

## **MEETING MINUTES**

# Conservation Land Bank Commission Meeting April 15, 2022 Virtual ZOOM Meeting

#### **Commission Members in Attendance:**

Jim Skoog, District 1, position 1
Miles Becker, District 3, position 3
Christa Campbell, at large, position 7

Mike Pickett, at large, position 5

**Commission Members Absent:** Sandi Friel, District 2, position 2, David Meiland, at large, position 6, Brian Wiese, at large, position 4

**Land Bank Staff in Attendance:** Shauna Barrows, Charlie Behnke, Lincoln Bormann, Peter Guillozet, Eliza Habegger, Erin Halcomb, Doug McCutchen, Aaron Rock, Kayla Seaforth, Amanda Wedow, Jacob Wagner,

Land Bank Staff Absent: Tanja Williamson

County Council Liaison: Christine Minney

County Manager: Absent

**Public in Attendance:** 5 individuals over the course of the meeting.

Topic	Key Discussion Points & Agreements
Call to Order 8:31 am	Christa Campbell, called the meeting to order.
Public Comment 8:32 am	Bruce Robinson confirmed there would be opportunity to comment on the Ag policy later in the meeting. Christa said yes.
Adoption of Minutes 8:33 am	The draft March 18, 2022, minutes were reviewed. There were no corrections. Minutes were approved.
Chair and Commissioner's	San Juan Island Community Conversation Recap – Lincoln thought the April 6 event went well. The series theme is the evolution of stewardship. He noted not as many
<b>Report</b> 8:40 am	people as hoped showed up, about 12, although there was a good Q&A session. Mike thought it was well done; his first! He was disappointed there weren't more people in

# Chair and Commissioner's Report continued

attendance as lots of great information was shared. Steve Ulvi agreed with Mike's comments. Steve has participated in 100's of zoom meetings and agreed that both Lincoln and Doug's presentations were excellent and brought everyone to a good point for commenting. He was also disappointed on the lack of participants.

Miles asked about a Commission liaison with the County Climate and Sustainability Advisory Committee. Lincoln noted that Jim Skoog had volunteered. Miles will check in with Jim regarding next steps.

### Council Liaison 8:45 am

Christine Minney also shared about the newly formed Climate and Sustainability Advisory Committee, which will be managed by the Environmental Stewardship Department. Christine noted there were a lot of applications and a vetting process with interviews. Staff made recommendations to fill all the seats of the committee. All recommendations were approved by Council.

The County is constructing a building on Beaverton Valley Rd which will house multiple departments. Based on the size of the building, County is pursuing a second story to create meeting spaces and further optimize building consolidations.

Great Islands Clean Up is scheduled for Saturday, April 23<sup>rd</sup>. She noted Public Works got involved in 2016 – fun fact!

The Lodging Tax Advisory Committee (LTAC) met and reviewed 27 applications. Christine shared, although not approved by Council yet, 26 out of the 27 applications were approved for some amount of funding and most for full funding request. Recommendations go before Council at the April 19 meeting.

Friday, April 22, Council is hosting a roundtable meeting with State Office of USDA Rural Developments. Council hopes to highlight upcoming projects, including the Town's new sewer plant and solar projects. She also believes the USDA will be funding new projects on the horizon.

Christa asked what the process will be around Sustainable Tourism Master Plan meetings. Christine said the Land Bank liaison for the Climate and Sustainability committee will be involved in the process. Christine noted Christa could always call Kendra Smith from Environmental Stewardship with any questions.

Lincoln highlighted LTAC is funding the next iteration of the Parks, Trails and Natural Areas Plan, which will be wrapped up early next year. The plan keeps the Land Bank eligible for grant funding. He noted there may also be a vote for a Roads and Trails Levy next fall.

# 2022 Q1 Financial Report

#### CONSERVATION AREA FUND FINANCIAL STATEMENT

8:57 am

Aaron Rock highlighted the financial report with the following: Total Current Assets have decreased by \$2,125,866 to just under \$5.5M. The Local Government Investment Pool (LGIP) interest rate increased to 0.2343%, compared to 0.1193% at the end of March 2021. Real Estate Excise Tax (REET) revenue was \$1,159,321, 4.42% higher than Q1 2021 and 28.98% of the 2022 budget. The first quarter Transfer to Stewardship was made in March. Acquisition Costs totaled \$2,744,030 including final RR Bar Ranch note payment and Higgins Acquisition. Bond/Loan

# **2022 Q1 Financial Report continued**

Repayment was made in the amount of \$18,480 consisting of the interest payment on the RR Bar Ranch Note. Total Expenditures totaled \$3,345,085 at \$44.65% of the annual budget. Administration expenditures are 5.77 % of Total Revenue.

### STEWARDSHIP & MANAGEMENT FUND FINANCIAL STATEMENT

Aaron highlighted the following: Cash in the Stewardship & Management Fund increased by \$215,947 over the 4<sup>th</sup> quarter 2021. Retained Earnings increased by \$1,320,924 over the 4<sup>th</sup> quarter 2021. Sale of Plant Materials at \$4,555 included the Spring Native Plant Sale. The 1st quarter Site Enhancement Transfer from the Conservation Area Fund was made in March in the amount of \$512,256. Stewardship and Management totaled \$256,842, or 22.3% of budget to date. Property Management and Maintenance totaled \$60,061 at 9.4% of budget to date.

There was discussion around real estate inventory/sales and how it affects the REET. Mike noted that revenues were on track to greatly exceed the \$4M budgeted. Lincoln commented that staff will track revenue and potential bring back an amended REET number in a future amended budget.

# **Director's Report** 9:22 am

Lopez Island

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. Current: Lincoln reported the acquisition closed and now working on assessments. He's applying for two grants: \$500k with the Salmon Recovery Funding Board and \$1M with the Aquatic Lands Enhancement Account (ALEA). Lincoln noted the ALEA grant is a two-year cycle; if the monies were awarded, it wouldn't be until June 2023.

Lopez Community Land Trust (LCLT) Trail Easement Donation – Background: The trail will run through the LCLT property north of Lopez Hill, connecting the recent Lopez Hill addition to Lopez Sound Road. Lincoln was happy to work with LCLT on purchasing the addition and on the trail easement donation. The Donation should be recorded before the end of April.

Resale of Northern Parcel of Entrance Mountain Property—Background: The 10-acre property was initially purchased as part of the Conservation Buyer Program, to later be resold with a conservation easement. The buyer is interested in forest health management and a "forever wild" (CE). Current: Lincoln has a tentative agreement with the neighbor for a purchase; working on CE terms. Will have a purchase and sale agreement in the next few weeks. Sale price is structured at \$80k purchase with a \$30k donation.

Glenwood Inn Property – Background: This 58-acre property has 1/3 of a mile of beachfront on the north shore of Orcas. A rudimentary road connects the upland to the beach with a high bluff/cliff running along much of the shoreline. Patos and Sucia Islands are prominently featured from the beach. There is also a public tidelands connection to Point Doughty, a 50-acre Department of Natural Resources (DNR) Natural Area Preserve, that currently has no land access. As a former inn,

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Orcas Island

#### Orcas Island continued

there are multiple structures including 5 cabins, and a main house and addition. Most of the structures are in poor condition. The property is in an estate situation, with the representative required to sell at top dollar for the 30 or so non-profit beneficiaries. An offer was submitted through San Juan Preservation Trust (SJPT), but the seller plans to list the property for \$7.9M. **Current:** After going back and forth with seller and seeing it listed, a full price offer of \$7.9M being made and then withdrawn, the seller has agreed to a \$6.5M offer made by SJPT. The Land Bank has \$4.5M budgeted and would need to increase that to \$5M to close. Lincoln has an appraisal scheduled and should receive a value the first week of May. If an amended budget is necessary it would need to be approved at the May 20<sup>th</sup> Commission meeting. There was discussion.

### San Juan Island

Hauschka Property – Background: This 40-acre parcel at the top of Cady Mountain adjacent to Cady Mountain Preserve. Current: Lincoln noted that he had hoped to have closed this transaction before this meeting; however when it went before Council there was a question about owner financing. The Prosecuting Attorney would prefer not to use a Deed of Trust so the offer will need to be amended. Lincoln state that the sellers accepted the revised structure. He hopes to close by the end of the month.

#### Break

9:30 am - 9:40 am

# **Future Agenda Items Discussion**

9:42 am

Christa asked what staff would like from Commissioners - to prioritize or clear off items that are no longer relevant? Lincoln would like to clear off non-relevant items and maybe come up with 1 or 2 better priorities and focus on those in upcoming meetings. Christa asked if any of these topics could become topic for special meeting? (like Coffelt) Lincoln thought maybe.

Reclaiming tidelands currently in private ownership for conservation: Lincoln noted that if there are tidelands that seem appropriate for conservation, the Land Bank will look at them however doesn't see doing any analysis on private tidelands in the County. Doug noted that DNR was actively trying to find tidelands about 10 or 12 years ago. Lincoln thought it was a good idea to check in with DNR.

<u>Deer pressure solution</u>: The hemorrhagic fever reduced populations quite a bit, but Lincoln wasn't sure if it was evenly distributed throughout the county. Other ideas were hunting and birth control. Doug remarked not much data on deer population and suggested funding some research and collaborating with other groups, such as Terrestrial Managers and WDFW. Miles agreed on getting some data. Peter has noticed big changes on the landscape already and is proposing to incorporate hunting into management plans as appropriate as the deer population will rebound. Erin suggested outreach to private landowners for possible data.

\*Mike suggested looking at the list and ranking for priority. Lincoln liked the idea of what really rises to the top and working on that. Lincoln nominated the <u>Land Bank's collective big dream/goal for overall resiliency in the islands and the bioregion.</u> It relates to climate change issue as well.

# **Future Agenda Items Discussion continued**

<u>Dog free zone/day/preserve:</u> Some want dogs on preserves, some do not. Dog parks are on the fringe of the Land Bank mandate and Lincoln doesn't see more in the organization's future.

Mike noted a couple items relate to tribal issues; he remarked that the mandate includes cultural resources and, as such, whether those topics naturally rise to the top. Doug noted there had been some good discussion in the past and move from archeological to use and co-management. Christa agreed.

Peter brought up <u>non-traditional uses of properties</u>. (i.e.: wetland mitigation; solar; composting)

Christa asked for input on the following topics for further in-depth conversation.

\*Resiliency/climate change - Mike: suggested guiding statement of what Land Bank will support around climate change; Christa asked to hold off on a solutions discussion until such a statement comes back to the Commission.

Cultural resources

Eastsound UGA critical areas protection

\*Non-traditional use of Land Bank properties — Christa found this intriguing, and Miles thought it warranted discussion and potentially a policy level decision. He also noted that it ties into \*tribal access and climate change as well (i.e., wetland mitigation).

### **ACTION:** Bolded and starred topics were chosen for further discussion

# Stewardship – Final Review of Draft Agriculture: Overview Objectives and Policy 10:11 am

Charlie stated that he had shared all public feedback with commissioners last month, save a last comment around the climate change section. He has incorporated Sandi's suggestions into a future final draft, and also reviewed the climate change section based on the additional comment received.

Bruce Robinson commented as a rep from the SJI Grange. They would like to see more food grown and consumed locally. Bruce asked is the Land Bank able to lease ag land to an outside agency (i.e., nonprofit) which would in turn be able to sub lease that land to farmers for agricultural use. Lincoln responded yes, that is possible. Bruce had a second question regarding housing for farmers and good agency partners. Lincoln noted the Land Bank has worked with the Lopez Community Land Trust and would be happy to explore future appropriate projects.

Jim queried Bruce if he knew how many folks are looking to farm and/or live on leased farmland. Bruce noted that the Grange has been meeting with some young farmers interested in homesteading and farming. He doesn't know "how many" but knows there are interested parties. The Grange hopes to encourage a multigenerational aspect to the island and more resiliency.

Mike commented the cost of land is a large prohibitor for farmers to make a sustainable living. He asked if the Land Bank mandate restricts providing low rent ag property for lease. Charlie commented that part of the policy is to establish fair market value and it is a challenging number to land on. He said landed on \$30/acre per year for pasture and \$200/acre per year for irrigated crop land. There was discussion regarding grant opportunities and programming such as the Beginning

farmers and ranchers in the state of Washington acquire agricultural property at lower interest rates.  Christa opined that she thinks this is a great document. She asked what is envisioned coming out of the phrase "support pathways for affordable, equitable and long-term access to farmland." She also asked about the potential for rent adjustment in exchange for maintenance, and how this was treated in County code.  Before approving, Charlie noted he has a couple edits to incorporate from Sandi and include climate change comments. Lincoln thought it was okay to approve today's draft with an addendum to review.  ACTION: Miles moved to accept the 2022 Agriculture: Overview Objectives and Policy pending minor editorial changes. Mike Pickett seconded the motion. There was no further discussion. Motion passed unanimously.  Peter updated the Commission on the Coffelt Farm electrical upgrades. The Coffelt Reserve Study estimated the upgrades at 65,500. Peter put out a request for quotes via the County's approved contractors list and received only one proposal from Pickett Spring Electric. It was quite high, more than twice the estimate. He then reached out to a few others on the mainland, whose estimates were substantially higher. The current estimate is \$134k partly due to the rapid increase of materials cost, and higher labor costs. Peter advocated for moving forward with the contract to hedge against further inflation. He noted he had shared the proposal with Lincoln and also David due to his contractor background. David is supportive of moving forward with the current quote pending assurance can get materials at the current price.  Outreach/Volunteer  Report  10:33 am  Erin reported on behalf of Tanja who was out of town. Erin highlighted upcoming events: Lopez and Oreas Community Conversations April 20th and 27th respectively; Third Thursdays Work Parties kick off at Salish Seeds Project Nursery, April 21th; Reimagning Gardening with Natives and Near-Natives on San Juan Island April 24th; Ride the Rock April 30th		
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NEXT MEETING The next LBC meeting is scheduled to take place May 20, 2022.	Meeting Adjourned / 10:40 am	Christa Campbell, adjourned the meeting.
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