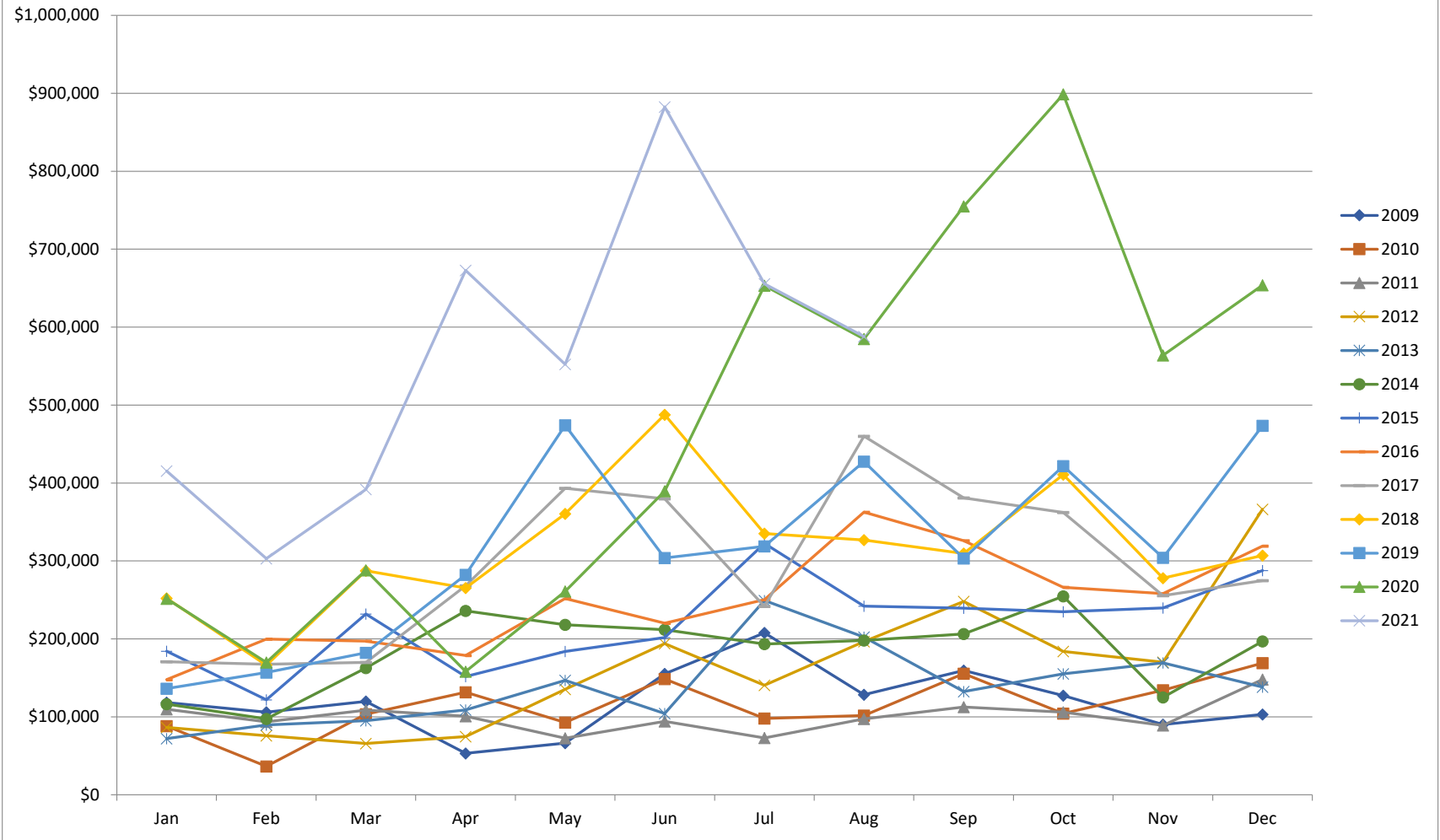
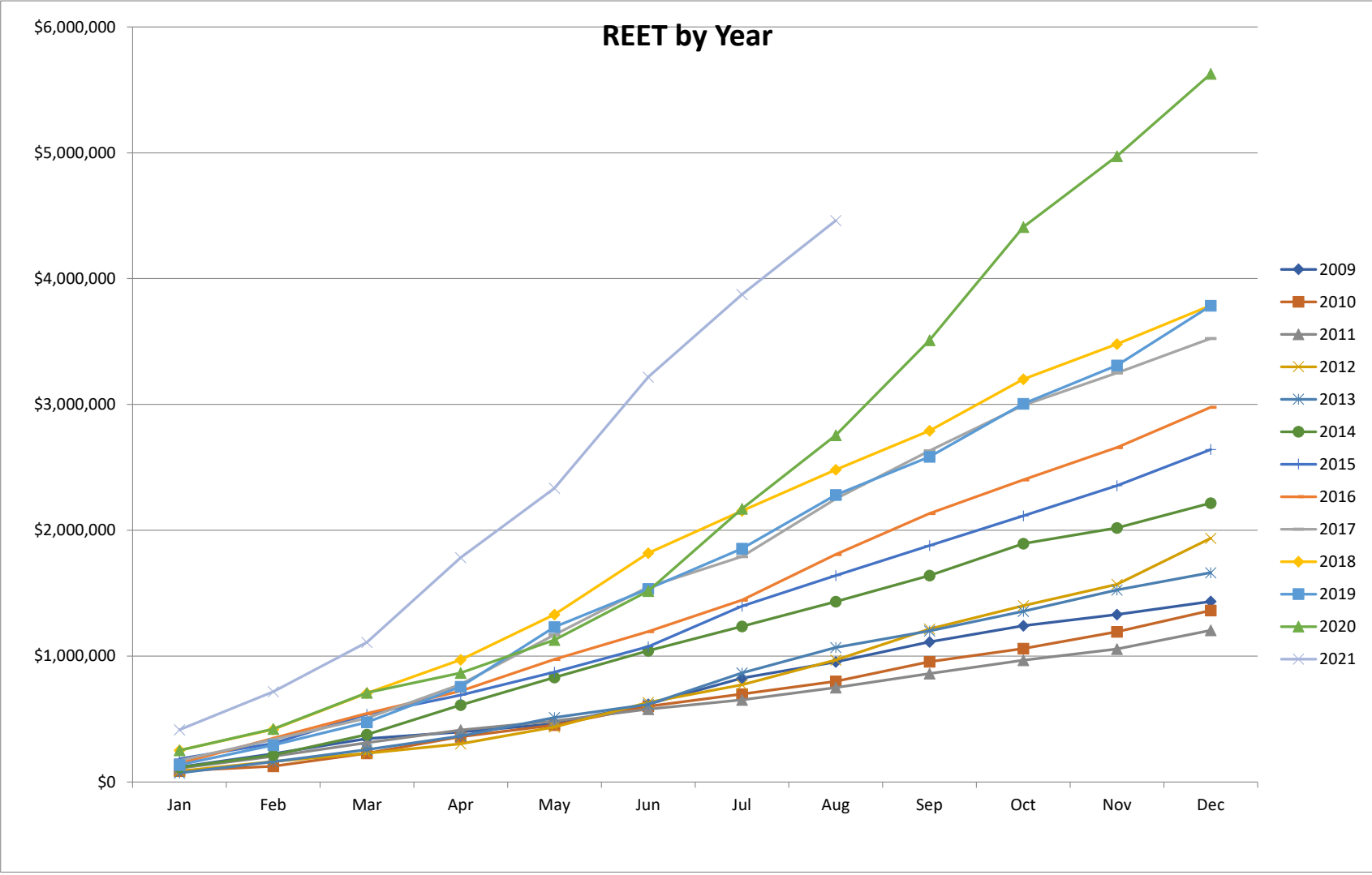


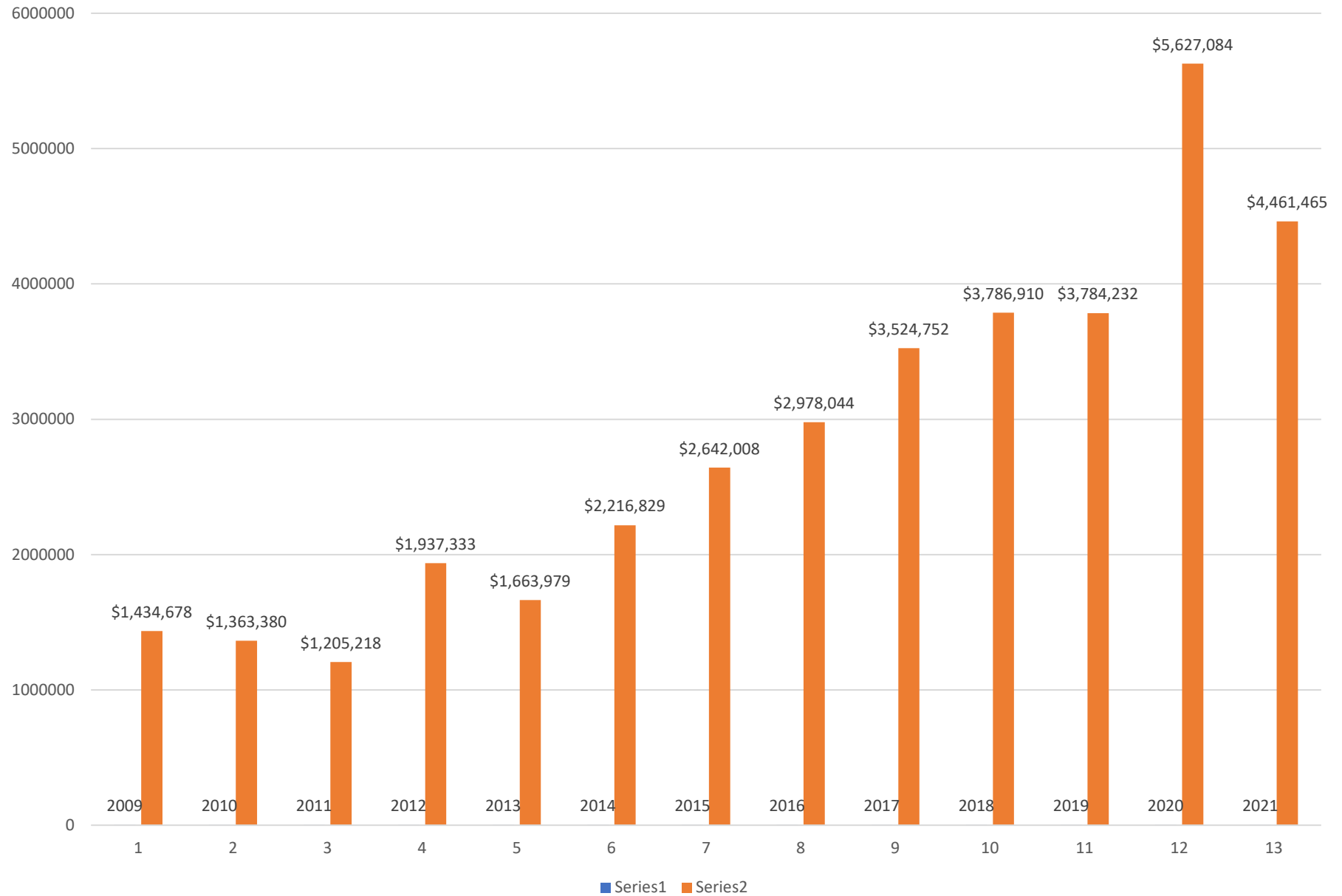
1021.00.318 - Revenues													
Acct_Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2009	\$118,372	\$105,880	\$119,718	\$53,207	\$66,214	\$155,142	\$207,754	\$128,348	\$159,492	\$127,423	\$90,056	\$103,071	\$1,434,678
2010	\$88,143	\$36,539	\$103,506	\$131,590	\$92,665	\$148,524	\$97,972	\$101,730	\$155,569	\$104,191	\$134,046	\$168,904	\$1,363,380
2011	\$109,729	\$93,636	\$108,558	\$100,689	\$72,611	\$94,346	\$72,907	\$97,424	\$112,529	\$105,975	\$88,901	\$147,914	\$1,205,218
2012	\$86,547	\$75,746	\$65,834	\$74,531	\$135,260	\$193,882	\$140,610	\$196,444	\$248,152	\$183,896	\$170,092	\$366,337	\$1,937,333
2013	\$72,106	\$89,629	\$94,943	\$109,020	\$146,974	\$104,286	\$249,312	\$202,351	\$132,516	\$155,258	\$169,306	\$138,279	\$1,663,979
2014	\$116,307	\$97,403	\$162,759	\$236,076	\$218,046	\$211,937	\$193,491	\$197,924	\$206,334	\$254,695	\$125,044	\$196,812	\$2,216,829
2015	\$184,186	\$121,920	\$232,019	\$151,641	\$184,037	\$201,867	\$322,494	\$242,119	\$239,381	\$234,885	\$239,857	\$287,602	\$2,642,008
2016	\$147,780	\$199,709	\$197,208	\$178,799	\$251,916	\$220,177	\$250,453	\$362,646	\$326,094	\$266,216	\$258,039	\$319,005	\$2,978,044
2017	\$170,789	\$167,494	\$169,775	\$268,280	\$393,220	\$379,832	\$241,755	\$460,110	\$380,894	\$362,103	\$255,636	\$274,865	\$3,524,752
2018	\$252,155	\$166,287	\$287,448	\$265,414	\$360,538	\$487,738	\$335,172	\$326,847	\$309,460	\$410,876	\$277,932	\$307,045	\$3,786,910
2019	\$136,263	\$156,907	\$182,195	\$282,295	\$474,060	\$303,744	\$318,828	\$427,381	\$303,198	\$421,696	\$304,131	\$473,533	\$3,784,232
2020	\$251,391	\$169,933	\$288,018	\$158,176	\$260,943	\$389,402	\$653,337	\$584,765	\$755,057	\$898,677	\$563,691	\$653,695	\$5,627,084
2021	\$415,281	\$303,073	\$391,898	\$672,670	\$552,318	\$882,523	\$655,661	\$588,043					\$4,461,465
Budget 2021	\$2,970,000												
2009	8.25%	7.38%	8.34%	3.71%	4.62%	10.81%	14.48%	8.95%	11.12%	8.88%	6.28%	7.18%	
2010	6.47%	2.68%	7.59%	9.65%	6.80%	10.89%	7.19%	7.46%	11.41%	7.64%	9.83%	12.39%	
2011	9.10%	7.77%	9.01%	8.35%	6.02%	7.83%	6.05%	8.08%	9.34%	8.79%	7.38%	12.27%	
2012	4.47%	3.91%	3.40%	3.85%	6.98%	10.01%	7.26%	10.14%	12.81%	9.49%	8.78%	18.91%	
2013	4.33%	5.39%	5.71%	6.55%	8.83%	6.27%	14.98%	12.16%	7.96%	9.33%	10.17%	8.31%	
2014	5.25%	4.39%	7.34%	10.65%	9.84%	9.56%	8.73%	8.93%	9.31%	11.49%	5.64%	8.88%	
2015	6.97%	4.61%	8.78%	5.74%	6.97%	7.64%	12.21%	9.16%	9.06%	8.89%	9.08%	10.89%	
2016	4.96%	6.71%	6.62%	6.00%	8.46%	7.39%	8.41%	12.18%	10.95%	8.94%	8.66%	10.71%	
2017	4.85%	4.75%	4.82%	7.61%	11.16%	10.78%	6.86%	13.05%	10.81%	10.27%	7.25%	7.80%	
2018	6.66%	4.39%	7.59%	7.01%	9.52%	12.88%	8.85%	8.63%	8.17%	10.85%	7.34%	8.11%	
2019	3.60%	4.15%	4.81%	7.46%	12.53%	8.03%	8.43%	11.29%	8.01%	11.14%	8.04%	12.51%	
2020	4.47%	3.02%	5.12%	2.81%	4.64%	6.92%	11.61%	10.39%	13.42%	15.97%	10.02%	11.62%	
2021	13.98%	10.20%	13.20%	22.65%	18.60%	29.71%	22.08%	19.80%					
Cumulative	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2009	\$118,372	\$224,252	\$343,970	\$397,177	\$463,391	\$618,534	\$826,288	\$954,636	\$1,114,128	\$1,241,550	\$1,331,607	\$1,434,678	
2010	\$88,143	\$124,682	\$228,188	\$359,778	\$452,443	\$600,967	\$698,939	\$800,669	\$956,238	\$1,060,429	\$1,194,476	\$1,363,380	
2011	\$109,729	\$203,365	\$311,923	\$412,613	\$485,224	\$579,570	\$652,476	\$749,900	\$862,429	\$968,404	\$1,057,304	\$1,205,218	
2012	\$86,547	\$162,293	\$228,127	\$302,659	\$437,919	\$631,801	\$772,411	\$968,855	\$1,217,008	\$1,400,904	\$1,570,995	\$1,937,333	
2013	\$72,106	\$161,734	\$256,678	\$365,698	\$512,672	\$616,957	\$866,269	\$1,068,620	\$1,201,136	\$1,356,394	\$1,525,700	\$1,663,979	
2014	\$116,307	\$213,711	\$376,470	\$612,546	\$830,592	\$1,042,530	\$1,236,020	\$1,433,945	\$1,640,278	\$1,894,973	\$2,020,017	\$2,216,829	
2015	\$184,186	\$306,105	\$538,125	\$689,766	\$873,803	\$1,075,669	\$1,398,164	\$1,640,283	\$1,879,664	\$2,114,549	\$2,354,406	\$2,642,008	
2016	\$147,780	\$347,489	\$544,696	\$723,496	\$975,412	\$1,195,589	\$1,446,043	\$1,808,689	\$2,134,784	\$2,401,000	\$2,659,039	\$2,978,044	
2017	\$170,789	\$338,283	\$508,057	\$776,338	\$1,169,558	\$1,549,390	\$1,791,144	\$2,251,254	\$2,632,147	\$2,994,251	\$3,249,887	\$3,524,752	
2018	\$252,155	\$418,441	\$705,890	\$971,304	\$1,331,842	\$1,819,580	\$2,154,751	\$2,481,598	\$2,791,057	\$3,201,933	\$3,479,865	\$3,786,910	
2019	\$136,263	\$293,170	\$475,365	\$757,660	\$1,231,720	\$1,535,464	\$1,854,293	\$2,281,674	\$2,584,872	\$3,006,568	\$3,310,699	\$3,784,232	
2020	\$251,391	\$421,324	\$709,342	\$867,518	\$1,128,461	\$1,517,863	\$2,171,200	\$2,755,964	\$3,511,021	\$4,409,698	\$4,973,389	\$5,627,084	
2021	\$415,281	\$718,353	\$1,110,251	\$1,782,921	\$2,335,239	\$3,217,761	\$3,873,422	\$4,461,465					
Cumulative %													
2009	8.25%	15.63%	23.98%	27.68%	32.30%	43.11%	57.59%	66.54%	77.66%	86.54%	92.82%	100.00%	
2010	6.47%	9.15%	16.74%	26.39%	33.19%	44.08%	51.27%	58.73%	70.14%	77.78%	87.61%	100.00%	
2011	9.10%	16.87%	25.88%	34.24%	40.26%	48.09%	54.14%	62.22%	71.56%	80.35%	87.73%	100.00%	
2012	4.47%	8.38%	11.78%	15.62%	22.60%	32.61%	39.87%	50.01%	62.82%	72.31%	81.09%	100.00%	
2013	4.33%	9.72%	15.43%	21.98%	30.81%	37.08%	52.06%	64.22%	72.18%	81.52%	91.69%	100.00%	
2014	5.25%	9.64%	16.98%	27.63%	37.47%	47.03%	55.76%	64.68%	73.99%	85.48%	91.12%	100.00%	
2015	6.97%	11.59%	20.37%	26.11%	33.07%	40.71%	52.92%	62.08%	71.15%	80.04%	89.11%	100.00%	
2016	4.96%	11.67%	18.29%	24.29%	32.75%	40.15%	48.56%	60.73%	71.68%	80.62%	89.29%	100.00%	
2017	4.85%	9.60%	14.41%	22.03%	33.18%	43.96%	50.82%	63.87%	74.68%	84.95%	92.20%	100.00%	
2018	6.66%	11.05%	18.64%	25.65%	35.17%	48.05%	56.90%	65.53%	73.70%	84.55%	91.89%	100.00%	
2019	3.60%	7.75%	12.56%	20.02%	32.55%	40.58%	49.00%	60.29%	68.31%	79.45%	87.49%	100.00%	
2020	4.47%	7.49%	12.61%	15.42%	20.05%	26.97%	38.58%	48.98%	62.40%	78.37%	88.38%	100.00%	
2021	13.98%	24.19%	37.38%	60.03%	78.63%	108.34%	130.42%	150.22%					
Avg % Recvd	5.78%	10.71%	17.30%	23.92%	31.95%	41.03%	50.62%	60.66%	70.85%	81.00%	89.20%	100.00%	
Projections													
Min	\$4,561,270	\$4,257,234	\$4,289,818	\$5,207,811	\$5,800,357	\$6,691,353	\$6,725,394	\$6,704,930					
Max	\$11,532,989	\$9,594,115	\$9,428,613	\$11,564,765	\$11,644,693	\$11,929,018	\$10,038,723	\$9,109,349					
Average	\$7,183,374	\$6,707,159	\$6,415,875	\$7,453,313	\$7,308,901	\$7,841,589	\$7,651,688	\$7,355,139					
Budget Amt	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	\$2,970,000	
YE Budget Proj(%)	241.86%	225.83%	216.02%	250.95%	246.09%	264.03%	257.63%	247.65%					

REET by Month





REET by Year Column





LAND BANK

San Juan County Land Bank PROPOSED

Fourth Amended 2021 Expenditure and Acquisition Plan

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A. None at this time	

I.A. Conservation Area Fund 1021					
2021 Revised Budget and	12/8/2020	5/4/2021	7/13/2021		Proposed
Proposed Amended 2021 Budget	Revised	Adopted	Adopted	Proposed	Amended
	2021 Budget	2nd Amendment	3rd Amendment	Amendments	2021 Budget
Revenue					-
Beginning Operating Cash	5,123,968	5,322,617	5,321,934		5,321,934
Property Tax Revenue	329,563	329,563	329,563		329,563
1% RE Excise Tax (gross)	3,000,000	3,000,000	3,000,000	2,500,000	5,500,000
Land Bank 1% REET to General Fund	(30,000)	(30,000)	(30,000)	(25,000)	(55,000)
Federal Grants					-
State Grants	250,000	916,473	916,473		916,473
Payment In-Lieu of Property Tax (DNR)	200	200	200		200
Investment Interest	16,000	16,000	16,000		16,000
Donations from Private Sources	2,500	252,500	252,500		252,500
Miscellaneous revenue & refunds					-
Sale of Land		847,977	847,977		847,977
Interfund Loan from LB Stewardship	131,873				-
Interfund Loan from Stewardship Fund					-
Total Revenue	8,824,104	10,655,330	10,654,647	2,475,000	13,129,647
Revenue net of Reserves & Loan Proceeds	3,700,136	5,332,713	5,332,713		7,807,713
					-
Expenditures					-
Restricted Acquisition Reserves	3,900,014	3,681,278	2,095,622	2,466,834	4,562,456
Administrative Expenses	284,132	287,798	287,798	8,166	295,964
IT Services	14,144	14,144	14,144		14,144
GIS Services	6,935	6,935	6,935		6,935
Acquisition Costs	1,378,076	3,241,659	4,826,659		4,826,659
Stew Loan & Bond Repayment	1,111,663	1,302,202	1,302,202		1,302,202
Interest on Interfund Loans fr LB Stew	15,750	6,450	6,450	-	6,450
Transfers to Stewardship	2,113,389	2,114,863	2,114,836		2,114,836
Total Expenditures	8,824,104	10,655,330	10,654,647	2,475,000	13,129,647
Expenditures net of Reserves	4,924,089	6,974,051	8,559,024		8,567,190
Admin percentage of net revenue	8.25%	5.79%	5.79%		4.06%
Amendments to Revenue reflect:					
	2nd Amendment Bring forward grant, sale of land unfinished in 2020				
	Add value of donation of land				
	Adjust loan proceeds to actual				
	4th Amendment Adjusting the projection for REET				
	Adjusting the 1% REET to the General Fund				
Amendments to Expenditures reflect:					
	2nd Amendment Add expenditures for new staff equipment				
	Include projects budgeted for 2020 will close in 2021				
	Include donation of land, and new project				
	Adjust loan interest due to Stewardship for interfund loans				
	4th Amendment Adding the paint and repair to the Drigs Park fence				
	Balancing the restricted acquisition reserves				

Approved by SJC Land Bank Commission xx/xx/2021
Approved by SJC Council by Ordinance No.xx-2021 xx/xx/2021

I. B. Conservation Area Fund Detail of Acquisition Projects	12/8/2020 Revised 2021 Budget	5/4/2021 Adopted 2nd Amemnded	7/13/2021 Adopted 3rd Amended	Proposed Amendments	Proposed Amended 2021 Budget
District One					
Cady Mountain Preserve Addition					
Purchase Price & Closing Costs (approved 2019 Budget, then removed in 2020)		1,715,000	1,715,000		1,715,000
Barker (Connector trail to Beaverton Marsh Preserve)					
Value of Donation		250,000	250,000		250,000
District Two					
Coho Preserve acquisition of water right					
purchase price	250,000	250,000	250,000		250,000
District Three					
RR Bar Ranch Conservation Easement					
Purchase Price & Closing Costs over 3 years (approved 2016 Budget)	200,000	150,000	150,000		150,000
Lopez Hill Addition Smith 70 Acres					
Purchase Price	630,000	728,000	728,000		728,000
Davis Bay Farm (Richardson Marsh)*					
Purchase Price & Closing costs	80,000		20,000		20,000
Higgins (Watmough Bay)					
Purchase Price & Closing costs			1,585,000		1,585,000
Sub-total Acquisition Costs	1,160,000	3,093,000	4,698,000	-	4,698,000
Other Acquisition Costs	218,076	148,569	128,659		128,659
Total Acquisition Costs	1,378,076	3,241,569	4,826,659	-	4,826,659
*2021 4th Amendment no changes					

Approved by SJC Land Bank Commission xx/xx/2021
Approved by SJC Council by Ordinance No.xx-2021 xx/xx/2021

II.A. Stewardship and Management Fund 1031					
2021 Revised Budget and	12/8/2020	5/4/2021	7/13/2021		Proposed
Proposed Amended 2021 Budget	Revised	Adopted	Adopted	Proposed	Amended
	2021 Budget	2nd Amendment	3rd Amendment	Amendments	2021 Budget
Beginning Operating Cash	364,004	858,526	858,526		858,526
Beginning Endowment Funds	4,655,657	4,624,055	4,624,055		4,624,055
Grant Revenue	15,533	15,533	15,533		15,533
Sale of Plant Materials	12,000	12,000	12,000		12,000
Judgments & Settlements		-	-		-
Investment Interest	23,000	23,000	23,000		23,000
Interest on Interfund Loan to CAF	15,750	6,450	6,450		6,450
Lease Income	18,600	18,600	18,600		18,600
Refund Prior Year Expenditures		-	-		-
Private Gifts, Bequests	2,000	2,000	2,000		2,000
Sales Tax Remittances		-	-		-
Interfund Loan Principal from CAF	348,437	565,000	565,000		565,000
					-
Endowment transfers Conservation Area Fund	500,000	500,000	500,000		500,000
Operations transfers Conservation Area Fund	1,613,389	1,614,863	1,614,863		1,614,863
Total Revenue	7,568,370	8,240,027	8,240,027	0	8,240,027
Operating Revenue net of reserves	2,548,709	2,757,446	2,757,446	-	2,757,446
Expenditures					
Ending Operating Cash	712,441	1,423,526	1,423,526	(162,000)	1,261,526
Ending Endowment Funds	5,194,407	5,153,505	5,153,505		5,153,505
Land Bank Stewardship & Management	1,044,271	1,045,745	1,045,745	19,000	1,064,745
Information Technology Services	55,042	55,042	55,042		55,042
GIS Services	6,934	6,934	6,934		6,934
Management & Maintenance	285,275	285,275	285,275	143,000	428,275
Site Enhancement	270,000	270,000	270,000		270,000
Total Expenditures	7,568,370	8,240,027	8,240,027	0	8,240,027
Operating Expenditures net of reserves	1,661,522	1,662,996	1,662,996		1,824,996
Revenue in excess of expenditures	887,187	1,094,450	1,094,450		932,450
Amendments to Revenue reflect:	2nd Amendment to adjust beginning cash, CAF loan principal and interest and Auditors operational transfer from CAF				
Amendments to Expenditures reflect:	2nd Amendment to adjust restricted reserves and endowment funds				
	Auditors adjustment to payroll				
	4th Amendment adjustment to ending operating cash				
	Adding the purchase of tilting and dump trailers				
	Increase in stewardship projects on Beaverton Marsh and road repair at Fisherman Bay Spit				
	Adjustments to utility cost's across the preserves				

Approved by SJC Land Bank Commission xx/xx/2021
Approved by SJC Council by Ordinance No.xx-2021 xx/xx/2021



PROPOSED
San Juan County Land Bank
2022-2023 Expenditure and Acquisition Plan

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Note: It is understood by the Land Bank Commission and Staff that the figures contained in this document are reflected on the SJC Auditor's 2022-2023 Preliminary Budget. Changes to amounts on this document may be made by the auditor's office and may be presented at the Public Hearing for the San Juan County 2022-2023 Budget. The Land Bank 2022-2023 First Amended Budget will reconcile to those on the SJC Auditor's 2022-2023 Budget.

1.A Conservation Area Fund 1021			Proposed		
Revenue & Expenditure 2019 - 2021 and			Amended	Proposed	Proposed
Proposed 2022-2023 Budget			2021	2022	2023
	2019 Actual	2020 Actual	Budget	Budget	Budget
Revenue					
Beginning Operating Cash	3,277,853	2,379,848	5,322,617	4,563,139	6,124,304
Property Tax Revenue	324,595	332,830	329,563	336,540	336,540
1% RE Excise Tax (gross)	3,822,074	5,683,353	5,500,000	4,000,000	4,120,000
Land Bank 1% REET to General Fund	(37,842)	(56,270)	(55,000)	(40,000)	(41,200)
Federal Grants					
State Grants	-	1,000,000	916,473	250,000	
Payment In-Lieu of Property Tax (DNR)	175	161	200	200	200
Investment Interest	48,861	13,200	16,000	4,000	4,000
Donations from Private Sources	750,150	2,000,545	252,500	2,500	2,500
Interfund Loan from Stewardship		565,000			
Sale of Land	250,000	237,026	847,977	356,250	428,820
Reimbursement from CARES		4,091			
*Transfers in Lodging Tax	60066	15,175			
Total Revenue	8,495,933	12,174,959	13,130,330	9,472,629	10,975,164
Revenue net of Reserves	5,218,079	9,795,111	7,807,713	4,909,490	4,850,860
Expenditures					
**Restricted Acquisition Reserves	2,379,848	5,322,617	4,563,139	6,124,304	7,533,912
*Administrative Expenses	293,583	263,300	295,964	278,588	281,096
IT Services	15,145	13,742	14,144	26,925	27,500
GIS Services	6,813	4,780	6,935	5,874	6,828
Acquisition Costs	3,482,878	3,902,289	4,826,659	224,949	72,290
Bond Repayment	633,098	645,739	1,302,202	648,320	640,330
Interest on interfund Loan from Stew			6,450		
Transfers to Stewardship	1,684,568	2,022,491	2,114,836	2,163,309	2,413,208
Total Expenditures	8,495,933	12,174,959	13,130,330	9,472,269	10,975,164
Expenditures net of Reserves	6,116,085	6,852,341	8,567,190	3,347,965	3,441,252
Admin percentage of net revenue	5.92%	2.88%	4.06%	6.34%	6.50%
(after admin 1% collection fee has been deducted)					
2022 & 2023 Revenue notes:					
* CE Sales to the San Juan Preservation Trust					
*RCO water rights to Cascade Creek					
Expenditure Notes:					
*2023 increase in transfer to Stewardship operations					

I. B. Conservation Area Fund Detail of Acquisition Proje		Proposed Acquisitions	Approved in prior Budgets	Proposed 2022 Budget	Proposed 2023 Budget
District One					
District Two		-			
District Three		-			
RR Bar Ranch Conservation Easement					
	Purchase Price & Closing Costs over 3 years (2022 final payment on Note)	600,000	600,000	150,000	-
Sub-total Acquisition Costs		600,000	600,000	150,000	-
	Other Acquisition Costs			74,945	72,290
Total Acquisition Costs		600,000	600,000	224,945	72,290

I.C. Summary of Land Bank Conservation Area Fund Revenue and Administrative Expenditures	\$ Revenue*	Administrative Expenses	%	\$ to reach 10%
1991- 2020				
1991	868,367	32,313	3.72%	54,524
1992	1,042,077	60,976	5.85%	43,232
1993	1,451,032	92,072	6.35%	53,031
1994	1,313,274	93,922	7.15%	37,405
1995	1,473,940	101,281	6.87%	46,113
1996	1,660,141	109,720	6.61%	56,294
1997	2,697,201	133,947	4.97%	135,773
1998	2,474,510	134,798	5.45%	112,653
1999	2,824,596	136,064	4.82%	146,396
2000	2,780,572	147,755	5.31%	130,302
2001	2,064,420	161,483	7.82%	44,959
2002	2,412,005	166,664	6.91%	74,537
2003	2,695,603	180,983	6.71%	88,577
2004	3,425,514	184,929	5.40%	157,622
2005	4,609,189	190,992	4.14%	269,927
2006	6,467,091	210,719	3.26%	435,990
2007	4,097,588	240,822	5.88%	168,937
2008	3,620,283	272,393	7.52%	89,635
2009	2,261,987	279,586	12.36%	-53,387
2010	2,311,079	291,468	12.61%	-60,360
2011	2,120,138	204,831	9.66%	7,183
2012	2,633,727	172,122	6.54%	91,250
2013	2,231,599	191,848	8.60%	31,312
2014	2,534,065	218,469	8.62%	34,937
2015	3,041,384	222,213	7.31%	81,925
2016	4,092,255	264,165	6.46%	145,061
2017	4,913,091	313,947	6.39%	177,362
2018	4,534,863	327,994	7.23%	125,492
2019	5,218,079	315,541	6.05%	206,267
2020	9,795,111	281,823	2.88%	697,688
Total 1991- 2020:	93,664,780	5,735,841	6.12%	3,630,637
2021 Projected	7,807,713	317,043	4.06%	463,728
Total 1991 - 2021:	101,472,493	6,052,884	5.97%	4,094,365
2022 Budgeted	4,909,490	311,387	6.34%	179,562
2023 Budgeted	4,850,860	315,424	6.50%	169,662
Total 1991 - 2023:	111,232,843	6,679,695	6.01%	4,443,589
Annual administration costs of the fund shall be held to the minimum required to administer efficiently and properly the land bank but shall not exceed 10 percent of revenues received, exclusive of bond proceeds. SJCC 2.120.090.3				

SAN JUAN COUNTY LAND BANK 1991 - 2020			
Summary of Fee Simple Acquisitions		Summary of Conservation Easements	
PROPERTY	ACRES	PROPERTY	ACRES
SAN JUAN ISLAND		SAN JUAN ISLAND	
*Beaverton Marsh Preserve (2001 - 2019)	468	Beaverton Valley Marsh (2010,2011)	42
Cady Mountain Preserve (2003 - 2007)(2018)	432	Cattle Point Road/Heritage Farm (2003)(2009)	39
Caines St. Historic Driggs Park (2018)	0.5	Cattle Point Road/Howard Farm(2009)	27
Cattlepoint/Woodbridge (2019)	30.0	Cattle Point Road/Mulno Cove Farm (1999)	78
Deadman Bay Preserve (1995)	18	Cattle Point Road/Portland Fair (2004)	21
False Bay Creek Preserve (2008)	40	Edwards Point (1998)	8
*Frazer Homestead Preserve (2003 & 2006)	113	Historic Roark House (2002)	1
Kellett Bluff Preserve (2016)	81	Ihiya (2020)	30
*King Sisters Preserve(2005)	60	Mt. Ben (2004)	21
Limekiln Preserve (1995 - 2000)	189	North Neck Point Cove I & II (1995 & 2002)	6
Mt. Ben Preserve (2005)	22	Oak Knoll Farm (2004)	30
*Mount Grant Preserve (2000 - 2017)	252	San Juan Historical Society (2010) HPE	1
*San Juan Valley (1998)	10	San Juan Valley (1997)	155
Third Lagoon Preserve (2000)	20	W. Sundstrom Farm (2008)*(2009)	120
Westside Scenic Preserve (1993 - 2015)	46		
Zylstra Lake Preserve (2015)	284	ORCAS ISLAND	
ORCAS ISLAND		Buck Bay West (2003)	0.5
Coffelt Farm Preserve (2008)	190	Cayou Key (1997)	5
Coho Preserve (2016)	24	Cayou Valley (1995)	109
*Crescent Beach Preserve (1998 - 2005)	129	Crow Valley (1995 & 2008)	9
Deer Harbor Preserve (2006)	2	Crow Valley (1996)	134
Diamond Hill Preserve 2005 - 2014)	52	Crow Valley (1997)	31
Eastsound Waterfront Park (1993 - 2004)	2	Crow Valley (1998)	55
*Entrance Mountain Preserve (1996 & 2008)	128	Goliithon Preserve Buck Bay (2002)	0
Fowler's Pond Preserve (1994, 2006)	51	Hogback Mountain (1998)	50
Judd Cove Preserve (2002 - 2010)	12	North Shore (1996)	67
Orcas Village Tidelands (2001)		Olga Community Park (2005)	0
President Channel Shoreline Preserve (2012)	20	Orcas Artworks (2006)	1
*Stonebridge-Terrill Preserve (2005)	60	Stonebridge Farm (2006)	34
Turtleback Mountain Preserve (2006 & 2020)	1,610	Warm Valley Farm (1993)	78
		West Sound (1999)	159
LOPEZ ISLAND		LOPEZ ISLAND	
Fisherman Bay Preserve:Weeks Wetland (1993)	24	Aleck Bay (1997)	245
Fisherman Bay Preserve: The Spit (2002)	29	Aleck Bay (2003)	12
Fisherman Bay Preserve: The Tombolo (2000 & 2017)	6	Central Valley (2000, 2001 & 2005)	126
Hummel Lake Preserve (1996 & 2000)	79	Iceberg Point (1998)	40
Lopez Channel Preserve (2017)	9	Kjargaard Farm (2012)	95
Lopez Hill (2018)	475	South End (1993) (2013)	8
Spencer Spit Parcel(2019 &2020)	20	Strachan (2009)	44
*Upright Head Preserve (1998)	23	Spencer Spit (2019)	20
Watmough Bay Preserve (1993 - 2009)	12	Double R Bar Ranch (2020)	130
		BLAKELY ISLAND Crowley (SJPT) donation (2011)	80
TOTAL	5,023	CRANE ISLAND Pole Pass (2005)	1
CONSERVATION BUYER SALES		HENRY ISLAND Mosquito Pass Preserve (2003)	21
*Historic Lower Argyle Lots (2002 & 2003)	2	SHAW ISLAND	
Odlin South managed by SJC Parks	100	Tharald Historic Homestead (2002)	
SHAW ISLAND		WALDRON ISLAND	
*Shaw Island (2005) sold with a forever wild	30	Pt. Disney (2000)	171
ORCAS ISLAND		Waldron Community Land Trust (2004)	13
Guthrie Cove Reserved Life Estate (2004)	80	TOTAL	2315
*Acquired for full or partial inclusion in the Conservation Buyer Program			

II.A. Stewardship & Management Fund 1031			Proposed		
Revenue and Expenditures 2019 - 2021 and			Amended	Proposed	Proposed
Proposed 2022 and 2023 Budgets			2021	2022	2023
	2019 Actual	2020 Actual	Budget	Budget	Budget
Revenue					
Beginning Operating Cash	1,074,901	1,060,877	858,526	1,261,526	933,852
Beginning Endowment Funds	3,480,232	4,079,007	4,624,055	5,128,555	5,633,055
Investment Interest	80,775	45,048	23,000	4,500	4,750
Interest on interfund Loan to CAF			6,450		
Grant Revenue	17,238	2,423	15,533	170,641	66,735
Sale of Plant Materials	8,822	8,697	12,000	12,000	12,000
Judgments & Settlements	30,000				
Lease Income	15,116	28,982	18,600	27,400	27,400
Refund Prior Year Expenditures	7	124			
Private Gifts, Bequests	2,350	8,935	2,000	2,500	2,500
Sales Tax Remittances	469	698			-
Reimbursement from CARES		795			
Interfund Principal from CAF			565,000		
Endowment transfers Conservation Area Fund	518,000	500,000	500,000	500,000	500,000
Operations transfers Conservation Area Fund	1,166,568	1,522,491	1,614,863	1,663,309	1,913,208
Total Revenue	6,394,477	7,258,078	8,240,027	8,770,431	9,093,500
Revenue net of reserves & investment interest	1,839,345	2,073,145	2,734,446	2,375,850	2,521,843
Expenditures					
Ending Operating Cash	1,060,877	858,526	1,261,526	933,852	141,751
*Ending Endowment Funds	4,079,007	4,624,055	5,153,505	5,633,055	6,137,805
Land Bank Stewardship & Management	960,050	1,410,276	1,064,745	1,116,711	1,198,226
Information Technology Services	33,293	41,904	55,042	51,475	52,476
GIS Services	6,812	4,779	6,934	5,873	6,827
Management & Maintenance	207,566	226,863	428,275	556,465	744,415
Site Enhancement	46,872	91,675	270,000	473,000	812,000
Total Expenditures	6,394,477	7,258,078	8,240,027	8,770,431	9,093,500
Expenditures net of reserves	1,254,593	1,775,497	1,824,996	2,203,524	2,813,944
*Ending Endowment Funds provide for the stewardship, care, restoration and maintenance of acquired real property interest. (SJCC 2.120.090.B.2)					
Expenditure Notes:					
Management & Maintenance and Site Enhancement are costs to evaluate preserves prior to restoration projects or public access					

District 1	2022	2023
Professional Services		
Beaverton Marsh		
Engineer for Culvert Removal	10,000	
Engineer for Dam Assessment and Plans	65,000	20,000
Ecologist for reservoir/riparian restoration	5,000	
Kellet Bluff		
Cultural Resource Assessment		10,000
Repairs & Maintenance		
Beaverton Marsh		
Fence Removal	2,200	
RH Road Culvert extension	1,200	
Taylor Way Rd	5,000	
Forestry	10,000	
Cady Moutain		
Woodland/Forest Restoration	10,000	
Limekiln		
Forest/Woodland Restoration		5,000
Mount Grant		
Wolf Tree Ridge (LSR Grant) Restoration	5,000	5,000
West Basin road repairs	20,000	
Zylstra		
Entrance road ditching, shaping, repair	10,000	
Riparian restoration	12,500	10,000
Capital Improvements		
Beaverton Marsh		
Taylor Road Maintenance	5,000	5,000
Phase II Trail	40,000	
Phase III Trail	4,000	12,000
Phase IV Trail		250,000
Cady Mountain		
Phase II Access	6,200	20,000
North Neighborhood Trail & Bridge	2,250	
Office/Drigg's		
Native Plant Project	15,000	2,000
Parking		
Mower and tool shed		
Shop Electrical	2,500	
Upstairs Remodel		
Bathroom Conversion		15,000
Office conversion		3,850
Storage		
Mount Grant		
Base Parking/Trailhead	30,000	20,000
Mid Mountain Trailhead	25,000	
Summit interpretive project	20,000	
Accessible trails at summit	5,000	
Zylstra		
Bridge		10,000
Bird Blinds		12,000
King Sister Trail Connection	2,500	
Toilet/Tech Restroom		25,000
South Trail Connections		
NW Culvert Repair or Remediation		100,000
Mt Ben		
Road		8,000
Trail Construction	1,500	1,500
Fence	2,250	
Signage	6,000	
View Easement	5,000	5,000
Staff Parking	7,500	

District 2	2022	2023
Professional Services		
Coffelt Farm		
Water system	2,500	
Wetland Deliniation	8,000	
Cultural resources survey	7,000	
Judd Cove		
Wetland Deliniation	5,000	
Cultural resources survey	5,000	
Stonebridge		
Restoration Concept	3,000	
restoration design		5,000
Turtleback		
culvert assessment, design, permitting	15,000	15,000
Cultural resources survey	8,000	
* Forest Assesment acorss all preserves	29,000	
Repair and Maintenance		
Coffelt Farm		
contracted veg mngt	5,000	
fencing repairs	5,000	5,000
Coho		
directional felling		10,000
Crescent		
contracted veg mngt	5,000	10,000
Deer Harbor		
contracted veg mngt	5,000	5,000
Eastsound Waterfront Park		
concrete demolition		5,000
Turtleback		
contracted veg mngt	5,000	10,000
* Forest Mgmt across all preserves		265,000
Capital Improvments		
Coffelt Farm		
trail, perimeter fencing, building improvments	45,000	25,000
Deer Harbor		
Split rail fencing	10,000	
Fowlers Pond		
dam control repairs	15,000	
Judd Cove		
channel stabilization		60,000
Turtleback		
S and N entrance restrooms		80,000

District 3	2022	2023
Professional Services		
Channel Preserve		
forest assessment	3,000	
FB Spit		
Tree removal	1,200	
Richardson Marsh		
wetland survey	5,000	
Repairs and Maintenance		
FB Spit		
Driveway repair	6,000	
Lopez Hill		
Driveway repair	3,000	
Watmough Bay		
Bouy repair	1,800	1,800
Capital Improvments		
Channel Preserve		
interpretive sign	1,500	
FB Spit		
entry work and split rail	4,000	
Signs		2,000
Lopez Hill		
Parking lot upgrade		6,000
Signs, trail	2,500	
Richardson Marsh		
Signs, trail	500	
parking lot		5,000
Weeks Wetland		
Boardwalk	4,500	

STEWARDSHIP & OUTREACH REPORT

SEPTEMBER 2021

OVERVIEW

Eliza has long been a resource for community members interested in enhancing native habitat on their properties. For the past several months, she's been working behind-the-scenes to help island residents with this shared interest connect to each other and share information. The group recently coined a name for themselves – the Camas Club – and launched a website. Anyone is welcome to use the site to ask questions, exchange resources and ideas, and organize plant and seed swaps. [Visit Camas Club here.](#) While monitoring conservation easements, Erin has shared the website repeatedly as a resource for backyard habitat enthusiasts. During these site visits she has also enjoyed learning more about how easement properties have provided for the community. For example, The Olga Community Club greenspace (protected by a conservation easement in 2005) has been used by the Chamber of Music for outdoor concerts and more recently was the site for an outdoor meeting with Debra Lekanoff. Conversations continue among members of the Terrestrial Managers Group about acquisition proposals for the Land and Water Conservation Fund, and about how funds from House Bill 1168 can help advance forest health and wildfire preparedness in the islands. The JEDI committee met with staff from the SJI Family Resource Center and discussed ways in which the Land Bank could support their various initiatives and help to bring more youth outdoors. Opportunities abound!

OUTREACH

Staff: Tanja Williamson

Tanja has partnered with the entities such as The Conservation District and Friends of the San Juans to develop several events on preserves. This fall, the Land Bank will host activities for the Great Islands Clean Up, scheduled for September 25, and for Orca Recovery Day on October 16. The Adopt-a-Preserve initiative, a collaborative effort with Island Rec and the SJI Trails Committee, is on track to launch this winter. She also recently met with the San Juan Island Library to discuss hosting a Story Walk. The concept involves posting pages of a children's book along a trail, and as families walk the path, they also engage in a reading adventure. Internally,

she's provided outreach materials for the nursery sale and hunting season and helped Aaron produce the Land Bank's 2022-2023 Budget Book. The communications subcommittee met and drafted a schedule for another Community Conversation on November 10th. This time the event will be county-wide.

SALISH SEEDS NURSERY

Staff: Eliza Habegger, Margo Thorp

The online Fall Wildflower Sale kicks off on Friday, September 10th and extends until Friday September 17th. Plants can be picked up on Orcas, Lopez, and San Juan on October 2nd. This year the sale features larger quantities and more species than ever -- two dozen! Prices are set to reimburse the Land Bank's cost of production. This winter, Aaron will help to review the nursery's finances and practices to ensure that prices are accurately set. The SJPT has initiated fundraising for the new shed and greenhouse and helped with some on-the-ground necessities. Ruthie took the controls of the SJPT tractor and helped the Land Bank team with dirt-moving and levelling at the Salish Seeds Project nursery at Red Mill Farm.

DISTRICT 1

Staff: Doug McCutchen, Charlie Behnke, Jacob Wagner, Shauna Barrows

Beaverton Marsh: Open water areas, designed to enhance habitat for winter waterfowl, have been created by mowing swaths in the marsh. These clearings are visible from Beaverton Valley Road and are modeled after efforts made in the area by the SJPT. The Shephards, lessees of the agricultural area along Roche Harbor Road, have been rotating their flock of sheep across pastures, and removal of brush from trailhead area near at Linde Fields has begun. Staff will team up with Pete Kilpatrick to deconstruct the cabin onsite, and geotechnical consultants are slated to drill test holes for the marsh bridge crossing at the end of the month.

Cady Mountain: The well (behind the decrepit cabin) has been decommissioned (Photo 3)! A collaborative meeting with neighbors and the SJI Fire Department has been scheduled for the end of the month to discuss burning the cabin as a training exercise. The WCC supervisor crew will perform a tree felling and forest thinning workshop this fall, and Doug has done a tremendous amount of work to prepare the event.

Driggs Park: The section of lawn between the Driggs House and Caines Street is undergoing transformation. A grassy strip near the entrance has been covered with a black plastic tarp to kill grass and seeds in the top layer of soil. This area is slated to become a low-mow native wildflower meadow and although the process takes awhile -- the tarp won't be removed until fall 2022 -- this restoration project will reduce the need to mow and demonstrate that attractive native species that boost biodiversity are desirable alternatives to lawn. (Photo 4)

Deadman Bay: This past month staff carefully disassembled elaborate driftwood forts, hauled away the remains of a small boat and removed Italian arum berries.

False Bay Creek: Cattle have been moved off the western pasture, and the lessee will mow the area to promote spring growth and improve soils. Cattle will be fully removed from the Preserve in October.

Frazer Homestead: Charlie, Shauna and Jacob felled hawthorn in the southern pastures because they grew too thick for a mower.

Kellett Bluff: Staff visited the Preserve on a beautiful day and focused their efforts on eliminating holly, removing wire cages that had served their purpose, and admiring an exceptional crop of acorns.

King Sisters: Staff cleared blackberry brambles away from the hay barn and again admired an exceptional crop. In the historic orchard, plums and pears are ripening.

Mount Grant: Jacob traversed the Preserve's western basin and flagged the hunting area boundary to ensure high visibility. Archery season is open, but only one person has registered thus far. The aluminum cistern lids are scheduled to be installed on the summit later this month.

Westside: After a busy summer of use the Westside preserve remains in good shape. The leaves are starting to change color on the bigleaf maples and oceanspray with the onset of fall.

Zylstra Lake: Gravel was delivered and will be used to finish the turnpikes. The water level of the upper lake continues to drop, and shorebirds have been seen along the exposed muddy banks. Staff continue to monitor blue-green algal blooms for signs of toxic cyanobacteria; Shauna recently sent in a water sample for analysis and the test result came back negative for toxins.

DISTRICT 2

Staff: Peter Guillozet, Kayla Seaforth

Coffelt Farm: Kayla cleared reed canary grass from around the plants within the riparian restoration area to release them from competition, and in hopes the clearing will discourage the super-voles that live around the site from making a meal of their tender shoots.

Coho: Staff cleared an alder that fell into one of the upland restoration areas and repaired the fence that was subsequently damaged. Although deer feasted on the native plants prior to the repair, staff remain confident that the plants will rebound back because they've demonstrated impressive growth over the past two years (Photo 5).

Crescent Beach: Kayla removed invasive trees in the forested uplands as a part of an ongoing effort to control invasive single-seeded hawthorn and English holly.

Deer Harbor: Staff refined the design of the turnpike that the YCC installed earlier this summer to make the path more friendly to those with limited mobility.

Judd Cove: Staff cleared two trees that fell across the trail following strong winds.

Turtleback Mountain: Peter submitted a request to the Conservation District for funds to implement several small-scale demonstration projects that aim to accomplish goals set forth in the recent forest health assessment. Projects outlined include shaded fuel breaks, selective thinning in overstocked stands and oak canopy release. These demo projects are intended to refine implementation practices and cost estimates, demonstrate feasibility, and provide preserve users and the general public with insight into forest management practices that may occur in the future. Staff also met with neighbors onsite of the burned area and discussed restoration plans. The neighbors are enthusiastic about restoration and while soil conditions range from fair-to-poor staff are excited to see what native flora can be established. The neighbors have also generously granted access to the Preserve via their driveway which cuts down on travel time significantly. Shauna and Skyler joined Kayla for a day of oak seedling maintenance. They replaced and extended protective cages, removed competing vegetation, and selectively pruned the young trees to encourage vertical growth. Staff also continue to remove weeds in the established restoration areas, including the OPALCO powerline corridor, and Erin is working to update to the Preserve Management plan.

DISTRICT 3

Staff: Amanda Wedow

Channel: A sturdy crew from DNR has been removing creosote logs from around Lopez, and throughout the Salish Sea. They recently visited the Channel Preserve and hauled off the remnant logs that once lined the trail.

FB Spit: Amanda met with Scott Harris from the [Institute of Applied Ecology](#), an Oregon-based scientific research organization. The IAE is conducting a long-term (four year) study of control methods for Italian arum. They have two sites in Oregon and are considering the Fisherman Bay Spit as another area for research. Amanda was also notified that a tree had fallen and blocked off Chestnut Lane, and she cleared the roadway with assistance from County Parks.

Lopez Hill: The Lopez Conservation Corps completed their field season with one final trail project. In preparation for opening the Preserve for hunting season, staff posted signs, provided neon vests at four entry points and responded to inquiries. To date, 30 hunters have requested permission for the limited duration season (September 1 – October 31). After a neighbor reported trespass by hunters at dusk and the discovery of deer remains the following morning, Amanda reached out via email to all registered hunters and again shared the map that displays preserve boundaries, even though it is unclear if the individuals came from Lopez Hill.

Richardson Marsh: Staff has conducted several site visits and started to draft an interim management plan.

Upright Head: Staff met with employees from the Friends of the San Juans and the Coastal Geological Services to discuss naturalizing the pocket beach adjacent to the ferry landing. Coastal Geological Services assessed the current stabilization infrastructure, took measurements and will follow up with a feasibility report (Photo 6).

Watmough: Mooring buoys are a popular amenity and in short supply as boating traffic has increased (Photo 7). In 2013 the Land Bank, with assistance from Friends of San Juans and a Salmon Recovery grant, installed several buoys to protect the bay's eelgrass beds from anchors. Staff recently received an email from a boater who appreciated the service and lamented how difficult it can be to find one available. He wondered if it could be possible to install more. However, maintenance costs and repairs continue to be high. For the third year in a row, one

buoy suffered damage and needed repairs. The buoy and upper gear were recovered, and RR Mooring repaired the line. Annual inspections on the other two buoys found them in good condition.

Photos



Photo 1. Douglas tree squirrels break for caching seeds and groom each other on an easement property on Orcas.



Photo 2. An inside peek into the Buyer Packet industrial complex.



Photo 3. Decommissioning the dug well at the Lester cabin, Cady Preserve



Photo 4. Tarping the side lawn at the main office



Photo 5. Pacific ninebark at Coho following deer intrusion into the fenced restoration area.



Photo 6. Coastal Geological Services visit Upright Head beach



Photo 7. Boats in Watmough Bay

Transcript of Interview w/Amy & Eric Lum 8.17.21

Conducted by Land Bank Commissioners Sandi Friel, Christa Campbell and Doug Strandberg. Charlie Behnke in attendance. Transcribed by Sandi with minor edits for clarity.

[Sandi]: Before we start into the questions, I just wanted to clarify for anyone watching this video in the future - this is not an interview to determine the suitability of Lums for a long-term lease. We have asked them here to share their experience on the land (Coffelt Farm Preserve) over the past few years to help inform us. What's possible? What needs attention? What may or may not need investment? They have generously agreed to supply us with their information and ideas and experiences. And this does nothing to provide favoritism to the Lums when and if they apply for a long-term lease, I just wanted to get that out there.

[Sandi]: So first off, thank you for both of you for being willing to share and for the level of detail and clarity provided in the (written) interview questions. If Doug hadn't come up with more questions, I was kind of okay, what are we talking about? So I think that's really, that's really great. And thank you so much for taking the time to do that. So I'll review some of the follow-up questions that Doug came up with. I did send these to Amy last night so they would have a chance to ponder them if they had any time as opposed to just catching them off guard. Not that there was a lot of time to do that. So first off, you indicated you're pleased with the growth of the farm. What has been the growth? What do you consider the growth? Is it expanding production? And what kind of a percentage has it expanded?

[Eric]: I'm not sure I'm going to be on able to answer that percentage-wise or whatever. But the growth, we moved here having a bunch of little small operations scattered around. And consolidating it, we had wanted to have the goat dairy and we were able to basically move the whole operation to one place and then expand those aspects, like the goat dairy, expand our numbers of cattle. Expand our numbers of sheep somewhat, expand numbers of goats, and definitely our laying hen and broiler production. All things that we've kind of wanted to do, but have not really had a place to do it in a reasonable scale that, you know, provides some chance of making a profit at it.

[Sandi]: Got it.

[Amy]: The other piece I'd like to add to that is before we came here we didn't have a place, we had just the farmers market for actually marketing our products, which is very seasonal. And then we did also work with restaurants kind of on the side, but we didn't really have any way to expand to reach a customer base. People loved us at the farmers market, but it was very difficult to find us outside of the farmers market. And so, because everything was everywhere, coming here it just felt really, really nice to have everything all in one place and we were able to say you can find us here at this at this place. And so, really working on building up our relationships with our customers that we knew before. And generating that excitement about having our stuff available more than just at the Farmers Market on Saturday afternoon. And so that growth of our customer relationships.

[Sandi]: Got it. Doug, does that answer your question about (growth)?

[Doug]: Yeah, it does about that. The follow-up of that was my question as to whether or not that (growth) has caused you to have a need for more repairs, create more infrastructure. Any things along those lines or were you able to basically utilize everything that was there without much expansion?

[Amy]: We've been able to utilize what's been here. Having the short-term year-to-year lease, not knowing will we stay - we don't know, there's so many factors. And you know it was supposed to just be a year and a half. So everything we did bring, we have a lot that's portable. Plus our mode before was very portable because we had animals pastured over the island, so we were super grateful for the infrastructure that was here. We've improved on some of it to make it work better for us and hopefully, you know make it better for the Land Bank as well, and we've kind of continued with our portable mode.

[Eric]: And also I mean, it wasn't part of our lease that we were... Well actually there were a few odds and ends in our in our lease that were upgrades already in process that we were expecting and that has continued. And I mean that's one of the things that I've noticed is it's been really difficult for the Land Bank to get contractors to do things and to do them well. It's partly been a timing issue of Covid. But partly it's just the whole bidding process -- working for the prevailing wages and affidavits and stuff is more cumbersome. And there is so much work available in these islands right now that contractors kind of don't want to bother with all the extra steps of the bureaucracy. So Peter (Guillozet) has had a heck of a time finding people to even respond to bid requests. And I don't necessarily think that's going to get a whole lot better in the future. So that's something to consider - just the ability to for the Land Bank to get projects taken care of infrastructure-wise. Maintenance is difficult and also seems to be fairly expensive. It takes a lot of Peter's time. I was thinking that it's much more efficient to have the lease - a long-term lease - include a way for the lessee to be able to do a lot of that maintenance work, and I think it could be done for just as well for less money, and a lot quicker.

[Amy]: We haven't found we've needed new buildings or anything like that.

[Eric]: And what we have invested in mostly is like chicken tractors and the portable hen houses and we have we have invested some into the dairy and making a storeroom. We weren't asking you guys for any of that. We're just taking that out of pocket. The lease rate is fairly reasonable right now and just viewing it as a commercial lease, you present what's here and then we can do what we can with what's already existing and you know, work within the parameters that are already here.

[Amy]: Yeah, I view the one thing infrastructure-wise that would probably make the most sense for adding would be a bathhouse or water in the farmstand area. But a bathroom, maybe a bathroom and a shower because even like the Land Bank office here is using a porta potty. So to have a just a bathroom would be probably a really good thing without having to go down to the barn. That's not like a giant commercial kitchen, multifunction building. Just a bathroom. And I don't know what kind of investment that would be. That's just something and a porto potty's fine, you know, but if it would serve the Land Bank and you know, there are groups that come and camp and stay here, and suddenly the porta potty is overflowing, you know, so it happens quickly.

[Eric]: The Washington Conservation Corps and the youth Conservation Corps have camped here. They're volunteering helping the Land Bank on stewardship projects. And then they camp here and use that. It happens a couple times a year at least for a week at a time.

[Amy]: But there's no sink, it's all porta potty and porta sink for washing hands. So I observe that as being something that would be mutually beneficial for the Land Bank and for us but we don't really have people spending the night, you know, camping like that in programs. We just have people to stop at the store and a porta potty is fine for that. Well, our class activities, a bathroom would be great. So that's one place where I see that could be an infrastructure need that would be really useful.

[Sandi]: Okay. Thank you for that suggestion and kind of clarifying what rises to the surface, that's helpful. So you said (in your written answers) that you see the potential of reaching a secure level for the farm, and in looking forward to reaching that level, can you foresee specific needs for repair and maintenance and infrastructure? Beyond the bathroom, which we get that part. But in order for you to have the farm operating smoothly, at a secure level because we want any lessee to be successful there, are there other infrastructure repair needs, you know, other important things that would need to be done in order to help ensure that success.

[Amy]: Electricity?

[Eric]: Yeah, so it's been on the list all along is and it probably is something that should have been addressed, you know, relatively soon after you guys acquired the property. The electrical system on the property is Vern working for Opalco and kind of daisy chained one thing into another and I think most of it was done without any permits or whatever. And so there's a lot of the electrical running throughout the farm that is substandard, and it's a fairly expensive, fairly involved project too. And Peter's worked on a few bits and pieces of it. And again, trying to get the work done has also been really cumbersome to figure out a way to get it done. Now, for instance, right now the main barn runs off of the same meter that Sydney's house runs off of and the power gets there in kind of a daisy chain of underground wires that I know at least one spot it's just more or less wiring added together in a non-approved box that's got a piece of plywood over the top and then it runs from there from the main barn, to some of the other sheds overhead on, I mean ancient wiring that's not properly grounded. And so, you know, it all kind of it all works. We can get by with what's there.

[Amy]: If you have a lessee, who isn't really up on electrical ins and outs, that could be more challenging. You (Eric) have a fair amount of understanding of how electricity works and how it all goes together, and how it goes together here. So that's been helpful because when there is something we can usually figure it out and then work with Peter. But you might not always have a lessee who's able to figure that out.

[Eric]: And there's, there's especially, you know, for a county entity owning it there's some liability attached with having a lot of substandard wiring, you know, switch boxes that have no covers and you know, that you could kids could easily put their fingers into. And, you know, they are kind of all over the farm.

[Doug]: Eric and Amy, I was very concerned when I read that. Is there anybody that's done a complete assessment is that is or is that something even you guys are capable of doing?

[Amy]: Well we're not electricians.

[Eric]: No, Peter and I have walked around and, you know, he tried to get some interest from an electrician to come even take a look at. And got nowhere that way. And came up with an alternative solution, which was to have the county electrician come over and work on it, you know, and have one department of the county bill the other, and so there was a person named Matt who was an electrician working for the county. He did a little bit over here, but then he quit that job and moved to a Opalco. And they've (the County) hired a new person who is a handyman, but not an electrician. And so that whole project kind of came to a screeching halt.

[Amy]: It's really hard to find someone to come and do that work and that's part of it.

[Sandi]: Possibly we need to be looking off island or something.

[Amy]: Just as far as identifying areas that (the electrical) would be really wanting to be looked at.

[Eric]: So that's probably the biggest, you know, health and safety issue that I see here on the farm.

[Sandi]: So that's the biggest... what other health and safety issues are there needing addressed?

[Eric]: Well, there's some minor things that were talked about like in the house that we're in right now. It was kind of an owner-builder and you know our contractor friend kind of looked at it and went 'you know, there really should be a range hood over the range' and you know, some little details that I mean we're not terribly concerned about but again, as a County entity and County landlord, I don't know if you have... We kind of feel like as far as our farming standards, that we're trying to maintain a higher level here then because you're constantly being watched from all directions. And so everything you have to do you need to make sure that you're doing it all above board.

[Amy]: On the licensing and permitting and everything, you know, the insurance, and so that part's all good and so it's just the little things.

Eric: And part of what has gotten you guys in a little bit of hot water is how in the past, there was lots of things that should have been permitted that were just kind of done and not necessarily done right.

[Amy]: So it's a little bit of a backwards - a backstep. You know, we don't need new building, you know, if you're kind of angling that way. Like I know and I think you could say the lease includes the infrastructure that's here, and that's what you work with. I think you could put out a long-term lease that way. I don't think you have to build new buildings and have lots of fancy bells and whistles to put out a long-term lease proposal. I think that anyone who's going to look at it can look at it and say I can work with what's here, or I can't work with what's here.

[Sandi]: Christa, you had your hand up.

[Christa]: Yeah, so I have just a couple questions since we're kind of talking about infrastructure. We've been talking maintenance. But so looking at the topic it was asked about housing (in the written interview questions), how many people that you need to work here part-time and I just so I was just kind of curious, so if we were looking at farmworker housing, obviously, that would be new infrastructure, not maintenance of an existing building, but I wanted to get some clarity on your numbers. I know a little bit about farm housing and if you build those types of facilities, how many people, etc. But so you're saying that during the winter and fall, you need usually four to five full-time employees. And then you said you managed so far with four. So when that four to five, or where you say seven full-time during the summer, does that include you two?

[Amy]: Yes.

[Christa]: Ok so it would be actually, so it would be five plus you guys, or two to four plus you guys, in general.

[Amy]: Correct.

[Christa]: Okay, because I think that will be an investment into infrastructure that it would be good to kind of get a feel for if that farm is in production, how many employees would a farmer be looking at having. And you guys have been lucky enough to find them locally, which has been great, but that that may come up for discussion. So I'm just kind of trying to get, we're looking at what the capacity or the need is for that particular parcel, to know how big a facility if we had won the lotto and we could put in housing, are we trying to house 10 or 20? But it sounds like it's a half a dozen, something like that.

[Eric]: Yeah, and I'm not sure that it's in your best interests to build another structure and then have to maintain it and oversee it. That doesn't seem to be one of the Land Bank's strengths.

[Sandi]: I think it would be through Opal, you know, Opal has expressed interest, you know.

[Christa]: I think knowing what the size might be that would meet the general need.

[Amy]: So a farm this size.

[Eric]: I mean, we're doing a lot here. You wouldn't necessarily have to do as much and you wouldn't necessarily need as many people depending on what your farm model was. But I mean, we've chosen to try and have this, you know, quite busy diverse farm. And it requires people.

[Christa]: And I think therein lies the big question is trying to create an environment and maintain a facility and a property so that someone can come in and have a farm, but we're not trying to develop facilities that could accommodate any model. We need to know what we can do, and then whoever the farmers are need to see how their model might fit into the facilities that we have right now. It's kind of getting a sense of what's what you guys have been doing, what's possible there.

[Amy]: In the future, you will have another building available, right? Sydney's house. And that would provide everything needed right there.

[Christa]: I don't disagree with that either. That was one of my questions and I was wondering about something else related to the infrastructure...we should maybe talk about how you create a lease, because I'm not sure how you, the prevailing wage and those things that the county has to do if it's an expense that the Land Bank is paying for, they are required to hire someone to do the work that's being paid a prevailing wage. If it's part of an agreement that the long-term lease says the farmer will do basic maintenance and repairs at their cost, not asking for reimbursement, but your cost is a farmer cost of operation, then I don't think those same requirements apply. But I don't know.

[Amy]: That's a legal question, right?

[Eric]: Yea, that's one for the attorneys. And that was the hope that you can bypass some of that, so that it's more streamlined and put more responsibility (on the Lessee). I mean, commercial real estate in general, the owner presents what they have and then the lessee does improvements, changes things and it's all on their expense and I don't think that they have to do all the bids and prevailing wages even if it's a county-owned property, but that's again, you have to talk to the attorneys about that.

[Christa]: Who pays the bill? Who pays the bill for the service?

[Amy]: So if the lessee is paying the bill for the service then I wouldn't think they wouldn't be under those same regulations.

[Sandi]: So, that's a question that we could investigate.

[Christa]: Yeah, so that sounds like it has been kind of difficult in the short-term lease. That's been what you've said that at prior meetings, right? It's availability of people who can do the work, but then having to make sure they fall within that, you know, you just can't go out and do it yourself.

[Sandi]: I think, too, that you brought up a really good point, Eric - that the cost to us isn't just the money that we would outlay, it's the staff time that it's taking to try to manage these things.

[Eric]: Yeah. I know Peter put a lot of time into that heavy use area that he really shouldn't have had to. I mean, he was managing the bidding and all the work that happened there.

[Amy]: He did great. It was more than he should've had to do.

[Sandi]: Okay. Thank you. Can I continue on, Christa, or did you have something else?

[Christa]: No that was it, that was coming up related to what was being said so...

[Sandi]: Yes. Good. Okay. So this might be kind of hard to answer, but can you provide some kind of a range, a reasonable high lease rate with offset for maintenance, repair and upkeep and what a lower lease rate would be if the tenant is responsible for upkeep and maintenance and repairs.

[Amy]: That's the million dollar question!

[Eric]: And we have a consultant working on that right now.

[Sandi]: That's right.

[Eric]: Yeah, and so I'm not sure how he's framing that as far as what the least rate would include. I know he's trying to come up with a lease rate, but I don't know whether he's including upkeep on that or not. I mean that's a good question.

[Christa]: I think that's kind of a difficult question to ask them.

[Sandi] I agree.

[Christa]: I'm okay with...

[Doug]: Yeah that's my question.

[Christa]: I know it's your question and...

[Amy]: I'm uncomfortable answering it.

[Sandi]: Yeah. No, I agree.

[Amy]: I don't know. I really don't know until Mr. Strickland comes up with his assessment and you guys are paying for him to do that. It feels premature to throw numbers out.

[Sandi]: Agreed. Okay, nice try, Doug!

[Doug]: Okay, but what I want to know is, have you been able to have input with Mr. Strickland?

[Eric]: Yes. I was here when he walked through and he's actually asking me for lengths and condition of fences. And also on a side note, I was one of the people who was asked for what other farm leases are happening on the islands here. And since we've been using a lot of other properties, he was interested in what we pay for those other properties and what we are getting from them. So there's a whole list that I'm giving him on that front too.

[Charlie]: On that note, I gave Fred (Strickland) a long list of all the farmers with leases in the islands, that we could come up with.

[Eric]: To go back to the numbers, I am comfortable saying that what we're paying now seems fair. So I probably can't say too much more than that as far as ranges. And you know, if it were..

[Amy]: If it were more, we would hope to offset it, right?

[Eric]: Right. And it's a fairly reasonable lease rate that we're getting now, on the face of it, and we do a lot of odds and ends and repairs to the infrastructure. I'm not sure how much you know of the problems that have come up - the irrigation storage tank up on the hill, the fitting through settling and time broke off the bottom of that. And, you know, so I took my excavator up there and opened that up and repaired it. And there's been, you know, multitudes of things like that. That I just go ahead and fix just because

it's quicker easier, and you guys aren't, you know, if you were charging two or three times as much in lease then I would be on the phone saying 'Come fix it'.

[Sandi]: Understood. So do you think that it's practical for the Land Bank to budget up to a specific amount of money - an annual amount for the Land Bank needing to invest in repairs and maintenance? I know this goes back to the how the lease rate is structured, but we're just trying to get a general sense, as to would we be able to come up with a fixed number. Did I ask that correctly (Doug)?

[Eric]: I've thought about that one. And yeah, I mean, it probably wouldn't make sense to have a fixed number. I do think there needs to be some sort of, you know, contingency fund. And I'll spit it out here now, I've thought about whether to bring it up or not. But you know, at some point like the septic system for Sydney's house, which also serves the barn, may fail, may need to be upgraded, that's going to be a large expense so you couldn't actually account for something like that in an annual budget.

[Sandi]: Right. And that will hopefully be informed by the inspections we're getting that Fred Strickland is doing to kind of gauge what some of the bigger items could be. So you're saying as far as a set amount...

[Eric]: Yeah. I mean, you could do, you could probably budget, you know, a set amount for, I don't know whether... And this is this is again kind of up to you guys, if you want to be responsible and include fencing in and what's offered for infrastructure on the property or whether you want to just say, we're not going to do fences and if you want fences... You know if we have a long-term lease, then I can see, putting some money into fences but you know, year-to-year obviously, we're not going to spend any significant money. I mean, we did actually on our dime, do two-thirds of the market garden fence. And another chunk of it we'll end up doing, just because what was there was totally unusable and we wanted to have that be something that was functional. And so there's some of that that we will just do. And you guys could spend the sky's the limit on fencing, or you can just decide that that isn't part of what you guys want to spend money on and leave it up to the farmer. And, we're primarily using portable electric and

[Amy]: Other farmers can do the same

[Eric]: Right. And kind of likewise with the whole water system, you guys could spend a lot of money upgrading the water system, or you can say, well, what's here is here, and you've got plenty of quantity and good quality water coming out of the spring, it's just not legal for the dairy and it's not legal for a commercial kitchen. And there is the dairy well that has a small quantity of water that is legal for the dairy, but is not enough volume for a commercial kitchen. So if it's left, there's not an option for commercial kitchen, but if you if you do that upgrade, I don't know that you'll ever recover the capital cost on the increased value of what the lease rate would be.

[Christa]: What well is going to Sydney's house? Is that a different?

[Eric]: That's actually all on the original spring system, spring water system, which is a great spring, but it's just through errors and omissions it didn't get permitted for commercial use before they the

department of ecology eliminated surface water sources as being legal. It's gravity down into a storage tank, a cistern, and then it's got a particulate filter going into that. And then it comes out of that, it goes through a UV sterilizer, and it's great water, and there's plenty of it.

[Amy]: It just isn't legal just for commercial.

[Eric]: Right, and I mean that's the primary water source on the property. The dairy well only produces actually, I think it's the well test was, I'm forgetting...

[Charlie]: I think on paper it's around 300 gallons a day.

[Eric]: Yeah, 290 or something. But in reality, in the dry times, we've been having a hard time getting more than about 180 gallons a day out of it. Which is adequate but barely adequate for dairy operations as we're running them now.

[Amy]: We're careful.

[Sandi]: Got it. So, if we could move onto, if we could discuss the area at Sydney's house, and the area surrounding that, Doug came up with a few questions. I think the first question, Doug, is already answered in that the way the Lums are operating the farm. That that portion (the life estate area) of the property is not necessary for their current operations. But at the conclusion of Sydney's life estate, do you believe it would be practical/desirable to separate out the house and surrounding land from the farm. So the Land Bank could sell the house separately, reducing its financial investment, possibly making it feasible to either sell the farm to a farmer committed to continuing farming the property under a cover covenant, or long-term lease the farm for a significantly lower fair market value lease rate. Okay, that got kind of long. I guess the question is, as we look to the long long-term future of what to do with the farm when things shift and the life estate portion becomes available, do you think that it's desirable to fold that into an overall farming operation or is it non-essential for say, the level of operations that you have now or would want to do in the future?

[Amy]: I think that Sydney's house is the heart of this farm and the property. And I think, if you separated out the house and you made this little island that you sold to someone unrelated to the farm, I think that would be tragic. I think that that house, it's got so much storage space. It's got space for a farmer with a family to live. The farm manager's house that we're living in barely fits our small family. If you have employees that you're thinking of farmworker housing, there it would be. I just can't even fathom that you would sell a house in the center of a 200-acre farm. This is like, it's just beyond imagining.

[Sandi]: I can't imagine. I guess Doug is...

[Amy]: 100% in a circle around that house is where all the farming activities are. It's noisy, it's active and we don't obviously use Sydney's house because Sydney's living in it. But a farmer who would want to lease this place would want, you know, in the future, would definitely benefit by having that house as a part of the farm. I just think it would be absolutely foolish to pull that house out. You'd be better off selling the farm manager's house.

[Doug]: I think the reason for the question - and I appreciate your answer - is I was looking to see if there's any way in which the Land Bank ultimately would not be the Lessor the property and we have over 1.5 million dollars invested in the property right now. I just wanted to pursue that. I'm not surprised at your answer. I've been out there several times. Not since you've been there and the pandemic, but I, just was kind of looking to see, is there any possible way in which that farm could, you know, without some serious, grant money or something be in the hands of farmers, like you.

[Amy]: Yeah, in today's real estate market, that's a tough one. Yeah, probably not. That would be a dream, but you know

[Eric]: Which is why we're grateful to the Land Bank for having purchased this. If you guys hadn't purchased it, it would probably already be in six pieces and no longer the gem that it is.

[Amy]: And so the opportunity for us or for another farmer or a group of farmers or you know, whatever someone could envision to make go here. I mean, there are so many possibilities. This is what we've come up with. It's just, you know, our goal was let's come up with something and make it work and show that this farm can be a profitable successful farm operation, is it possible. And in spite of or maybe because of Covid, we're finding that I think it is possible. Instead of, you know, our success, you know, it's our little bit in the

[Eric]: We're essentially a new business and we're expanding and so we're actually, you know our net income is we're using any of our extra income to reinvest in the business and expand it. So, you know, we've got more livestock. We've got more equipment. We've got more

[Amy]: And whether we're here or not, whether we're here or whether we're somewhere different, you know, I think we've found something that we're going to keep going with and someone else could come in and do the same thing. You know what I wanted to know is, is it possible for this to be a really, could you just really farm this land and be successful? And I think it is possible. You're not going to get rich but I do think it's possible.

[Sandi]: With a lot of hard work.

[Amy]: With a lot of hard work. Maybe, you know when someone might say, you know what, maybe we can do farm stays and that's a way of generating income, you know down there or whatever like depending on how, and imagine if people are, and how it jives with what the Land Bank would want. It depends on how involved the Land Bank is in managing a tenant and what's happening here. You know, I think you want to be involved to some degree so that the vision stays intact. But there's also a lot of flexibility there in that there's possibilities for someone to do even more things than we're doing. So, yeah, it's an amazing opportunity for this community to have something like this.

[Christa]: Can we talk a bit about Community benefit, can we move into that Sandi?

[Sandi]: Sure. Yep, go ahead.

[Christa]: Because I mean that seems to be for us, you know, I keep hearing that that, you know, the Land Bank is obligated to acknowledge the community benefits or create the community benefits for this site. And so I'm interested in a couple different things. One is with the facilities that are currently there, if the idea was to go and make them shareable, for someone who is the main tenant does that make sense? Like if you had enough water to do everything - it seems like water is kind of limiting some of the stuff that could happen - but the poultry processing, the sharing of tools and equipment and stuff. Like some of those types of things that are bringing in other farmers or is that realistic to have a major main tenant having their work impacted by that? Or are those workable possibilities? What's your reaction to that?

[Eric]: Yes, it is workable. I mean, we kind of do that anyway.

[Amy]: The poultry processing equipment, for another farmer to raise and sell broilers for meat, they have to process them on their own farm.

[Eric]: It's a WSDA rules. It's an exemption, an on-farm exemption, to process up to a thousand birds per farmer per year.

[Amy]: This equipment is portable.

[Eric]: Right.

[Amy]: So anyone, and we have taught, we've been teaching a lot of people how to use the equipment because they're coming in and working for us and learning and then there have been some folks who have brought their own personal flock over to use the equipment or, and I think that's part of sharing and helping other farmers. And, a farmer could take this equipment to their farm and do the processing and I guess if you were a poultry farmer and you were processing chickens every day, I think you would actually want to upgrade your equipment. This is not equipment you're going to use every single day.

[Christa]: I'm looking for a way so it's equal consideration of these things. I'm looking at how it might be done so that Peter isn't managing the rental of that equipment.

[Amy]: He's not.

[Eric]: We have been managing it. So that was one of things you guys, you know, generously purchased a bunch of equipment and a couple of the chicken coops and things from the Stewards. And that was, you know, one of the questions and it was hopefully going to be resolved before a long-term lease is, how, how are those, you know, who's responsible for the upkeep, if it is, rented out, who's doing the administration on that, and I don't... I mean, then Covid happened and everything. And so we've just kind of been, you know, I have lent the manure spreader to our neighbor across the road. I've lent a couple of tools out to other farmers on and I've been taking care of, you know, any maintenance that needs to happen. And so you guys, I don't think want to be in the position of

[Amy]: managing equipment

[Eric]: Yeah or really even owning any of that. I mean you might want to just get out from under that. So that that's not something you guys have to think about.

[Christa]: Well that's my question so that that could it be something like an equipment, if the farmers on Orcas or even in the county, if it was that portable, but they create their own Equipment Cooperative would a tenant farmer primary be okay with, say 4-H, but I don't know, some organization that creates their own nonprofit, and they maintain the equipment, they charge membership or fees so that it's there. The Land Bank property stores it, provides the facility or storage or area where it can be housed, we get out from underneath the maintenance of it.

[Amy]: I think you guys would be a lot happier to not be trying to keep track of elektranet and post hole diggers and ... But maybe the Conservation District, I think the possibility is there to have someone who is the owner of that equipment and is managing a co-op. Definitely, it's out there.

[Christa]: What I'm looking for, I guess, is as we develop a long-term lease, is that a reasonable thing to make as part of it, that it's possible that whoever this tenant is they have to agree that this Cooperative could exist there in the future and that they would share the... You know, I'm just looking for ways to look forward to what might happen and

[Amy]: I think you that it could be in there, especially if there's like a spot where that is. So it's not spread all over the farm but like here's the equipment storage shed or yard. Like, here's where the things are. And here's the number of who's in charge of the Co-op and you figure it out that way.

[Christa]: It doesn't have to be the tenant farmer either.

[Amy]: It doesn't have to be the tenant

[Eric]: Or it could be someone else entirely, right?

[Amy]: If that's not something they're interested in than they would say, we don't want to be part of that. And another farmer would or entity would need to take them but it wouldn't have to be the Land Bank.

[Christa]: But it's possible to share the site in that, in that way.

[Amy]: I definitely think so.

[Christa]: So my other question then relates to community benefit again, and you guys have this fantastic list of things that you've done. It's so great. Like I just I love reading all these things...

[Amy]: We have kids, so you get really involved when you have that.

[Christa]: Yeah, you do. So again, I'm kind of looking for the possibility of creating this lease with someone to say, as part of this lease, you don't have to do the one canoe program, but I'd like, to have people think about how we could structure lease that would say to the farmer, we at a minimum want self-guided tours. You guys have created the tour. I haven't seen the paper, but, you know, you've

created this, if this could pass with whoever, and they're open to letting the public come and do the self (guided tour). I'd like to be able to outline what public interaction is reasonable to expect and then if someone goes out and does above and beyond, is there a way to quantify that in some way. To have an impact of lease rate. Not at the start of the year, but do an annual review at the end of each year. How many groups have come? How many, you know, I don't want to make it more complicated, but I'm just trying to plug into someone's enthusiasm and willingness to interact with the public and get the Land Bank out from having to host things and create education centers.

[Amy]: I don't think that should have to be your job, really.

[Eric]: And it really depends on what farming activities are happening. And that one's tough. It's also, you know, it's like the whole soil monitoring and land monitoring. That one is also really tough to quantify and, you know, have a value. Or penalty system. I don't know how to implement that in a lease.

[Amy]: But you could, you can certainly come up with, you know, maybe it's not stipulations. Maybe it's like here's your bonus things or this is part of what we're wanting in a lessee. What are the, what are the things you that you could do to work towards this idea of community benefit and see what a lessee would come up with.

[Sandi]: Right. That's part of our request (for proposal)

[Amy]: But someone might want to have a who knows, you know.

[Christa]: Everyone will be creative in their own way for sure.

[Amy]: Yeah, but you can certainly have that as a question on a lease, you know, like what how would you engage community? And since this is public land and it is owned by the county and thus we all have some ownership in it. I like to view with that way, that that there should be... People want to buy in. They want accessibility somehow, how it how would you offer that to people somehow? There must be a way to put a question like that?

[Sandi]: Right. Well, that could be part of our request for proposal would be to say these are the in general things we will give whatever extra consideration to those who want to emphasize Community.

[Amy]: Yes, absolutely. I think the food bank or you're gonna, yeah.

[Christa]: I never thanked you for that. My last question does kind of relate to that soil quality thing thing, because it is kind of the cost of doing business, right? If you're a farmer and you want to produce, you want the soil to be good. So you do stuff to make the soil healthy in general. So I was looking at, you know, you had said, it's the responsibility of the lessee to keep the soils in good condition and so I view it as a cost of doing business, but it also seems to be that there should be a way at least to evaluate. I'm not a scientist or a soil-ologist or whatever, but there should be a way to assess the soil yearly or something to give us an idea that its quality is being maintained or improved. And is that possible every couple of years?

[Eric]: Well sort of. There are soil tests that are done and you can get results from soil tests and but being that there's a lot of variables, those can be skewed depending on how the soils are taken - what time of year and what the weather's been doing beforehand? And so it's hard to have it be consistent from year to year. And so, you know, if the numbers dropped from last year, it isn't necessarily that the farmer is doing a bad job. There are a lot of other variables.

[Amy]: There's drought.

[Eric]: Right, there's drought. Or they go wildly up. Well, actually that was because we just spread the whole bunch of compost and this person that sampling must have hit a spot that got a heavy dose or something. And so, you know it all needs to be, you got to look at it as a bigger picture and it's a helpful factor, but not

[Amy]: I wonder if that's something where like Peter, the steward, would be kind of keeping like there's some kind of a report. You know we've done these things towards improving - we've spread x amount of compost or we've done this type of weed management, or whatever. And also, just looking at it, you know, nobody touched that half of the farm, you know, there was nothing mowed and no inputs and nothing. Like maybe that would be more detrimental versus someone who's, you know, working it. Not all parts of the farm are going to look beautiful all the time.

[Christa]: Right. But I'm thinking along the lines for the Land Bank to look at what our realistic and expected expenses should be and enriching the soil to me is not an ongoing expense for the Land Bank, but the deterioration of the soil could be. So how do we...

[Amy]: You'd want to have some kind of assessment year to year of how, and that is through conversations, it's through observations and perhaps there's some soil assessments as well.

[Eric]: Soil tests are kind of really only scientific way to follow it. But you have to have the understanding that there's some variables and probably the best way to implement that would be like through the Conservation District so it's a third-party that's monitoring it.

[Christa]: Okay. Well, that's good. Yeah, I think these are just I'm trying to get a sense of what's...

[Sandi]: What's reasonable to ask.

[Amy] Yes, it's definitely reasonable to want to be sure that your investment is maintained, at least at a maintenance level if not wildly improved, at least not deteriorating. This is absolutely within reasonable expectations.

[Eric]: And you know, the soil tests, if you do take them every year, you know, the more samples you get in there, the more information you're going to get from that data. And the last samples taken, it's probably been like four years or so ago now I think that's the most recent ones. I think Bruce the Conservation District took samples in doing the nutrient management plan for the Coffelt Farm Stewards' dairy.

[Sandi]: So just a follow-up question on that. I remember the recommendations. I don't know if it was in that report where all these various additives that would have to be brought in from off island, I presume. I'm curious what your thoughts are on that versus using compost generated right there on the farm. Do you see that in order to bring the soils up to optimum, that...

[Eric]: Well this could be a week-long session. But anyway, I mean, there's, there's lots of different. Bruce Gregory tends to say, you know, nitrogen is nitrogen. It doesn't matter whether it's chemical organic, and I personally disagree with that, but that's my opinion, he's got his opinion. And putting inputs from off island... I mean, part of it, the big agricultural community looks for certain numbers for growing certain things and does whatever to get those numbers to go the right direction. If your soils are inherently not there, then you're going to be constantly putting those inputs in to get those numbers to move that direction, and you're going to have to keep repeating that forever. And so it requires a huge amount of environmental impact to mine lime from somewhere else, truck it in, spread it, it's benefits last for a few years and then you bring in more and if you don't do it, the soil will hit a balance somewhere and there are a multitude of plants that will adapt to whatever range of soils you have, and they aren't necessarily the most productive on the site, but environmentally overall, it might be a better choice not to grow Alfalfa in these soils because it requires so many inputs to get there. You might just settle for some tall fescue, which I don't particularly like, but it's very well adapted to this this climate and soil. So anyway, it's you can have a lot more output if you spent a whole lot of money and time to put more inputs in. Is that better in the big picture? It's an opinion. So I tend to like to use what's locally available and we are actually adding a lot of inputs to the soil that are trucked in, in the form of chicken feed and goat chow. And so we are bringing in those nutrients, we're feeding into the animals, to make meat and dairy products that then can be consumed. And as an added benefit, we get manure, fertilizing, the fields, improving them. And so we're not paying for just fertilizer. We're paying for feed that ultimately helps out the land as well. If the Land Bank starts buying inputs for the soils, I know there are at least several farmers that will see that as an unfair advantage and be up in arms about it.

[Amy]: I think it would be better to look to having that be the responsibility of the lessee. And for some type of monitoring to be, figure it out, so that it doesn't degrade.

[Sandi]: Got it. Doug?

[Doug]: Are the soils right now adequate for your model of farming and for the foreseeable future, for a long-term lease?

[Eric]: Yeah, but there's obviously lots of room for improvement. We can work with what's there and gradually work towards improving them. The better the soils are, the healthier the forages are, the more nutrition the animals get out of it, the better they do, the faster they grow, the healthier they are, the better nutrition they have in their outputs - meat or milk or whatever. So, what's here is, overall, probably better than average on the island. A lot of the soils on the island are really depleted. And I mean, yes, it could be a lot better but...

[Amy]: Our animals are doing really well this year.

[Charlie]: I'd just like to add on there. I guess thinking down the bigger picture of Land Bank farmland elsewhere, you guys are in a great position of having the animal element and all those elements to have the compost, access there and water, resources and whatnot. Whereas a lot of these other lands come to us are fairly depleted, like you, like, you mentioned. And so the thought of the Land Bank investing in soils and trying to bring those out from a deficit to a point where they're more productive and you know, we really want to model sustainable practices and also make them attractive for farming for as long as we can keep them and keep them productive. So as we consider what we can invest in, and how, I do think it's important for the Land Bank to consider investing in soils, but really considering that fairness factor and I'm hoping Fred can find some information as he does his studies on how other lease arrangements are working. And if there are agreements with landlords, how they're investing in their fields.

[Amy]: Yeah, I guess the challenge with this particular property is in your lessee being private, a private business and so what we're earning is for our own business, you know, we're not a county entity or a non-profit. So I guess, you know, it gets challenging that way in the fairness factor.

[Charlie] It's a very challenging, how to, how to look at that one. I guess I like the analogy of building a house, you know, if it's not livable, it's not livable. And we either need to tear it down or bring it to a point where it's livable before we rent it. So bringing it up to a base level and then the farmer being able to maintain and improve upon.

[Amy]: Yeah. That makes sense. That's a good analogy.

[Sandi]: Okay. Are we done?

[Eric]: One more little thing on that is I think if you are going to get inputs for land, Coffelt Farm Preserve should be well down on the list, that you should go after a lot of these other parcels that are less politically charged.

[Christa]: Well, Charlie, doesn't it depend though, I mean, are you envisioning the Land Bank kind of being obligated or setting that as its goal to bring these soils on different preserves up to what level, for what kind of farming? I mean, are we bringing it up so people can do, I don't know. So there are different types/qualities of soil for different types of farming, so I think we're going to create a slippery slope trying to get the Land Bank to...

[Eric]: I think probably whatever that land is being leased for should be enough to cover at least the maintenance of it afterwards. If the farmer is not laying the inputs, in, and the Land Bank is doing it. I think we're getting way off topic here...

[Sandi]: Yeah, I think we are. Talking about the other lands. We are getting ready to get into all of that discussion with I believe our agricultural goals and policy draft that we just received. But yes, thanks for pointing out that Coffelt Farm is unique for us in that respect, in that we are fortunate you are putting in the inputs in an environmentally responsible way it seems like. It's generating the inputs that are

needed, so that sounds like it's a good thing. Thanks for clarifying, that has been a mystery to me. Okay. So does anyone have any more questions for the Lums?

[Christa]: I just have one more about the food Hub. I've been to the farm but it's been a quite a while now. So I'm kind of when you throw out the idea of it potentially it being a location for the Orcas food Hub or San Juan County food hub, where do you envision it? Where would that realistically go now if it could...

[Eric]: it would logically go in the building that's considered the old shop which is what has the farm stand on the end of it. There's a parking area, people are coming and going for that for the farm store. You know, it's the County property and having the food Hub on the county property makes sense to me.

[Amy]: It's covered. You know, there's a covered accessible space that's pretty reasonable sized. And I think there's space where a walk-in, probably a walk-in cooler would be necessary for something like that.

[Eric]: Yeah, a walk in cooler and probably a walk-in freezer as well

[Christa]: If the Land Bank and the farm provided that facility that building, is the food Hub a non-profit, or is that a county (entity) through the extension?

[Amy]: That's a good question. I don't actually know.

[Eric]: Right now, I think they're doing it through Maple Rock Farm.

[Amy]: Okay. We've been so busy we haven't actually participated in that. We have enough other things going on.

[Christa]: I'm just kind of curious to know the condition and maybe the assessor guy will look at that, the current condition of that particular building and facility and if with little investment if the food Hub was wanting to manage it and and was looking for space. Not adding something to Peter's list of things to manage, but again, is it something realistically that could house that entity if someone wanted to enter into an agreement to rent it? And provide their own - they get the grants for the walk-in freezer, refrigerator.

[Eric]: Yeah. It seems to me that you guys want to keep it as simple as possible. And that having these things here is fine as long as it doesn't complicate your day-to-day activities and

[Christa]: the farmers

[Amy]: But it's a county space and so it would make sense for something like that to be like in that Community benefit piece. So that should be something that should be on the table for consideration.

[Christa]: That's great. Thank you.

[Charlie]: There may be restrictions with the conservation easement, too.

[Amy]: That's true. But when asked what types of things we could think of like well, that would be kind of cool if that were something.

[Christa]: Thank you. I have I don't have any more questions.

[Sandi]: Okay, Doug, are you good?

[Doug]: I'm good, too. In fact, I really appreciate all the time that Eric and Amy have taken in answering the questions, and for today. It's just been very informative.

[Sandi]: This has been a community benefit. Yes, thank you.

[Amy]: We really appreciate that you took the time to meet with us and just felt like I guess the underpinning of all this is that we really value this land, it is just a gem in the on the island. It's such a beautiful space and that it is owned by the Land Bank is really special and so we're wanting to facilitate how to make it be successful for you guys to continue owning a farm because it's complicated and so, how can you know, looking forward, we won't be farming forever, but if this land was farmland forever, that's amazing because farms are so hard to do and to come by. So, if there's any way to make it be possible, I just think there's a lot of value in that.

[Sandi]: Thank you. Alright. Well, thank you again Amy and Eric, and also Christa and Doug for joining and coming up with additional questions and Charlie for adding some clarification there. So I will attempt to see if I can get this transcribed, and if not I'll try to outline the gist of it and we'll kind of pass it around between Christa and Doug and see if we got everything right and to you as well, but the point being wanting to be able to share this information with the other Commissioners and the public too as well, who are interested.

[Amy]: There's a lot of people are curious what it's about. And I think the more information can only be beneficial.

[Sandi]: Agreed. Yes. Okay. Well, you guys all enjoy the rest of your day. I appreciate it.

-end-

1. At the current lease rate, with the existing infrastructure and a lot of hard work, depending on the type/level of operation, the Lums believe it is possible for a single farmer to make a living without outside sources of income.
2. For the Lum's type of operation, they do not see any necessity for additional buildings or major infrastructure.
3. Though not a necessity, a welcome addition would be a bathroom by the farmstand instead of the current portopotty, for use by the public, Land Bank Staff and conservation workers.
4. Thus far the Lums have hired local workers and did not have a need to provide worker housing.
5. The Life Estate area is central to farm operations and eventually should be offered to a Lessee farmer, and at that time, the Farm Manager's residence could be used for farmworker housing.
6. A top priority the Land Bank needs to address is to bring the electrical up to code so it is safe. Peter has been unsuccessful in finding an electrician to do that work. As is, it is a liability for the County.
7. For a long-term lease, the Land Bank should consider having the Lessee be responsible for maintenance and repairs, because the county bidding process is so cumbersome, it makes it even harder to find willing contractors. In addition, the process takes Land Bank staff time. Need to check with county attorney to find out if a Lessee has to follow the same protocol for hiring contractors as the county does, if the Lessee is paying the bill.
8. At the current lease rate, it is reasonable to require the Lessee to perform basic maintenance and repairs.
9. It is not feasible for the Land Bank to budget an annual amount for repairs and maintenance, but the Land Bank should have a contingency fund to budget for eventual items such a septic upgrade for the system that serves Sydney's house and the barn.
10. There is adequate water at the farm for their current operations. The cost for Land Bank to develop additional water availability probably won't be able to be recouped with a higher lease rate.
11. The maintenance and upkeep of tools and equipment needs defined in a long-term lease. The Land Bank may want to get out from under owning any tools or equipment.
12. Providing Community Benefit via tool and equipment sharing with other farmers is feasible, and shouldn't need to be managed by the Land Bank. Possibly managed by another entity. Should be kept in a designated area, not scattered all over the farm.
13. If zoning and the conservation easement permits, the building where the farmstand is would be is a good place for a food hub. Another entity – not the Land Bank - should be responsible for obtaining a walk-in refrigerator and walk-in freezer.
14. It is reasonable to require a Lessee to provide community access such as self-guided farm tour, and bonus points (perhaps towards lease rate) based on other community outreach programs. Include in the RFP, the question how would you engage the community?
15. There's lots of room to improve the soils at Coffelt Farm but in general they are probably better than average on the island.
16. Soil amendments at Coffelt Farm Preserve should be the responsibility of the farmer, not the Land Bank. This isn't necessarily the case with the Land Bank's other farm properties. CFP is unique in that the animals are producing the additives, there's composting facilities and water.
17. It is reasonable to require a tenant Lessee to maintain the soil at a particular level, that should be monitored annually either by Land Bank staff or 3rd party such as Conservation District, understanding there are many variables that will affect the outcome of a soil test.