

**JOINT AGRICULTURAL COMMITTEE RETREAT
WECU COMMUNITY EDUCATION CENTER, FERNDALE
NOV 1, 2008 9 AM – 1 PM**

MEETING SUMMARY

Present

Committee members: Rod Erickson, Veronica Wisniewski, Barbara Dykes, Paul Schissler, Allison Aurand, John Gillies, Dick Yoder, Vicki Hawley, Chuck Antholt, Todd Jones, Larry Stoner, Bob Tull

Guests: Jeremy Eckert, Cascade Land Conservancy; Don Stuart, American Farmland Trust; Fred Berman, WA Dept of Ag; Derek Long, Sustainable Connections; Cathy Lehman, Futurewise; Ann Russell, KCLT; Calvin Bratt, Lynden Tribune

Staff: George Boggs, Whatcom Conservation District; Henry Bierlink and Paul Grey, Whatcom Farm Friends; Craig MacConnell, WSU Coop Extension; David Stalheim, Dean Martin, Wain Harrison, and Samya Lutz, Whatcom County PDS

Welcome and Introductions

George Boggs, meeting facilitator and District Coordinator of Whatcom Conservation District

Lead group through agenda, laid ground rules and expectations for day, and gave brief overview of historic activities leading up to this joint meeting. Noted no decisions would be made, only discussions that would then go back to the various committees for any formal decision-making & recommendations.

All present in room introduced themselves.

Three committees represented gave brief context of their work:

Chuck Antholt, Chair of Whatcom County Agricultural Advisory Committee

Gave overview of AAC work (PDR program, code changes, ag work program to Council, TRC start-up) and challenges (recruiting volunteers, ongoing coordination)

Rod Erickson, Chair of Whatcom County Purchase of Development Rights Oversight Committee

Gave overview of PDROC work (PDR target areas development & ranking process, applicant screening & review) and challenges (financial constraints and uncertainties, volunteer recruitment), and personal history with planning & zoning in Whatcom County

Henry Bierlink, Whatcom Farm Friends - Whatcom County Technical Review Committee facilitator

Offered handouts entitled: "Technical Review Committee Status Report," "Context for Ag Program," and "Ag Land Preservation Tools."

Gave overview of Farm Friends contract with Whatcom County and intent of the ad-hoc, 2008-only TRC, including Council-approved membership and anticipated outcomes.

Updates and Opportunities – Guest Speakers

Don Stuart, Pacific Northwest Director of American Farmland Trust

Gave encouragement based on his outside perspective and history working with Whatcom County – “you’ve made lots of progress here.” Two AFT handouts given: “Success in the 2008 Farm Bill” and “Status of Existing Programs for Protecting Agricultural Lands in Washington.” Expressed hopefulness about development of viable TDR programs to support ag lands preservation.

Discussed 2008 Farm Bill changes; particularly structural changes to federal Farm and Ranch Lands Protection Program (FRPP). Three main FRPP changes:

- 1) Shift from soil quality focus to focus on preserving ag lands;
- 2) More flexibility to include limited forest lands in association with ag lands;
- 3) USDA remains as funder & facilitator, but not direct purchaser – more power given to local programs through certification process of local entities.

Discussed WA state Office of Farmland Preservation (OFP) task force. Other statewide efforts are feeding into the OFP task force work, including: CTED TDR committee work, Ruckelshaus Ag viability & critical areas process, and Future of Farming planning coming out of WSDA. Also a number of other ag-related initiatives taking place on the state level.

Jeremy Eckert, Director of Transfer of Development Rights (TDR) Programs for Cascade Land Conservancy (CLC)

CLC is a regional land trust focusing on market-based solutions to land preservation.

Observation of Whatcom County is that we still have a lot of prime soil and ag operations that can yet be supported/protected from conversion as compared to other western WA counties.

PDR is a great tool, yet limited by money. TDR can complement and leverage to conserve more land for ag. “Do TDR programs work? Sometimes....”

Handout given entitled: “Selected Tools for Farmland Conservation”

Discussed 2 other local programs: King County – has active TDR program w/coordination with some cities and the unincorporated areas, uses 50% by-right density bonus using TDR credit; and Pierce County – has active TDR program without coordination with cities.

Quest from group: What’s in it for the cities?

Resp: There needs to be a compelling nexus (e.g. drinking water supply), as well as an opportunity to meet their needs (e.g. King Co provides some amenity funding in exchange for taking credits). Also, CLC is looking into potential opportunity to use “conservation village” tool approach which is looking at ways to pull rural development into central village area (though NOT fully-contained and NOT master-planned resort), at the same time as removing development rights from surrounding resource lands. This is similar to some clustering provisions in codes.

Ag Land Preservation Goals and Recommendations

GB introduced this phase of the agenda and asked for committee members to come forward and name the one top tool they would hang their hat on in order to move forward based on what we know today.

Below are the comments, by spokesperson’s initials:

RE discussed history of creating zoning in Whatcom County and inevitable flukes in the code. By the strike of the pen we created these problems, and by the strike of the pen we can undo them.
Top tool: downzoning.

VW discussed need for hard and fast zoning – no new development rights created. Top tool: TDR coupled with no new development rights in resource lands.

BT discussed need for prioritization direction from Council. Critical areas, housing affordability, agriculture preservation all are priorities – can't have cake & eat it too.

HB – Top tool: create new towns

New hamlet creation could increase potential receiving area for TDRs. Also need to ID other receiving/upzone areas

CM – Intrigued by TDRs. Use 'upzoning' to match 'downzoning' through development rights trades to preserve ag and create new towns (Henry's idea).

Need to put together draft, effective, TDR program using existing study/materials – "strawman"

PG discussed need for facilitating/coaxing group. Someone will be needed to implement these tools w/resources & ability to follow-through

PS – Countywide ballot measure needed for funding conservation. Need to link critical areas and farmland conservation with affordable housing in the more urban areas.

JG – now is time to put together TDR for county. Identify sending & receiving areas, and study other TDR programs in state.

AA – Ag preservation programs need dedicated funding put aside (agree w/PS). Must be able to budget to leverage \$. Need to look at hybridized programs and create a menu of options that broaden TDR dialog. Led to general discussion about bond issue opportunities and current Conservation Futures fund.

HB – Parcel reconfiguration idea (on TRC tools list) also important

CM – Also need to codify resource land protection as we have codified critical areas protection. Difficult to get a fair balance when proscriptive approach to critical areas protection (CAO) is balanced against philosophical approach to preserving Ag lands. Ag needs equal footing from a regulatory perspective to achieve balance on the ground.

CA – Likes Henry's Natural Resource Bank idea (on TRC tools list). Water Rights issues need to be dealt with

VW – AND groundwater recharge issues

PS expressed interest in an increasing annual goal of permanently protected farmland areas, as well as looking at nexus through cost of community services study using AFT methodology or other state of the art approach

FB added emerging market for carbon credits could enhance the value of ag land by utilizing ag as carbon sequestration bank

DS/GB – Environmental Services should be considered as important 'crop' to help profitability of Ag

RE – The need to conserve ag lands is not a land problem or land use problem, but rather a people problem

Discussion about value/need for education & outreach activities related to ag land conservation. Or perhaps dialog with the goal of understanding all positions, building community, listening.

CA – Right to Farm ordinance is difficult to keep up-to-date with current management practices.

PS – Need a focus on farmland affordability, farm succession planning – CLT approach is an opportunity to keep farmland affordable over time.

Next, participants were asked to focus the discussion by tool.

Downzoning. Falls into Fast/Hard category.

Difficulty with zoning of any sort is the windfalls/wipeouts consequence. This can be balanced by the use of TDR program to allow recapture of development value, even if right to develop a specific piece of land is removed.

Downzoning (w/o TDR) is possible, but will likely expend a lot of political capital, and will also likely end up in the courts. It carries with it a perceived unfairness that could lead to backfiring and reversal of decisions.

Due to parcelization in resource areas, downzoning may not result in much gain of protected resource lands. Other mechanisms (e.g.: lot mergers) can reduce the number of parcels.

Important to look at the metric of effectiveness for each tool. This tool may not necessarily be effective.

Unintended consequences can hurt ag industry. Need to think about the economics associated.

Transfer of Development Rights (TDR) Falls into Slow/Hard category (though WC may be a good way into TDR development already, so 'slow' is relative here)

Though TDRs are market-driven, regulation is required to create a TDR marketplace. What that regulation looks like is a policy decision. There may be perceived or actual winners & losers. Like most policy decision contexts, there is continuum of options that may lean more toward a carrot or a stick approach. Pierce Co drew a firm line and requires any rezones to incorporate TDR credits.

Current Whatcom County TDR program contains no certainty. Bellingham will not extend utilities to make development possible. County and City need to talk more.

TDR program has potential to be quite effective. Also less likely to expend political capital.

PDR cannot achieve level of protection desired. Need to get more people to participate through TDR approach.

Lines where protection needs to be focused are already there in terms of ag lands within Whatcom County. The Rural Lands Study outlines the Rural Study Areas that need protection, along with existing Ag lands.

Currently PDR-based development values are 'artificial' as determined by appraisers. Lots of people want an upzone to their property based on perceived/expected wealth creation/increase in value.

Need an actual marketplace so that developers themselves can establish the value based on reality.

Putting the brakes on growth here has led to lack of steering growth, because steering is perceived as enabling.

JE: there is differentiation in value between the right to develop rural land, and the ability to develop additional urban land. EG, one TDR credit from ag/rural land may be worth 6 new homes. Some exchange value must be established, and allowed to be updated easily over time based on the marketplace.

Major expansions of UGA areas through upzones create more opportunity for huge increases in value – this is an optimal situation for a TDR program. We have approx. 4,000 development rights in the ag/rural lands that want to be sent out to more urban areas – there may be many more than 4,000 that need to be accommodated in conjunction with 2031 planning & population projections.

GB invited those who hadn't spoken up yet to add their views:

TJ – The county-wide ballot measure idea (levy or bond issue) would be very useful for both TDR and providing the resources for whoever the ‘someone’ is that will take these ideas & move them into action

VH – The parcel reconfiguration idea should be highlighted for those farm families with large blocks of land to get development rights off of prime farmland

LS – Conflict btw AG & CAO are major problem - CAO trumps everything

BD – No changes to CAOs are allowed until probably 2010 when the Ruckelshaus recommendations are complete.

TJ – This all speaks to Craig’s idea to codify Ag protection (fix APO &/or create better)

BD – Marketing campaign will be needed in conjunction with ballot measure. These are timely issues and tie together with peak oil issues and local food initiatives.

Other tools that didn’t get additional discussion due to time constraints, but were clearly identified:

Ballot Measure for Ongoing Ag Funding (levy, bond, other)

Regulatory Approaches (could encompass fixes to APO, CAO coordination/clarification, new Hamlet creation, parcel reconfiguration, etc.)

Timeline Linking Ag Committee Activities with other County Planning Efforts

David Stalheim presented an overview of county planning efforts related to GMA and other mandates. The two main focus areas are

- 1) Urban Growth Areas (UGA). This decision is due by June 30, 2009. Current planning period is through 2031. A Growth Management Coordinating Council (GMCC) is meeting monthly with representatives from the county & cities to discuss the UGA issues. Population projections are coming forward from consultant Burk & Associates. Whatcom County’s mid-range population projection for 2031 is expected to be in the neighborhood of 260,000 (currently about 190,000); these numbers will need to be allocated to cities & unincorporated county areas through both a technical (historic growth analysis) and political (what do the cities want) process.
- 2) Rural noncompliance. This issue is about any rural densities higher than one unit/five acres are too dense for rural designation. Also, Limited Areas of More Intensive Rural Development (LAMIRDs) (can be thought of as hamlets/villages) need to be clearly identified based on development existing as of July 1, 1990.

Key link of Ag activities to these (above) processes is that any policy issues need to be on the table now, even if they represent a long-term implementation project. One example would be: If UGA boundaries are expanded, there should only be added density allowed within them through use of a TDR program that has ag land preservation as a goal. Other TDR issues, as well as city-county coordination issues should be discussed prior to the June 30, 2009 deadline. Then the overarching comp plan issues regarding rural and resource lands and ag protection, as well as implementation measures, can be focused on after that.

Questions/Discussion:

Where does Ag preservation come in? The more it is put off, the more likely there will be none left.

Alternatives for **study** should be on the table now, e.g., rezone RSAs into Ag.

Can strengthen the protection of prime ag soils – e.g., no net loss for prime ag soils

It is the job of PDS staff (DM, SL) to structure this conversation into policy options that the committees can choose to bring forward.

Closing and Next Steps

Questions remained about how AAC and PDR Oversight Committee will work together over time.

Joining the two committees may create some efficiency and clarity.

There are some necessary code adjustments/practical issues to deal with for the AAC – these are underway.

Who will handle setting up a ‘strawman’ that is the TDR program here?

There was a suggestion that one committee is a policy development and advocacy committee (AAC), and the other is a funding allocation committee (PDR).

A perception was voiced that PDR committee handles nuts and bolts of that program, while AAC works on broader policy issues.

Suggestion to have another joint retreat (AAC and PDR) 3 months from now.

PDR Oversight Committee

Next committee meeting set for Friday, November 14th, 8 AM -10 AM at Ag Services Center on Hannegan Rd.

All other committees are welcome to attend.

Ag Advisory Committee

Next committee meeting set for Wednesday, November 19th, 3-5 PM at Farm Friends office.

AAC will be taking on the TRC recommendations for discussion when they are complete, and then talking with the Natural Resources Committee of County Council about the recommendations and their implementation.

Farm Friends Technical Review Committee

Next TRC meeting scheduled for Monday, November 17th, 2:30 – 4:30 PM at Farm Friends office.

The TRC recommendations are due by end of December, then will pass on to AAC.

Next series of **AG Land Public Forums** scheduled **Thursday, Nov 6, 6-9 PM (Bellingham St. Lukes Community Health Ed Center at 3333 Squalicum Parkway) & Wed, Nov 12th, 6-9 PM (Lynden Rotary Bldg at 1775 Front St)** with agenda including discussion & prioritization of ag protection tools and discussion of TDR receiving areas.

Additional Announcement – KCLT is bring **Mark Bowman from the Jefferson Landworks Collaborative to Bellingham on Thursday, Nov 13th, from 4-5 PM at the Bellingham Council Chambers in City Hall.** He will speak about the Jefferson County farm conservation approach that focuses on business planning, resource conservation, education, technical assistance, marketing and more.