

MEETING SUMMARY

PDR Oversight Committee

February 5, 2010, 8:00 AM

Northwest Economic Council Office
115 Unity Street, Suite 101, Bellingham

Voting members present: Veronica Wisniewski, Allison Aurand, John Gillies, Paul Schissler, Mark Harting, Barbara Dykes; Others: Heather Mackay (Farm Friends), Ann Russell (Kulshan CLT), John Steensma; County PDS Staff: Samya Lutz, Dean Martin

1. Public Comments/Announcements/Agenda Review: There were no public comments, announcements, or modifications to the agenda.
2. Review of Minutes: The January 22, 2010 meeting minutes were reviewed and approved.
3. Purchase of Development Rights Program Discussion

Purpose & Program goals – those present reviewed the stated committee purpose, objective, and principles as written in the Whatcom County Code (WCC) and the PDR Program Guidelines document. Those involved in the early formation of the program shared some history of early discussions. Generally, people agreed with the intent of retaining properties in ag use, targeting strategic sites, and really all the language contained in the current WCC and guidelines.

Heather introduced the Natural Resource Marketplace idea and the desire to have development rights as part of the trading. She asked about shorter term easements, rather than permanent, and discussion ensued about the difficulties inherent in less-than-permanent easements (doesn't work with IRS rules, state and federal funding, valuation is problematic). Idea of distinguishing *functional* values from *market* values is important and perhaps relevant for PDR.

Do we need a short-term goal for the program? Draft 'Farms for the Future' proposes 10,000 acres by 2020. Perhaps target a specific property w/time-specific goal of completion. Discussion about setting acreage goals vs. strategic parcel goals. What type of outcomes are we looking for? Increasing our offerings (more creative deal-making), increasing the comfort level of farmers interested in program.

Discussion about chicken-and-egg situation with Conservation Futures dollars (needing to get back the funding though needing to show demonstrated need first). After program moves beyond some benchmarks, then look at doing a bond issue.

Do the target areas still make sense? Currently we have the original PDR Target Areas, the Rural Study Areas, and all of the area in agricultural zoning. Allison expressed more comfort with them after the addition of the ag-zoned areas. General agreement that these are good target areas.

We need more targeted outreach to recruit from these areas. Perhaps we need to work more closely with the Farm Friends membership and board, as they were quite supportive of getting the program started at the beginning, but have not ended up participating.

What is current process like? Samya and Ann discussed the process that the Jensen family has gone through to-date, and Samya also went through the 'typical' PDR process for applicants. Veronica summed up saying that post-application due diligence is the area that can get cumbersome (lot of record certification process, deed & title issues, political approvals), especially when there is not staff available to 'bird-dog' the process.

The valuation is also difficult as we are unable to give applicants a firm estimate up-front of what their development rights are worth. The appraisal is expensive and typically not complete until 4 months or so into the process. Other jurisdictions use other methods such as a points-based valuation or other ranking method. Skagit has a ranking method by which applicants are able to value their own development rights without even having to apply. This gives a guaranteed minimum value; the appraisal may come in higher, but they commit to funding the development rights at (at least) the ranked minimum value (even if the appraisal comes in lower). An appraiser put this method of valuation together for Skagit County and reviews it annually, adjusting the base value as needed (based on the market), and weighting it differently for different areas of the county. Binding letters of intent are signed by applicants locking in this value as a minimum.

How about addressing the issue of applicant discomfort? Ideas:

- Use buyers agents
- House PDR staff outside PDS
- Transparent points-based valuation process
- Hire out lot of record & plat certification process to a consultant (someone estimated this at \$250 thru NW Lot Certification Service)
- Always go out to the field to meet with farmers (do not require them to come into PDS office),
- Concerted outreach effort including the following:
 - Holding public meetings at Granges or other public gathering places in the county
 - More cold calls & canvassing
 - Print marketing
 - Website – more accessible
 - Work with the new Council members to explain the program, the appraisal process, discuss agricultural viability (do we need a Cost of Community Services study?)

General agreement to develop a strategy for proposed PDR program changes and bring it to Council within a three month timeframe.

4. Other Discussion

No other discussion took place

5. Next committee meeting: The committee will meet again to conduct regular business on Friday, February 26th, 8:30 AM, at the Smith & Northwest, Planning & Development Services Department office.

Motion to adjourn at 10:02 AM (Allison; Mark) – Passed.

Signed, Veronica Wisniewski, Chair PDR Oversight Committee