that we would make an offer, then DNR does an appraisal that the Land Bank would pay for, but would never see. The DNR then offers to sell</p> |

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| <u>Public Comment Cont.</u> | <p>Kirman Taylor spoke about the overwhelming response from the Lopez Community about these two acquisitions.</p> <p>Members of the public asked about how to stay informed about the process.</p> <p>One member of the public mentioned that the May issue of Alaska Airlines Magazine will publish an article on Lopez Hill.</p> <p>Dan Post spoke in support of the Odlin South acquisition.</p> <p>There were various brief comments that it was heartening to see the process of acquiring Lopez Hill and Odlin South moving forward. Thanks was expressed to the LCTN and to SJC Council Chair, Jamie Stephens.</p> <p>Dan Post also had questions about the dock at Fisherman Bay; The Spit Preserve. Chair Jim Skoog directed the question to Lopez Island Preserve Steward Tim Clark who explained that the position of the replacement dock will be slightly different.</p> <p>Dan also asked about availability of Land Bank financial statements.</p> | <p>the property to the Land Bank at a price indicated from the appraisal. Lincoln has talked with DNR staff who are doing due diligence to determine how we proceed. Lincoln estimates that we may have an appraisal by September 2016. SJC Parks has budgeted for the Odlin South purchase.</p> <p>Lincoln will continue to confer and collaborate with Dona Wuthnow of SJC Parks to clarify the process to acquire Odlin South.</p> <p>Developments on the acquisitions process can be followed by emailing staff and commissioners whose email addresses are available on the web site.</p> <p>The design of the replacement dock at Fisherman Bay: The Spit Preserve is done and permits are in process. Tim estimated it to be a two-year process. Funding will be an issue. Impacts to critical areas will have to be mitigated. Parking will be examined, but was not in the original plan.</p> <p>Quarterly financial statements are available on the Land Bank web site.</p> |
| <u>Finance Report</u> | <p>Finance Officer, Doug Strandberg reported that the Real Estate Excise Tax (REET), the Land Bank's main source of revenue, is on budget. He directed the Commission members' attention to the Land Direct Costs section of the worksheet. The budgeted amounts will be changed to reflect the</p> | |

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| | <p>Amended 2016 budget once it is passed by the County Council.</p> <p>Also, a note has been added to the combined financial statements to reflect the statutory basis for the reserved ending cash item.</p> <p>Marlis Sandwith was asked to comment on the current SJC real estate market. Inventory is down, multiple offer situations are occurring, and listing times are short compared to the past. Vacant land sales and prices are starting to increase.</p> <p>Jim Skoog concurred with this assessment in his observations as well.</p> <p>Doug also explained to the public present that the Land Bank Commission regularly monitors cash projections to 2026. These projections include possible future acquisitions, while still maintaining a fund balance as protection against economic downturns as experienced during the recent recession. He noted too that any projected acquisitions take into account the requirement of the Land Bank Ordinance that the “ <i>land bank commission shall seek to balance their acquisition recommendations of real property interests with the geographical locations from which the land bank’s tax revenues are generated.</i>” Excerpt from SJC Code 2.120.010 D.</p> <p>Ann Palmer commented that once the DNR has indicated the price of purchasing Lopez Hill, fundraising can begin for this project.</p> | <p>Christa Campbell moved to accept the Finance Report.</p> <p>The motion was seconded by Brian Wiese.</p> <p>There was no further discussion. Motion passed unanimously.</p> |
| <p><u>Director’s Report</u> Acquisition Projects</p> <p><u>Waldron Island</u> Huntley Conservation Easement</p> | <p>The Deed of Conservation Easement was recorded on March 24, 2016.</p> | <p>Land Bank staff is in the process of completing the grant billing process with the Recreation and Conservation Office (RCO)</p> |

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| <p><u>San Juan Island</u> Zylstra Lake Property</p> | <p>Background: The Land Bank and San Juan Preservation Trust (SJPT) closed on this 313-acre property in San Juan Valley in December 2015. The property features two lakes, the October Farm homestead, and many open fields. It also offers the potential for restoration of salmon runs in False Bay Creek. The initial purchase price was \$3,000,000. A \$2.6 million Deed of Trust is held by the sellers. The Land Bank and SJPT have each committed \$500,000 to the purchase.</p> <p>Grant funds are being sought for much of the remainder.</p> | <p>Lincoln and SJPT staff are working on grants from the federal Coastal Wetlands Conservation Program, Washington Wildlife and Recreation Program (WWRP), and the Salmon Recovery Funding Board.</p> |
| <p>Mount Grant Preserve (Lawson Ridge)</p> | <p>Background: The Land Bank and SJPT closed on this 141-acre property in March of 2015 for \$3 million. A Deed of Trust is held by the sellers. SJPT launched a \$4.2 million fund-raising campaign which includes \$1m for a stewardship endowment. The Land Bank has committed \$1.5m to the purchase.</p> <p>The Land Bank is applying for retroactive grant funding from the WWRP Local Parks account.</p> | <p>Lincoln is preparing a \$500,000 grant application for WWRP.</p> |
| <p>Amaro Farm CE (formerly Lawson Farm)</p> | <p>Background: 145-acre property adjacent to Mount Grant Preserve. The CE would extinguish 10 of 14 potential residences. In addition to the existing farmstead, three units would be allowed outside of the view from the road.</p> <p>The CE would also allow for a parking area at the entrance to Mount Grant Preserve. The Preserve entrance is on an access easement along the boundary line between the Amaros and Tom Lawson.</p> | <p>Lincoln is negotiating the final terms of the CE. The County Council will consider a budget amendment including this project at a public hearing during their May 10 meeting.</p> |
| <p><u>Henry Island</u> Hart Acquisition Donation</p> | <p>Context maps were shown, along with photographs of beaches and cormorant rookeries.</p> | <p>Lincoln will continue to work with the donor and her attorney.</p> |
| <p><u>Orcas Island</u> Dickinson Property (East/West Sound LLC), Buck Bay</p> | <p>Background: 24-acre property on both sides of the lower part of Cascade Creek, including 300 feet which hosts spawning coho and chum salmon, as well as sea run coastal cutthroat trout. Juvenile Chinook are also present.</p> | <p>Lincoln will continue to close purchase and start the process to bill for the grant funds.</p> |

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| <u>Dir. Rpt./Acq./Orcas/</u> Dickinson cont. | Context map was shown. Appraisal has been completed. | |
| <p><u>Lopez Island</u> Ritchie CE</p> <p>Sunset Acres HOA, Fisherman Bay Tombolo</p> <p>Lopez Hill & Odlin South</p> | <p>Background: 145-acre farm property along Fish Bay road. The CE would eliminate up to 10 residential development units.</p> <p>A context map showed that this CE is adjacent to other agricultural conservation easements on Lopez Island and is near Lopez Hill.</p> <p>Background: This is shoreline property with 800' adjacent to the LB Fisherman Bay Tombolo Preserve.</p> <p>Background: In 2009, the community secured a 50-year lease on the 400-acre Lopez Hill property funded by the legislature. Similarly, a 50-year lease was secured for the 100-acre Odlin South parcel in 2011. The Lopez Community Trails Network (LCTN) has collected 650 signatures of support for purchasing the remainder interests in these properties.</p> | <p>Lincoln will reinstate negotiations with the sellers.</p> <p>Lincoln will prepare a purchase and sale agreement and move toward closing.</p> <p>Lincoln will continue to engage with DNR for the acquisition process.</p> |
| <p><u>Stewardship Report</u> Tim Clark Lopez Island Preserve Steward</p> <p>Brian Wiese, Orcas Island Commissioner</p> | <p>Tim reported on several current projects; at the The Fisherman Bay Spit the logs that had been removed from the beach have returned after recent storms; and the Italian Arum continues to return each year in greater numbers. Different tactics are being used to eradicate this weed. A fenced area will be covered with plastic. Invasive European green crabs are being monitored for possible invasion at Weeks Wetland, the Spit and the Tombolo. Removal of reed canary grass is being attempted and natives will be planted in their place in rain gardens, depending on public input.</p> <p>Brian Wiese read a report prepared by Ruthie Dougherty, Orcas Island Preserve Steward. Ruthie is finishing up the first of a 4 week project using the Washington Conservation Corp crews to continue work on the Garry oak restoration areas by removing blackberry and conifers and building cages to protect baby oak trees from browsing deer.</p> | |

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| San Juan Island | <p>Work is continuing on the Coffelt Farm Preserve water system.</p> <p>A Weed Bee event utilized volunteers to clear thistle from areas on Turtleback Mountain.</p> <p>An agreement has been drafted with Coffelt Farm Stewards, a non-profit organization, for management and stewardship of the farm.</p> <p>Ruthie has also completed an interpretive sign for the Olga Artworks Historic Building where the Land Bank has a historic preservation easement.</p> <p>Ruthie is in the process of developing the Cascade Creek Management Plan for the Dickinson parcel which will be closing soon.</p> <p>Lincoln reported on projects that Doug McCutchen, SJI Preserve Steward and Eliza Habegger, Land Steward are working on; The False Bay Creek project is progressing. Stream protection is nearly complete, allowing cattle to continue to graze on this agricultural property. Eliza has been coordinating the State and Federal processes.</p> <p>Doug has been pursuing the chip seal road on Mount Grant as well as the management and mowing at the Zylstra Lake property. The Great Islands Clean-up will take place during the weekend after Earth Day, April 22.</p> | <p>The agreement will be presented to the Land Bank Commission prior to the meeting on Orcas Island in June, 2016.</p> |
| <p><u>Outreach/Volunteer Coordinator Report</u></p> | <p>Jim Skoog read from the Outreach Report prepared by Tanja Williamson, Outreach/Volunteer Coordinator. The San Juan Island Library display features Land Bank information in April relating to volunteer appreciation month and San Juan Island Preserves in general.</p> <p>Two volunteer events this past weekend were the ‘Weed Bee’ on Turtleback Mountain and the ‘Weed & Seed’ event at the Red Mill Farm nursery for the Salish Seeds Project.</p> <p>Tanja and volunteer Thom Pence made a presentation to the Boy Scout troop on SJI regarding volunteer opportunities with the Oak Team.</p> | |

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| <p><u>Outreach/Volunteer Coordinator Report</u> cont.</p> | <p>Jim read a list of upcoming events.</p> <p>The annual report is on target and should be in San Juan County resident mailboxes by April 29.</p> <p>Mount Grant Preserve ‘Sundays on the Summit’ will return this summer and docent training will take place on April 30th.</p> | |
| <p><u>Executive Session</u> 11:42 am – 12:15 pm</p> | <p>The public was notified that the Land Bank Commission would go into executive session in accordance to RCW 42.30.110 and reconvene at 12:15 am.</p> | <p>Members of the public left the meeting.</p> <p>No action was taken following the executive session.</p> |
| <p><u>Meeting Adjourned</u></p> | <p>Jim Skoog adjourned meeting at 12:16 pm</p> | |
| <p>NEXT MEETING</p> | <p>May 20, 2016 at the Craft Room, Mullis Community Senior Center, San Juan Island.</p> | |