

DRAFT – SUBJECT TO REVIEW AND REVISION

DRAFT Meeting Summary

Skagit County TDR Advisory Committee Meeting

Thursday, May 9, 2013

Skagit County Commissioners Administration Building

1:30 – 4:30 pm

Committee members present: Charlie Boon, Martha Bray, Wayne Crider, John Doyle, Paul Kriegel, Bruce Lisser, Kim Mower, Ed Stauffer

Project staff and advisors: Kirk Johnson; Taylor Carroll

Members of the public: Ellen Bynum, Gary Hagland

Meeting Objectives

- Present draft summary of major TDR issues considered to date
- Receive input from committee members on that summary
- Discuss timing and scope of public outreach process

Public Outreach

Although it was scheduled for later on the agenda, the discussion quickly turned to whether public outreach is appropriate at this time. There appeared to be some different understandings of “public outreach” which led to a fair amount of confusion at first. Kirk was using the term at this point to describe targeted outreach to potential TDR user groups (farmers, forest land owners, conservationists, rural residents, developers).

Some committee members thought Kirk was proposing to release a formal TDR proposal with open houses and the like – which committee members objected to fairly strongly at this point. Several members said until there are some results from the market analysis, indicating whether there is adequate market demand to make a program work, there wasn’t much to talk about with the broader public.

When the discussion focused on the more targeted outreach, letting potential TDR users know the project is underway, what kind of questions are being evaluated, and asking what their interests and concerns might be, committee members generally agreed that level of outreach would be timely and helpful now.

For instance, it could help to provide additional detail on whether there is concern in the broader farm and forestry communities about conversion of those natural resource lands and whether they might be interested in participating in a TDR program (if there is market demand to drive it).

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One of the major purposes of the TDR Advisory Committee established by the County Commissioners is for committee members to provide direct input from their various perspectives during committee meetings. Another is for each committee member to talk about TDR with their neighbors and colleagues in the conservation, natural resources, development, and planning sectors, and bring what they hear back to their fellow committee members, staff and consultants.

Discussion of Draft Summary Document

The remainder of the meeting focused on discussion of the document titled “Summary of TDR Discussions to Date,” which seeks to identify and synthesize some of the key areas of committee discussion so far.

Conservation Goals:

There was discussion of whether the TDR project should focus solely on retirement of residential development rights or whether it could expand to consider markets for environmental services and the sale of other development and use rights beyond residential development.

John Doyle suggested that the public benefits from not developing a property might be greater than just the value of the residential development itself, and perhaps that value could be captured as well for the benefit of the property owner. There might be revenue streams that could compensate property owners for providing wildlife habitat, water quality, carbon sequestration and other environmental services. John also said there might be entities interested in purchasing additional development rights from landowners, beyond the residential development rights.

Kirk said the issue of environmental services keeps coming up which indicates real interest among several committee members. But establishing economic values for these services (let alone markets for them) is very complicated and the TDR project doesn't have the resources to take that on. Perhaps it could be the focus of a future project.

Kim said private farm and forest landowners run their operations as a business, and if all of the development and use potential is removed from a property they no longer have a means to operate that business. She said the original intent of the TDR project was to look at transfer of residential development rights and that should remain the focus.

The conservation easement associated with a development right sale would be the mechanism for achieving conservation on a sending-site property. Kirk said that since one of the goals of a TDR program is to conserve working farm and forest lands, it would be counterproductive to put additional restrictions on the property that would make it more difficult for property owners to keep the land in working farm or forestry status.

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Martha noted that the easements used for the Farmland Legacy Program have an impervious surface limit (she thought of 5%) to protect the farm soil and prevent the preserved properties from being covered with industrial-scale greenhouses.

Ed asked if TDR programs have been used to transfer existing residents and homes from rural or resource areas to urban areas, for example in King County? Taylor and Kirk both answered no, that the focus of this project and TDR programs in general is the transfer of unexercised development rights and there is no intent to promote the removal of existing residences.

Receiving Areas

Bruce asked how many cities are participating in county-city TDR programs in King County and how many TDR development rights are they accepting. Taylor named Seattle, Issaquah, Sammamish, Lake Forest Park and Kirkland. Seattle is expected to accept 800 TDR development rights.

Taylor said the focus of those receiving area communities includes local food, farms and the local economy – including restaurants and farmers markets that rely on locally grown food. Sammamish and Issaquah also have a watershed protection focus. Martha said it's important to allow cities to help determine sending areas where conservation would be encouraged through TDR.

If Seattle with its very sizable population is proposing to accept only 800 development rights, Bruce wondered how much TDR demand could be generated in Skagit County, especially with a limited number of receiving areas. He said a key source of receiving area potential in Seattle is the ability to build multiple-story buildings, but no one is going to build vertical in Skagit County cities because land is too cheap.

Determining which residential development rights are eligible for sale

The remaining focus of discussion was how to determine whether and how many residential development rights would be eligible for sale through a TDR program for a given parcel of land. Committee members were generally supportive of the idea that those residential development rights that could be exercised (built) on the ground should be eligible for sale through TDR. However, often times a great deal of site-assessment work and, where multiple development rights are involved, subdivision procedures are required for a parcel to be built upon or sold.

Taylor said the more onerous and expensive the process is for a property owner to have development rights certified for sale, the less likely property owners will be willing to participate in a TDR program. Some TDR programs require significant up-front work to certify development rights for sale. Some of those programs absorb the cost while others place it on the property owner. Other programs recognize for sale all development rights authorized by zoning, even where other rules (such as floodway or other critical areas regulations) might preclude actual construction of a residence.

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After considerable discussion, most committee members appeared to prefer a less rather than more onerous process for landowners to have development rights certified for sale, as a way to encourage participation in the program. There appeared to be *general* support for recognizing those development rights authorized by zoning – including density bonuses allowed for CaRD developments in Rural Reserve and Rural Resource-NRL – except where:

- 1) other specific rules prohibit such development (such as prohibitions on development in the floodway); or
- 2) site-specific conditions would make actual development highly unlikely or infeasible.

The committee discussed whether a property owner interested in selling some residential development rights would need to sell *all* of the residential development rights associated with their property. Kim felt strongly that such a requirement would not be well-received by sending-area property owners and would likely result in strong opposition to any TDR program at all.

The committee also discussed the instrument for certifying a development right for sale and the process and timing of placing conservation restrictions on a development right offered for sale. Taylor said some programs issue a letter of intent and establish an escrow process. A conservation easement is only placed on the property when the TDR certificate is purchased on the receiving end.

These matters will be discussed further at a future meeting.

Rural development patterns

Ed said in his neighborhood in the northwest part of the county there has been very little new development or increase in population density since he built on his property in the mid-1970s. He and his neighbors are conservationists and stewards of their land. A lot of people will say the rural landscape has already been conserved and will question the need for a TDR program. He said it was already difficult and expensive to develop property in rural Skagit County and worried that a TDR program could create an incentive for the County to make actual development even harder.

Kirk and others responded that the intent should be to create positive incentives for voluntary landowner participation in a TDR program (for instance by fully recognizing development rights, including CaRD bonus density credits, for sale through TDR), and there was no intent through this process make actual rural residential development more difficult.

Public comment

There was no public comment.

The meeting adjourned at 4:30 pm.