

Meeting Summary

Skagit County TDR Advisory Committee

Thursday, November 8, 2012

Skagit County Commissioners Administration Building

1:30 – 4:30 pm

Committee members present: Charlie Boon, Martha Bray, Wayne Crider, , Charlie Guildner, Jana Hanson; Jennifer Hagenow, Nels Lagerlund (for Mike Hulbert), Paul Kriegel, Bruce Lisser, Kim Mower, Allen Rozema, Kendra Smith, Ed Stauffer.

Project staff and advisors: Kirk Johnson; Josh Greenberg; Taylor Carroll

Members of the public: Ellie Herr

Handouts:

1. Agenda
2. Potential TDR Sending Areas – For Discussion Purposes
3. September 19, 2012 meeting notes

Meeting objectives and agenda topics

See attached agenda.

Draft Goal Statement

The Committee began with a brief review of the Draft TDR goal statement. Edits proposed at the meeting are shown in the attached working draft. There was agreement to continue to work on the goal statement via email before the next Committee meeting, particularly on the 2nd and 4th through 6th paragraphs.

TDR Sending Areas

The major focus of the meeting was discussion of potential TDR sending areas. These could be natural resource lands or lands with important environmental or open space values that would be eligible for the sale and transfer of development rights through the TDR program. Kirk and Taylor provided an overview, saying the questions to be considered include:

- What lands should be protected?
- How much land should the program seek to conserve and over what period of time?
- What areas are experiencing development or land conversion pressure?

- What other land conservation programs exist to address these pressures?
- What additional information does the committee need to assist its thinking about sending areas?

Kim Mower said many of these issues were addressed by the Envision Skagit Citizens Committee in its report and asked Kirk to send out relevant excerpts.

Ed Stauffer asked if the TDR project would result in changes to the Skagit County comprehensive plan and code? Kirk said it would if the County Commissioners decide to move forward with formal consideration of a TDR program; in that case the planning department would draft plan and code language drawing on the advisory committee's discussions, the market analysis, and other information sources, for broad public consideration.

Jen Hagenow said she thought there was an opportunity for an economic win-win on both sides, with interested rural landowners receiving payment for their unused development rights and cities gaining opportunities for increased economic activity.

Martha said the goal statement needs a better explanation of the goals and benefits of a TDR program, including the purpose and goals of land conservation generally and the specific conservation goals to be advanced by TDR.

Skagit County GIS analyst Josh Greenberg presented various maps and images to show the location of designated natural resource lands and environmental resources (such as the floodplain). He also showed maps showing the potential for additional development in the rural area and natural resource lands, based on an analysis of developable lots done through the Envision Skagit project. The presentation was intended as an introduction to the types of maps and data layers that can be drawn upon in helping to identify areas for conservation through a TDR program.

Ed said the comprehensive plan was developed in the 1990s to achieve an 80/20 split between urban and rural development and to avoid the kind of urban sprawl that the Envision "red dot" maps appear to portray. Josh said the red dots represent potential individual rural residences but do not imply urban intensity development across the rural area. (As the maps are expanded, the size of the red dots becomes proportionately smaller.)

Bruce Lisser said he felt the "red dot" maps present a distorted image of rural development potential. Josh and Kirk disagreed, saying that with the proper caveats and understanding the maps are useful for long-term planning purposes.

Bruce said he would be interested to know how much, if any land has been removed from Ag-NRL since the 1970s. Neither Josh nor Kirk had maps or data handy.

Regarding possible Ag – NRL replacement lands, Charlie Boon said most of the land that has active agricultural uses but is not Ag – NRL has lower quality soils than Ag-NRL and is primarily used as pastureland.

Ed asked if a rural parcel is unable to be developed due to a limitation such as poor soils for septic or lack of water, would it be considered to have a development right eligible for purchase through a TDR program. Taylor said in some cases TDR programs will credit such parcels with a development right, in and in other cases they don't.

Bruce said he didn't think a TDR program should apply to Ag-NRL because the three-year farm income rule* removes the development potential from most Ag – NRL parcels, and because the Farmland Legacy Program is already working well. (*This administrative interpretation requires that an Ag-NRL property owner demonstrate three years' of income from farming the subject property before being eligible to build a residence on the parcel as an accessory use to the primary use of agriculture.)

Kendra said we need to be thinking about the future, in case there is a change in the current political support for farmland protection.

Allen said he is confident that a Purchase of Development Rights (PDR) program such as Farmland Legacy and a TDR program won't be in conflict if they are properly constructed. In terms of identifying TDR sending areas, he said at this point it's more important to determine what conservation values you want to protect, not the specific geographic areas or land-use designations. Those conservation values can then be protected by the easement that is placed on the land from which the development right has been purchased and transferred.

Martha said she supports Bruce's thinking that TDR should not be applied to Ag– NRL. While she doesn't think TDR is likely to compete with Farmland Legacy, there is limited funding for conservation of non-ag areas or resources, such as habitat, rural character, open-space, etc., and TDR could be an exciting opportunity for these other lands.

Martha said that easements placed on TDR sending sites should be kept simple, using the basic conservation approach that recognizes a "bundle of property rights" and specifically removes

the development right that has been purchased. She agreed with Allen that it's important to identify the conservation goals that the program is trying to protect.

Kim said there are certain limitations with TDR, for instance there's not going to be a huge demand, and that having too broad a focus might defeat the effort. For reasons already identified, it may be best for a TDR program not to apply to Ag – NRL. There are other areas such as forestry and rural resource lands where TDR could apply.

Kim said some people use the development right on their land as a form of equity that they can borrow against. Landowners need to consider which is more important to them, that equity value or the payment they can receive for selling their development right.

Paul Kriegel said his view from a forest landowner's perspective is "leave us alone, we can take care of our business ourselves." He felt a person with timber would be "crazy" to sell their development rights as that might be all they have left in the future.

Allen said we need to do the market study to determine what the market for development rights is. And we should keep an open mind. If a landowner wants to conserve their land by selling the development right, and if there is demand in the cities, a TDR program should be made to work for them.

Bruce said it has to be a complementary program for the County and the cities. You can't simply assume the cities are willing to accept more density. What zones does the County have that it would be willing to consider as receiving areas? (Receiving areas will be the major focus of the February 14 advisory committee meeting.)

Kim said she participated in field trips through the Envision process that showed higher density development can be attractive.

Martha said the Skagit Land Trust is involved in an internal planning process to update its conservation priorities. She said there are many environmental resources that a TDR program could help to protect including:

- Sensitive headwater areas, as identified through the Department of Ecology's watershed characterization process.
- The most intact and threatened wetlands, which help to absorb and clean stormwater runoff among other things. There's good science pointing to the need for broader protection for these.

- Wildlife corridors. The data is not so good, but it's important to protect intact blocks of land.
- Green separators between cities as identified in the UGA open-space plan.
- Saltwater shorelines.
- Scenic values, viewscapes and open-space lands; and
- Secondary forest lands, which studies show are quite vulnerable to development and conversion pressure.

There was general agreement that it would be a good idea to talk to the cities about linking a TDR program with the UGA open-space plan. On the one hand, close-in lands would have higher land values (prices), but there may be stronger support within cities for conserving close-in lands than areas that are more distant in rural portions of the County.

Kirk asked Taylor to provide some thoughts and comments on the sending area discussion so far. Taylor said it's important to have additional information on the following:

- The supply of development rights in rural and resource lands, which can then be matched up with the demand for development within the cities.
- The conversion pressures facing various resources, how many acres have been lost, and is that too much?
- What are the conservation values that the County is wanting to protect?
- What is the benefit of TDR to the cities?

He said the focus of the TDR program San Luis Obispo is green belts around the city; in Tacoma it's farms and protecting their water supply; in Sammamish, it's creating an "emerald necklace" around the city; and in Issaquah it's protecting habitat and the watershed in the Issaquah basin.

Taylor advised against throwing out categories of land yet, such as Ag-NRL. For instance, it's important to ask: could TDR help to supplement the Farmland Legacy Program and in so doing, extend the acres of Ag-NRL that can be protected? It's important to work with the cities to determine what their conservation values and priorities are. They might include conserving nearby agricultural lands, forest lands, or recreational and open space lands. It's also important to look beyond units of residential development to see if other types of development, such as commercial, can create the demand for the purchase of development rights.

Ed said that all of the surveys and studies that a person needs to do to verify they have a development right can cost in the range of \$4000 to \$8000. In a TDR program, who pays that cost?

Taylor said different programs are structured differently. Some place the burden on the landowner, whereas other programs are indifferent about whether the parcel is developable or not. Sammamish has a program that is partially compensatory, where if the landowner can prove that they are unable to develop, then the program will allocate development rights to be sold through the TDR program rather than rendering the site completely devoid of any development value. In Snohomish County's TDR program policies, undevelopable parcels through a reasonable use exception, are allowed to sell development rights through the TDR program to capture development value. In King County's program, they calculate TDR credits available based simply on parcel size and zoning. However, in this calculation they round down. For example, a 19 acre R-5 (1 house/5 acres) parcel would have 3 development rights.

Public comments

Ellie Herr asked if there would be some ongoing costs to running a TDR program. Kirk said there would be if Skagit County creates a program to cover the staff work required to operate the program. But he didn't know what that cost would be, as it would depend on the type and size of the program.

The meeting adjourned at 4:30 pm.