

MEETING SUMMARY

PDR Oversight Committee

July 31, 2009, 8 AM

Agricultural Service Center, 6975 Hannegan Road

Voting members present: Rod Erickson, Barbara Dykes, John Gilles, Allison Aurand, Paul Schissler; Others: Henry Bierlink (Farm Friends), George Boggs (Conservation District), Craig MacConnell (WSU), Don Stuart (American Farmland Trust); PDS Staff: Samya Lutz, Dean Martin

1. Public Comments/Announcements: There were no public comments. George Boggs announced a newly forming workgroup will be looking into PDR programs statewide and making recommendations to the Recreation and Conservation Funding Board by November of this year. He asked if anyone from the Whatcom PDR group would be interested in serving. Allison volunteered.
2. Review of Minutes: The March 22, 2009 meeting minutes were reviewed and approved.
3. Conservation Markets Discussion

Don Stuart introduced the discussion about creating marketplaces that pay for the services ecosystems provide to humans. Many of these services are created on farms that farmers are not compensated for, and instead are required by regulations. Development typically doesn't have to pay for the full damage done to ecosystems when services are altered. Growth in the PNW is creating pressure for more regulations as the environment is altered. How can least cost solutions be developed that benefit farms and farmers?

Focus on preserving prosperity, likelihood of implementation, incentives for farmers to participate. Currently many conservation practices exist on farms that do not detract from the agricultural practices. Can farmers get paid to provide some ecosystem services?

Currently environmental mitigation spending is about \$350 million in the Puget Sound Basin annually for public transportation projects only. Wetland mitigation is a threat to farming in that it can take land out of agriculture permanently. If mitigation money were tied to agricultural preservation, it could make a tremendous impact.

The group discussed various mitigation areas - carbon, water quality, wetlands, endangered species, flood. Don gave examples of situations where the mitigation strategies can work together with ongoing agricultural practices: Scott Myers on Lopez Island w/WSU Innovation in Conservation project; using wetlands as a rotational crop through dyking ditches. There is potential money available now for pilot projects – we should all be looking for opportunities to put together projects that test these ideas.

John Gillies brought up the forested wetlands w/peat soils in Whatcom County that are currently regulated & may make up a portion of some farms. When already converted to field, they produce valuable crops; but when forested & regulated, they are worth \$0 to the

farmer. They could be candidates for replacement wetlands and perhaps bring in some income to the farmer.

Allison brought up the difficulty w/government agency rules & problems associated with allowing wetlands and farming to coexist. John brought up the hybrid poplar program as an example of changing rules to allow 10-yr rotational agriculture. CREP leases are another example – and these are coming up to their term. Perhaps there is an opportunity for long-term protection through a conservation markets program.

Henry mentioned Farm Friends is partnering w/WSU, the PUD, Irrigation districts, Huxley, Parametrix, Dept of Ecology on flood control issues for the city of Lynden and other things related to conservation resources & land use. There are certainly opportunities.

George stressed a performance-based focus and need to off-set long term implementation costs. We have a prospectus, vision, 100,000 acre target; now need to broaden authorities to implement.

Opportunities for broadening scope: TDR, water rights, conservation markets, others. The PDR program could be much broader & more pro-active: there are many types of transactions possible, what works best for the landowner? Do we understand the values/culture of the farmers – it would be helpful to characterize this to better fit programs to their needs & be more effective/efficient. [Allison knows someone who did paper on this subject in Skagit Co – Sara Joseph – she will email to committee.]

Some discussion continued about where to go from here. Barbara expressed desire to vet ideas with PDS, Council before committee moved too far in new direction. How can we explore these ideas in more detail? Get more information? Others thought Council would be amenable to a specific proposal from the committee.

4. Round VII PDR Discussion

USDA FRPP application – USDA announced no funding is available this year for Whatcom County PDR transactions. Jeff Harlow indicated there may be a chance for more money & therefore some farms funded, but as of now, nothing is available.

Eldridge PDR transaction – The committee reviewed & discussed the Eldridge appraisal. Staff mentioned the appraisal review was just completed and the result was concurrence with appraisal easement value.

Motion to accept Eldridge Appraisal. Unanimous.

5. Next committee meeting: The committee will meet again on Friday, September 25th, 8 AM, at the same location.

Signed, Rod Erickson, Chair PDR Oversight Committee