



MEETING MINUTES

Land Bank Commission Meeting November 19, 2021 Virtual ZOOM Meeting

Commission Members in Attendance:

Sandi Friel, District 2, position 2

Miles Becker, District 3, position 3

Brian Wiese, at large, position 4

Doug Strandberg, at large, position 5

David Meiland, at large, position 6

Christa Campbell, at large, position 7

Commission Members Absent: Jim Skoog, District 1, position 1

Land Bank Staff in Attendance: Shauna Barrows, Lincoln Bormann, Peter Guillozet, Eliza Habegger, Erin Halcomb, Doug McCutchen, Aaron Rock, Amanda Wedow

Land Bank Staff Absent: Tanja Williamson

County Council Liaison: Christine Minney

County Manager: Absent

Public in Attendance: 6 individuals over the course of the meeting.

Topic	Key Discussion Points & Agreements
Call to Order 8:31 am	Sandi Friel, chair, called the meeting to order.
Public Comment 8:32 am	Jennifer Pietsch appreciated the reserve study but did not understand the community benefit and questioned the lease rate. Sandi and Brian noted her concern and will review the lease rate as well. Tracey Cottingham noted spending time on various Lopez preserves after the storm and was impressed with the forest resiliency, especially at Channel Preserve. She appreciates the Land Bank for preserving land and thanked the Commission for their attention and pursuit of the Higgins property.

Topic	Key Discussion Points & Agreements
Adoption of Minutes 8:39 am	The draft October 15, 2021 minutes were reviewed. There were corrections. Minutes were approved.
Chair and Commissioner's Report 8:43 am	<p>Sandi mentioned the Fall Community Conversation was well attended and thanked commissioners and staff for their work on the event. Sandi also praised Lincoln on his presentation and Tanja for making it all happen.</p> <p>Sandi asked for volunteers for the 2022 officer's nomination committee. Miles and Brian volunteered. Lincoln mentioned the need for a finance chair. Miles and Brian will discuss.</p>
	<p><u>ACTION:</u> Tanja and Aaron will continue advertisements for Commission vacancies.</p>
Council Liaison 8:46 am	<p>Christine Minney spent the week in Spokane at a retreat with the other council members. She acknowledged that she seems to always be out of the office for the monthly Land Bank Commission meeting but finds a way to attend. Sandi noted her appreciation.</p> <p>Christine reported Council is in the thick of the budget process; and that sales tax revenue is higher than expected. The budget process is expected to end December 7th. She noted a correction from her October report, namely that the Council supported two maps to keep San Juan County in the 40th legislative district.</p> <p>Other County highlights included - Mike Thomas agreeing to continue as County Manager for at least the next two years, and the appointment of David Williams as Director of Community Development. Council declared a state of emergency after the recent storm which opens the door to federal money for damage repair.</p> <p>Christine read the County Ordinance language referring to term limits for members of volunteer Boards and Commissions. She is looking into specific term limit rules regarding half terms. She mentioned a need for corrections on the County's job advertisement webpage. Brian questioned the advertisement and understanding of the ordinance regarding his position's term limits. Sandi asked how to promote more diversity through advertisement for Advisory Boards and Committees. Christine said there is no specific guidance for doing so. Miles discussed possibly changing meeting times to allow a more diverse group of community members to participate.</p> <p>Lincoln noted the meeting was now being recorded.</p>
SJC Land Bank Budget Proposal Presented by Lincoln Bormann 9:06 am	<p>Lincoln related that the most significant changes to the Conservation Area Fund (CAF) are four acquisition projects including: 1) \$4.5M for the Glenwood Inn property on Orcas – including a proposed \$3M loan from the Stewardship Fund; 2) An increase in the purchase price for the Higgins property on Lopez from \$1.58M to \$2.54M with the goal of resale to the Bureau of Land Management (BLM) or sale of a conservation easement (CE) to the San Juan Preservation Trust (SJPT) and; 3) Purchase of two 40-acre parcels from Steve and Sarah Hauschka, both on San Juan. These last two are structured as 4-year seller-financed acquisitions with a total first year payment of \$400K.</p>

<p>4th Amended 2021 Budget continued</p>	<p>Sandi asked about the Glenwood Inn property being in the budget without a purchase and sale agreement (PSA). Lincoln acknowledged that SJPT had made an offer of \$5M and the Land Bank's contribution was set at \$4.5M. Sandi also questioned the idea of reselling Higgins to BLM as people expressed hesitation about this idea during the Fall Community Conversation. She asked if the Land Bank would be committed to reselling, or if we would have the option to keep the property. Lincoln responded that resale is not required, and a backup plan would be to sell a CE to SJPT.</p> <p>Sandi wanted to keep options open. Brian asked if Sandi meant we should revisit with BLM on this at some point. Sandi assented and wondered if the Commission needed to discuss the wording of the acquisition summary. Christa agreed that further discussion was necessary for transparency purposes. David wanted to make it clear that the intent was to resell to BLM, but also acknowledge community concerns. Possible outcomes were discussed further, including tribal purchase. Doug S. wanted to give Lincoln flexibility to move in the direction necessary. Brian agreed and liked the idea that the Land Bank was making the purchase independently and could control the property's final disposition.</p> <p>Lincoln remarked that the Stewardship Management and Maintenance Fund amendments included the interfund loan to the CAF which draws down reserves in the short term, but these would be repaid at 2.5% interest over a four-year period. Doug S. questioned how staff came to the 2.5% interest rate on the loan. Lincoln replied the requirements for an interfund loan are to pay at the Local Government Investment Pool (LGIP) rate (currently .1%) plus .75% but have flexibility to set the rate above this level. Since the goal is to continue building the stewardship fund, 2.5% seems appropriate. He noted that we used 3% with the Lester property. The County Finance Committee supported the loan 2-1, but the County Council has not voted on the amendment yet.</p>
<p>Open Public Hearing 9:28 am</p> <p>Closed Public Hearing 9:32 am</p>	<p>Tracey Cottingham commented on the Higgins property regarding the National Monument Advisory Committee's uncertainties based on the incomplete Resource Management Plan, but she hoped they would know more over the next few years. She thought Land Bank retaining the property would be a good idea.</p>
	<p><u>ACTION:</u> Brian Wiese moved to approve the Proposed 4th Amendment to the 2021 Expenditure and Acquisition Plan (EAP). David Meiland seconded the motion. There was no further discussion. Motion passed.</p>
<p>Director's Report 9:33 am</p> <p>Lopez Island</p>	<p>Higgins Property - Background: The last unprotected parcel on Watmough Bay, this 11.5-acre tract has over 2,000 feet of shoreline on the Bay and Rosario Strait, and is a high priority salmon recovery area. The upland area features the oldest house on Lopez dating back to the 1870's and a remnant homestead. This is also likely a significant cultural heritage site for the Coast Salish. The property will be going on the market with an asking price likely to be \$2.5M. Current: Lincoln said there is a signed PSA and hopes to close by the end of the year. Christa would like to know the impacts on stewardship staff. Lincoln wasn't sure since the BLM, with whom the Land Bank manages the Watmough properties, currently does not have staff on the</p>

Lopez Island continued	ground. He noted a full-time seasonal position has been added to the 2022-2023 budget which will provide additional support, but that we will also need to engage with volunteer stewards. Sandi asked about the family members' ability to be caretakers. Lincoln said no family members are currently living on the property and that probably wouldn't be possible. He recommended taking it slow when it comes to public access out of concern for resource degradation. Brian asked if the Land Bank could choose a caretaker. Lincoln mentioned the need to do an assessment of the property first. Amanda noted the Lopez Island Historical Society is looking into the structure.
Orcas Island	Glenwood Inn Property – Current: An offer has been submitted through SJPT. The seller had an appraisal done and plan to list the property for \$7.9M. Lincoln has not seen the appraisal. At this point, the outcome is unknown. Lincoln said this is a tough property to deal with; it's hard to know if there's a buyer willing to take it on. The original offer made has expired. Christa asked for clarity between the offer at \$5.5M and the project summary at \$4.5M. Lincoln answered the project summary stated the expected price was \$5.5M but the Land Bank's limit is \$4.5M, splitting the overall cost with SJPT. However, the structure for that partnership is unknown at this time. He noted the Land Bank and SJPT have had similar contracts with Beaverton Marsh, Lopez Hill, and Cady Mountain Preserves. Doug S. asked about whether the potential donor with the possible purchase of the Youngren property might also be interested in the Glenwood Inn property. Lincoln stated that the donor is not interested in this property, but others have shown interest, including the Lummi Nation. Brian likes the idea of involving the Lummi if possible. Sandi questioned if this discussion should take place during executive session. Lincoln said since the offer has already been made, it's okay to discuss publicly. He reiterated that since SJPT made the offer, if accepted, SJPT and the Land Bank would need to come to a structured agreement.
San Juan Island	Hauschka Properties – Background: These 40-acre parcels include the top of Cady Mountain adjacent to the Cady Mountain Preserve, and separately, the parcel adjacent to Mount Grant Preserve and the Town of Friday Harbor's Trout Lake property. Current: There are signed PSAs on both properties. Lincoln is working on access easement details. The Cady Mountain property has public access via Cady Mountain Road and driveway access from Cady Mountain Road. There may be access issues with regard to the driveway, but Doug S. is hopeful all parties can come to an amicable settlement.
Break 9:57am – 10:06 am	
Stewardship Report 10:06 am Agriculture Policy Overview	Charlie Behnke said all commissioners have the draft Agriculture Policy (Ag Policy) materials and noted the Agricultural Resources Committee (ARC) will vote and make possible recommendations on December 14. Sandi thinks the document is excellent and ready for public release. Doug S. agreed, unless Charlie felt the Commission needs to wait for the ARC's input. Brian would like to release the draft before ARC input. Charlie would like to wait a week and check in with ARC. Christa

<p>Agriculture Policy Overview continued</p>	<p>asked about public feedback and requested the Commission give Charlie direction regarding a release date. Doug S. said if released, it should be noted that the document is in the process of revision. The Commission was willing to give Charlie a week for an update from ARC. Sandi shared her timeline for the draft Ag Policy along with Coffelt Farm. There was discussion. She also noted that she does not want this process to put the ARC's needs ahead of the public's desire to have access and time to provide comments before the December 17th facilitated meeting. Sandi emphasized urgency to complete this discussion prior to the end of the year. The Commission discussed and agreed on the need for all public comments to be received by December 13th. Christa wanted to make sure we have a comment from the ARC by this date as well. The Commission was willing to wait until December 14th for the approved response from the ARC.</p>
<p>Coffelt Farm Timeline</p>	<p>Sandi felt the Lease Rate and Reserve Study for Coffelt Farm Preserve needs to be released to the public for comment as well. Brian felt Coffelt Farm and the draft Ag Policy should be separated. Sandi suggested discussing and approving the draft Ag policy during the regular December meeting in preparation for the facilitated meeting. Discussion on details continued. There was concern that there would not be adequate time to discuss all topics in one day. Lincoln recommended one or two topics at most. Christa suggested focusing on the bullet points outlined in Sandi's timeline. David felt Coffelt Farm Preserve is the priority and it would be hard to discuss other topics. Sandi and Christa agreed. Sandi suggested a backup topic to fill the day rate for the facilitator. Sandi proposed beyond the draft Ag Policy and Coffelt Farm Preserve, further topics should be delayed until a possible retreat in January. The commission agreed.</p> <p>Brian thought the commission should discuss questions from the draft Ag Policy. David said his thoughts on the draft Ag Policy revolve around Coffelt Farm. Sandi asked that Commissioners submit probing questions. Christa wanted like Land Bank staff thoughts. Lincoln felt there was a consensus of staff approval. Brian noted he is happy with the draft policy. Doug S. raised the question of verbiage in relation to general lessee ability to provide maintenance to reduce the lease rate and how this translates to the RFP process. Peter also had concerns and felt this topic requires further discussion and consideration. Sandi would like this added as a discussion point at the December 17th meeting. Doug S. advocated for specificity in order to provide transparency when building out RFP. David felt rent reduction could be tricky and needed to be as specific as possible. Doug S. said he will research and create a draft proposal with this provision. Peter thought Jon Cain from the Prosecuting Attorney's Office should review it as well. Miles questioned infrastructure improvements on page 9, whether there is maintenance on one property vs new construction on another, and the impacts on the enterprise leasing the property. Brian felt the tenant's maintenance responsibilities need to be clearly outlined. Sandi wanted to know how much the Land Bank is spending on individual Preserves. David mentioned he had gotten a report from Aaron Rock showing a considerable amount of data collection on the subject. Sandi asked for a Preserve expenditure report prior to the December meeting. Aaron and Lincoln will work with David to produce a useful report to share with the Commission. Doug McCutchen</p>

Coffelt Farm Timeline continued	expressed the difficulty in supplying accurate quantification of staff and volunteer time.
	<u>ACTION:</u> Aaron and Lincoln will work with David to produce a useful Preserve expenditure report to share with the Commission.
Outreach/Volunteer Report 11:32 am	Skipped due to Tanja's absence. Sandi mentioned the Fall Community Conversation and noted the communication sub-committee will discuss follow-up survey results at their December meeting.
Future Agenda Items 11:33 am	<p>Sandi questioned if there would be a retreat in January and, if so, potential topics should be discussed at the beginning of the December meeting. Lincoln mentioned Miles' suggestion of stewarding in the face of climate change, public perception and having more discussion over the Pol.is Survey. Sandi asked about updating the Habitat Conservation Plan. Lincoln mentioned there will be an update to the Parks, Trails and Natural Areas Plan which is required for state grant programs. SJPT is also working on a strategic conservation plan which will overlap with the Land Bank's Habitat Conservation Plan. Sandi would like a list of potential topics assembled for review during the December meeting.</p> <p>Brian reiterated the need for a discussion of questions at the December meeting. Sandi talked about a homework packet for the topics to be discussed in December. Miles appreciated the Stewardship Report this month.</p> <p>Steve Ulvi from the public praised the Commission for their work and their discussion of topics, particularly regarding climate resiliency and agricultural policy.</p>
Meeting Adjourned 11:39 am	Chair, Sandi Friel, adjourned the meeting.
NEXT MEETING	The next LBC meeting is scheduled to take place December 17, 2021. It will be an extended meeting.