

Skagit Delta Farmland Preservation Strategy

(Final Working Draft)

Prepared by

Skagitonians to Preserve Farmland
Western Washington Agricultural Association

Prepared for:

Farms Fish Flood Initiative, a collaborative effort between Skagitonians to Preserve Farmland, Western Washington Agricultural Association, NOAA Fisheries, Washington Department of Fish & Wildlife, Skagit Conservation District, Skagit County, The Nature Conservancy and Skagit County Dike District #17

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Introduction

The Skagit Valley saw its first crop of cultivated potatoes planted in 1853 on March Point.¹ In circa 1870 the first commercial production of oats was sent to markets in Seattle and by 1908 the Skagit Delta was producing more oats and hay per acre than any other place in the United States.² Skagit farmland and Skagit farmers have been supplying the region, state and world with a diverse mix of seed and specialty crops for over 150 years and the Skagit Valley is now recognized as one of the strongest agricultural economies remaining in western Puget Sound.³

Skagit's seed production is significant both in the U.S. and in global markets. Exact figures are difficult to access, but the Washington State Department of Agriculture reports that the Skagit Valley is the world's single largest supplier of beet and spinach seed and a major grower of seed for cabbage and other brassica crops. More tulips, daffodils and iris bulbs are produced in the Skagit Valley than in any other county in the United States. Additionally, approximately 50 million cut flowers are grown in greenhouses and fields in the Skagit Valley and approximately 95% of the red potatoes grown in Washington State are from Skagit County.⁴

The value and importance of Skagit agriculture extends beyond the direct economic food and fiber benefits. It has long been recognized that Skagit agricultural lands provide a net positive fiscal impact as agricultural lands generate more tax dollars than they consume for community services.⁵ It is also clear that working lands provide environmental goods and services which include the relationship of farmland to flood control, water quality, biodiversity, wildlife habitat, open space, and quality of life.⁶

The farmland in the Skagit Valley is integrated within one of the last watersheds in the United States containing all five native species of salmon. The Skagit Valley hosts the largest chum and pink salmon populations in the entire lower 48, as well as the most abundant population of wild Chinook salmon in Puget Sound.⁷

- The Skagit Delta hosts one of the largest and most diverse concentrations of wintering raptors on the continent.⁸
- The Skagit Delta supports 70% of Puget Sound' shorebirds during migration.⁹

¹ Skagit County Historical Society. Chechasos All. The Pioneering of Skagit. Mount Vernon: Skagit County Historical Society, 1973.

² The Coast December 1908: p.367

³ Bill Mundy and Ted Lane. An Analysis of Skagit County's Agro-Industrial Cluster (DRAFT). Skagit County. 2014. Page 12.

⁴ Washington State University Skagit County Extension, Skagit County Agriculture. On the Internet at <http://ext100.wsu.edu/skagit/agriculture/> (visited on March 14, 2014).

⁵ Cost of Community Services, Skagit County Washington. Northampton: American Farmland Trust. 1999

⁶ Don Stewart, Dennis Canty and Katherine Killebrew. Guide to Environmental Markets for Farmers and Ranchers. Seattle: American Farmland Trust, 2010.

⁷ Pacific Coast Watershed Partners. The Skagit River Basin at a Crossroads. On the Internet at <http://www.pacificwatersheds.net/ontheground/skagit.htm> (visited March 14, 2014).

⁸ The Nature Conservancy. Farming for Wildlife. On the Internet at <http://www.nature.org/ourinitiatives/regions/northamerica/unitedstates/washington/explore/farming-for-wildlife.xml> (visited March 14, 2014)

⁹ Ibid.

- Farmland in the Skagit Delta supports one of the most important waterfowl wintering areas in the Pacific Northwest, supporting over 90% of the waterfowl wintering in western Washington.¹⁰

Despite the food and fiber, economic, social and ecosystem benefits the agricultural industry provides to Puget Sound and the Skagit Watershed, farmland continues to be a consumptive land base for all other land uses in Puget Sound and Skagit County.

- *Puget Sound region has lost 60% of its farmland since 1950.*¹¹
- *From 2001 to 2006, while the Growth Management Act has been in effect, approximately 4,300 acres farmland has been converted to impervious surfaces in Puget Sound.*¹²
- *From 1982 to 2007 Skagit County lost 15,580 acres or approximately 18.24% of its of cropland*¹³

Farmland in Skagit County, like that of western Puget Sound before it, are in danger of falling below a level necessary to sustain the highly complex crop rotation and isolation system that is unique to the Skagit and Samish Deltas. This system is unduplicated anywhere else in the world in both complexity and scale.

Skagit County is not currently interested in promoting the conversion of prime ag. land into other uses. The County has been supportive of the signatories' obligations under the Tidegate Fish Initiative (TFI) and Drainage Fish Initiative (DFI). In most cases where development activity occurs, alternative actions can avoid or minimize the loss of these prime agricultural lands.

To establish a framework for understanding the context in which farmland preservation is being undertaken in the Skagit Valley, the following agricultural statistics need to be considered:

- There are 89,000 acres of farmland zoned Ag-NRL in Skagit County, of which, approximately 22,000 acres is covered with impervious surfaces (roads, barns, houses, etc.) and unavailable for cultivation.¹⁴
- Skagit County agriculture produces a farm gate value of approximately 300 million dollars annually.¹⁵

¹⁰ Washington State Department of Fish & Wildlife. Guidance on WDFW's Vision for Conservation and Land Acquisition for the Skagit Delta. 2009. Page 6

¹¹ Dennis Canty, Alex Martinsons and Anshika Kumar. Losing Ground: Farmland Protection in the Puget Sound Region. Seattle: American Farmland Trust, 2013.

¹² 2011 Implementation Status Assessment Final Report. A Qualitative Assessment of Implementation of the Puget Sound Chinook Salmon Recovery Plan. A Report to the National Marine Fisheries Service. Page 15.

¹³ Bill Mundy and Ted Lane. An Analysis of Skagit County's Agro-Industrial Cluster (DRAFT). Skagit County, 2014. Page 14.

¹⁴ Active Agriculture in the Ag-NRL zone [map]. (2012). Skagit County Geographic Information Services.

- With approximately 12,000 acres of farmland within the Delta devoted to the potato industry, which on average has a four year rotation, there is a minimum of 48,000 acres of farmland needed just for the potato industry.
- Crops such as spinach, beets and cabbage have special isolation requirements of up to 2 miles, in addition to strict crop rotation requirements. Spinach Seed has a crop rotation requirement of up to 14 years in some cases.

Given the above, just from a crop rotation perspective, a case can be made that farmland within the Skagit Delta could at the tipping point with regards to having the land base necessary to sustainably maintain crop rotation for the areas primary crops. If the erosion of the agricultural land base continues unchecked, regardless of the reason, securing land for crop rotation and isolation purposes will become increasing difficult, causing uncertainty and a destabilization of the Skagit's agricultural industry.

¹⁵ Washington State University Skagit County Extension, Skagit County Agriculture. On the Internet at <http://ext100.wsu.edu/skagit/agriculture/> (visited on March 14, 2014).

Background and Process

The Farms, Fish and Floods Initiative (3FI) evolved from lesson's learned from the Fisher Slough Restoration Project where founding 3FI members, Skagitonians to Preserve Farmland, The Nature Conservancy, Western Washington Agricultural Association and the Washington Department of Fish & Wildlife desired to continue working together to determine how to replicate a multiple benefits projects like the Fisher Sough Restoration Project, across the Skagit Delta landscape. The 3FI membership grew to include NOAA Fisheries, Skagit Conservation District, Skagit County, and Skagit County Dike District #17, which now makes up the 3FI Oversight Team.

As part of a National Estuary Program (NEP) Watershed Protection and Restoration Grant, the 3FI Oversight Team adopted a farmland preservation goal and a scope of work, in coordination with EPA, NOAA and DOE who were in consultation with the Swinomish Indian Tribal Community.

A Farmland Preservation Strategy Team (FPST), pursuant to Subtask 2.2, was constituted to help develop the farmland preservation strategy to implement the 3FI goal to “protect and improve the agricultural land base and infrastructure consistent with the 3FI mission (secure 20,000 acres of agricultural easements and implement the TFI and DFI).” In so doing they would bring forward ideas and recommended strategies for the 3FI Oversight Team to consider.

The team developed to provide input to this strategy was comprised of the following individuals:

- Allen Rozema, Director, Skagitonians to Preserve Farmland (Project Manager)
- Brandon Roozen, Director, Western Washington Agricultural Association (Project Co-Manager)
- Dan Berentson, Public Works Director, Skagit County Public Works
- Dennis Canty, Regional Director, American Farmland Trust
- Kirk Johnson, Senior Planner, Skagit County Planning and Development Services
- Carolyn Kelly, Director, Skagit Conservation District; Chairwoman, Farmland Legacy Program
- Kris Knight, Project Manager, The Nature Conservancy
- Curt Miller; Miller Consulting; Board Member, Skagit Land Trust
- Curt Mykut, Regional Biologist, Ducks Unlimited
- Graham Peters, Biologist, Ducks Unlimited
- Tim Trohimovich, Director of Planning & Law, Futurewise
- Brian Williams, Area Biologist, Washington State Department of Fish & Wildlife
- David Roberts, Kulshan Services (Team Facilitator)

The FPST met six times between June and December 2013. Team members worked with their constituent groups to develop and put forward ideas for the project managers to consider and to vet the concepts being put forward by team members and the project managers.

In addition to recommendations and guidance from the FPST, project managers worked to solicit ideas and to vet concepts from the Board members of Skagitonians to Preserve Farmland, Western Washington Agricultural Association, as well as from individual community members, in order to insure ideas and concepts were developed and vetted from a broad suite of community stake holders.

After the six meetings with the FPST and numerous meetings with individual stakeholders, it was determined that just protecting 20,000 acres of farmland would not be sufficient to achieve the 3FI Goal to “protect and improve the agricultural land base and infrastructure consistent with the 3FI mission (secure 20,000 acres of agricultural easements and implement the Tidegate Fish Initiative and Drainage Fish Initiatives...”

Two FPST members advocated that a more comprehensive farmland preservation strategy that included increased zoning and regulatory protections for farmland is critical to a credible landscape scale farmland preservation strategy. Based upon the input and guidance from the FPST and community stakeholders, project managers broke down the scope of work into 6 work elements contained in Subtask 2.2 in order to address 3FI Goal #3:

1. To support the overall 3FI mission and goals;
2. To develop a strategy to protect 20,000 acres of farmland through permanent agricultural easements;
3. To develop a flexible easement strategy to accommodate fish habitat restoration;
4. To develop a strategy to strengthen the protection of a critical mass of agricultural land;
5. To ensure compliance with local, state and federal regulations; and
6. To encourage best management practices for sustainable agricultural land stewardship that also protects natural resources.

Review of Existing Policies, Regulations and Agreements

As part of Subtask 2.2 the Farmland Preservation Strategy Project Managers were asked to examine existing policies, regulations and agreements and to build upon existing work, such as Skagit County’s *Envision 2060 Citizen’s Committee Final Recommendations*.

Project Managers examined and reviewed dozens of policies, agreements, programs and regulations in an effort to develop a comprehensive understanding of the breadth of work already accomplished in the area of farmland preservation and natural resource management and stewardship.

Below are excerpts from key policies, regulations and agreements that provide foundational context for the six proposed strategies.

Federal Farmland Protection Policy Act (P.L. 97-98, Sec. 1539-1549; 7 U.S.C. 421, et. seq.), which in part, states:

“ . . . Federal agencies are (a) . . . to identify and take into account the adverse effects of their programs on the preservation of farmland, (b) to consider alternative actions, as appropriate, that could lessen adverse effects, and (c) to ensure that their programs, to the extent practicable, are compatible with State units of local government and private programs and policies to protect farmland. ”

The Washington State Growth Management Act (RCW 36.70A) which in part, requires the designation of *Agricultural Lands of Long Term Commercial Significance* and adoption of development regulations to protect agricultural land from conversion and to

“ . . . assure that the use of lands adjacent to agricultural . . . lands shall not interfere with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands for the production of food, agricultural products.”

Washington State’s new legislative directive to better protect agricultural land and declaring it is now

*“ . . . the policy of the state to identify and take into account the adverse effects of these actions on the preservation and conservation of agricultural lands; to consider alternative actions, as appropriate, that could lessen such adverse effects; and to assure that such actions appropriately mitigate for unavoidable impacts to agricultural resources . . . ”*¹⁶

The Washington State Department of Ecology’s amendment to the *State Environmental Policy Act Environmental Checklist* to better identify, disclose, minimize, avoid and/or mitigate impacts to agricultural land.¹⁷

The Governor’s new 2013 *Working and Natural Lands Priority* to:

- *Increase the net statewide acreage dedicated to working farms from 7.237 million to 7.347 million by 2020.*¹⁸
- *Maintain current level of statewide acreage dedicated to working farms with no net loss through 2015.*¹⁹

¹⁶ RCW 43.21C.011(2)

¹⁷ WAC 197-11-960

¹⁸ Results Washington Goal 3 Outcome Measure 4.1

¹⁹ Ibid., Measure 4.1.a

Policy guidance from the *Puget Sound Partnership 2012-2013 Action Agenda* to better protect agricultural lands which in part states:

Maintaining the vibrancy of agriculture is crucial to recovering Puget Sound and instrumental in providing a high quality of life in the region. However, farming in the Puget Sound basin faces an uncertain future. Global competition for agricultural commodities has reduced prices for Puget Sound farm products while costs of land and raw materials continue to rise. Low profit margins have forced many farmers out of business and farmland is being converted to other uses at an alarming rate. Rural areas have a low density of impervious surfaces and farmland provides greater flood plain function than developed areas. The continued loss of farms in the region and conversion to non-farm uses is not only detrimental to individual farmers and to the regional farm economy; but is detrimental to the recovery of Puget Sound.²⁰

Skagit County's *2007 Comprehensive Plan*, which in part states:

Protect the agricultural land resource and farming in Skagit County; endeavor to minimize the loss of the resource; mitigate unavoidable losses; and replace lost resources whenever possible. These principles shall guide Skagit County's actions to:

1. Preserve agricultural land for agricultural uses;
2. Limit new non-agricultural uses and activities on agricultural resource lands;
3. Provide education and support services that maintain the farming industry and lifestyle;
4. Promote the economic benefits of farming;
5. Resolve conflicts between agricultural and environmental objectives; and
6. Monitor the long-term achievement of the goals and policies.²¹

The *Skagit County Envision 2060 Citizen Committee Final Recommendations to Protect Natural Resource Lands, Aquatic Resources and Industries (Agriculture, Forestry, Fish and Shellfish)* which in part states:

1. Skagit County Should strive for no net loss of acreage and total agricultural productivity penitential from land zoned for agriculture (Ag-RL) in Skagit County over coming generations with a goal to preserve agriculture and food production.²²
5. Manage stormwater effectively to protect fish, shellfish, and agriculture. Stormwater from developed areas has profound impacts on salmon habitat, by changing the hydrology and water quality of streams; on shellfish beds, by introducing pollutants that can lead to harvest restrictions to protect human health;

²⁰ Puget Sound Partnership. The 2012/2013 Action Agenda for Puget Sound. August 28, 2012. Page 51

²¹ 2007 Skagit County Comprehensive Plan. Skagit County. October 2007. Page 4.6 - 4.7

²² Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 14.

and on agriculture, by creating or aggravating drainage problems and by leaving behind pollutants that are taken up by farm soils or crops.²³

6. Encourage local/regional efforts to support natural resource industries and the ecosystem, forged by those with the greatest on-the ground knowledge of how to meet the needs of both. The Citizen Committee does not believe that we in Skagit County must choose between farms and fish. Both are crucial to the heritage of this place. We who live here must find solutions that allow both to flourish into the future.

a. We support local initiatives to conserve farms and fish together, such as the Tidegate Fish Initiative, which authorizes the conversion of 2,700 acres of delta farmland to salmon habitat in return for regulatory certainty necessary to operate and maintain the dike and drainage system.

b. We support voluntary programs that allow farmers and foresters to generate additional revenue streams while enhancing sustainability (e.g., certification of forests or farms for sustainable practices, foresters tapping emerging carbon markets that provide an economic incentive to extend harvest rotations, or farmers tapping markets or incentives for clean water by planting filter strips along streams to generate supplemental income to keep their farm operations economically viable). We strongly encourage environmental services that landowners can provide on a rotation basis or which otherwise do not take working farm or forest land out of permanent production. An example is The Nature Conservancy's Farming for Wildlife program, which is working with three farms on the Skagit Delta to experiment with flooding, mowing, and grazing during crop rotations.

c. Agriculture, particularly food production, should be the primary and preferred use on designated agricultural lands (Ag-NRL). When habitat conservation and restoration projects are proposed on Ag-NRL land, they should be developed and implemented in a collaborative and cooperative manner, involving all affected stakeholders, with the goal of achieving multiple positive outcomes and benefits, including advancement of ecological, agricultural, and, where possible, flood management goals (examples include the Tidegate Fish Initiative and the Fisher Slough restoration project).²⁴

²³ Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 16.

²⁴ Ibid.

The April 2010 *Skagit Delta Tidegates and Fish Initiative Implementation Agreement*; which in parts states:

It is the intent of the Skagit Delta Tidegates and Fish Initiative that the impairment of fish passage associated with the presence and maintenance . . . of tidegates and floodgates within the geographic scope of this Implementation Agreement will be sufficiently addressed, both individually and collectively, through the adoption of and adherence to a delta-wide landscape approach for estuarine habitat restoration.²⁵

. . . This Agreement is specifically designed to provide a mechanism to implement a delta-wide landscape approach for both tidegate and floodgate maintenance and estuarine habitat restoration. Its foundation and guiding principal is to facilitate the delta estuarine habitat restoration and smolt production goals identified for the Skagit River system in a manner that will result in the least possible impact on established and functioning delta agricultural lands and drainage infrastructure.²⁶

. . . A key objective of this Agreement is to facilitate a streamlined regulatory process. It is hoped that by coordinating the regulatory review processes up-front that individual Districts and the reviewing agencies will benefit from reduced workload and the process will be expedited . . . the greatest streamlining measure will be the preparation of this document to serve the purpose of a Programmatic Biological Assessment, and the resulting advanced consultation that will occur between the Corps, NMFS and the USFWS to address Endangered Species Act (ESA) issues. With an advanced programmatic consultation completed, the Corps will be able to provide approval for projects, as long as such projects meet the terms and conditions of the Implementation Agreement, without requiring further programmatic consultation with NMFS and/or USFWS.²⁷

²⁵ Skagit Delta Tidegates and Fish Initiative Implementation Agreement. Skagit County. April 10, 2010. Page 1-1.

²⁶ Ibid. Page 1-3.

²⁷ Ibid. Page 1-4.

The September 2009 *Guidance on WDFW's Vision for Conservation and Land Acquisition for the Skagit Delta. A Skagit Memorandum of Agreement Work Group Report. A cooperative effort between the Washington Department of Fish and Wildlife and Western Washington Agricultural Association*; which in part states:

An important outcome of the workgroup is to develop guidance for WDFW to identify lands determined to have high value of conservation while recognizing the need to maintain the critical agricultural land mass and infrastructure needed to sustain the industry. Identification of alternatives beyond fee simple land purchases need to be identified, researched, and considered and utilities for conservation, recreation, fish habitat and wildlife needs.

Our goal is to craft land conservation management and acquisition guidance for WDFW that:

- Will describe and encourage an array of management options, including conservation easements, landowner agreements and fee simple land acquisition where appropriate, for public reaction, fish and wildlife habitat while minimizing the impacts on agricultural land uses
- Will identify and improve long-term vision and predictability of the land base of WDFW and agricultural community.
- Will incorporate stakeholder interests in this process.
- Will adapt and endure in the face of change (e.g. climate and land use)
- Will provide a legacy of sustainability for agriculture, fish and wildlife conservation, ecosystem health, and public recreation for future generations.²⁸

²⁸ Guidance on WDFW's Vision for Conservation and Land Acquisition for the Skagit Delta. A Skagit Memorandum of Agreement Work Group Report. A cooperative effort between the Washington Department of Fish and Wildlife and Western Washington Agricultural Association. Seattle, WA. September 2009. Page 5.

The 2005 Skagit Tribal/Agricultural Alliance: An Accord for the Future of Farms and Fish, Farmers and Tribes, which in part states:

III(C) Protecting Farmland: Each of us agrees that Agriculture should be protected from actions that fragment the land base or significantly hinders productivity

III(D) Protect Fish Habitat: We acknowledge that fish and wildlife should be protected from actions that fragment or significantly hinders the productivity of a given population

III(E) Creation of Estuarine Habitat: Tribes and Agricultural Community agree to develop a staged approach for new estuarine habitat within the Skagit River watershed, based on the following conditions:

1. Habitat projects do not impair drainage or flood control and hopefully improve both.
2. Habitat projects will be staged over a twenty year time frame, and with each project there will be adequate monitoring to ensure the project is providing the desired benefits for fish and not impairing drainage or flood control.
3. The initial stage of creating new habit will emphasize the use of public land.
4. Private land can be included in those areas where there is a willing landowner. To help support the prosperity of the local farm community, private land projects will avoid or mitigate any impacts to farming infrastructure.

III(F) Flood Control: The Tribes and Agricultural Community will work collaboratively with other entities, including, but not limited to: the County, NGO's Federal and State Agencies, to identify and implement actions to reduce the risk of flood damage, provided that such actions are not harmful to fish and wildlife or the Agricultural Community and can provide benefits where possible.

III(G) Agricultural Drainage and Diking: The drainage and dike infrastructure must function efficiently and effectively for farming to be successful. The Tribes support the on-going maintenance and operation of the drainage and dike system in accordance with the agreement forged between WWAA (Drainage Districts) and WDFW, and endorsed by the Tribes.²⁹

²⁹ Skagit Tribal / Agricultural Alliance. An Accord for the Future of Farms and Fish, Farmers and Tribes. Skagit County. April 2005. Page 2.

Other documents reviewed but not relied on directly include:

- RCW Title 77
- RCW Title 85
- Agricultural Land Protection: A Survey of Skagit County Voters. May 28, 1996. Seattle. Elway Research Inc.
- 2003 House Bill 1418
- 2003 House Bill 1420
- Skagit County Opinions on Salmon Recovery Issues. May 2005. Elway Research Inc.
- Skagit Drainage and Fish Initiative. A Memorandum of Understanding Relating to Drainage Infrastructure and Fish Protection in the Skagit and Samish River Deltas. Skagit County. February 18, 2005.
- Skagit County. Countywide Planning Policies. October 10, 2007.
- Skagit County UGA Open Space and Trails Plan: Summary of Mail-Out and Phone-Back Survey Results. June 30, 2007. Skagit County.
- Skagit Basin Comprehensive Irrigation District Management Pilot. Final Report. February 2008. Western Washington Agricultural Association.

Conclusions

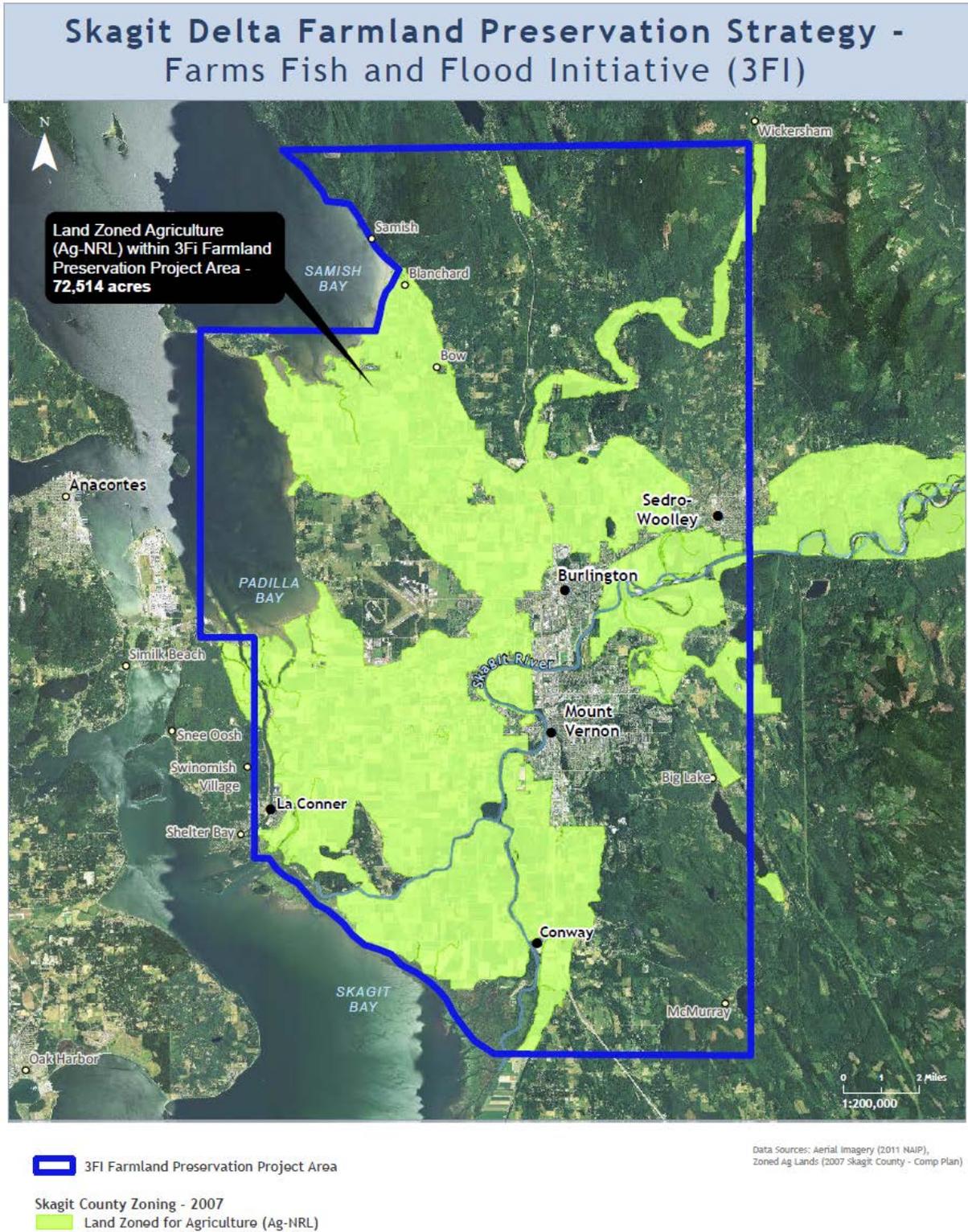
During the 7 months of work by the project managers to review the above policies, regulations and agreements and to work with the FPST, it was concluded that a basic foundational policy framework of a *fair and equal consideration* should be established between the protection of our agricultural lands and the protection of our critical areas and environmental resources.

Without a fair and equal consideration doctrine applied to land use decisions on agricultural lands, existing and proposed land use actions will continue to devalue agricultural lands and the 3FI farmland preservation strategy would not be able to meet the objective ensuring parity between all the 3FI goals and *protecting and improving the agricultural land base and infrastructure consistent with the 3FI mission*.

In February 2014, draft strategy concepts were presented to the 3FI Oversight Team (OT) for further vetting and development. The job of the OT is to ensure that Farmland Preservation Strategy and other 3FI projects represent a balanced approach to achieving the 3FI goals.

During the months from February to the end of the project period, project managers worked intensively with the 3FI OT and community stakeholders to continue to develop and refine the six strategy concepts so that, when taken as a whole, they serve to achieve the spirit and intent of the 3FI.

Figure 1



Strategy #1: Maintain, Strengthen, and Expand Non-Regulatory Programs to Permanently Protect Farmland.

Near-Term Strategy # 1.1: *Support the County's effort to double the capacity of Skagit County's Farmland Legacy Program to purchase development rights through voluntary sales that protect private property rights through increases in funding from federal and state programs.*³⁰

Skagit County's purchases of development rights (PDR) program was established using the authority created in 1971 for "Conservation Futures" by the Washington State Legislature. In December 1996, Skagit County Board of Commissioners voted 2-1 to impose a Conservation Futures Tax (CFT) on the assessed value of all property in Skagit County beginning January 1, 1997.³¹ The assessment of \$0.0550 per \$1,000 of assessed property value currently generates approximately \$700,000 annually for farmland preservation in Skagit County.

Skagit County's Conservation Futures Program (aka Farmland Legacy Program) purchases the development right on agricultural land from willing landowners who desire to keep their land in agricultural production in perpetuity. The landowner still owns the land and can use or sell it for purposes specified in the easement, which may include the right to build a farm building so long as its placement does not interfere with the property's long-term agricultural potential.

Since circa, 2006, Skagit County's Conservation Futures Program has been successful in securing additional federal and state matching dollars to increase annual capacity to purchase development rights to approximately \$1.4 million to \$1.5 million annually to protect on average, approximately 1000 acres of farmland annually. Since the CFP creation in 1997, the program has protected approximately 10,000 acres of farmland.

To meet the goal of doubling the capacity of Skagit County's program it is estimated \$1.5 million in additional funding is needed to increase the rate of farmland protection from approximately 1,000 acres annually to 2,000 acres annually. In order to increase funding for the County's Conservation Futures Program the following strategies are recommended:

- Seek an increase in the amount of *USDA Agricultural Conservation Easement Program (ACEP)* * dollars eligible for Skagit County.
- Seek an increase in the amount of *Washington Wildlife and Recreation Program* dollars eligible for Skagit County.

³⁰ Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 15.

³¹ Skagit County Ordinance No. 16380

* Formally known as the Farmland and Range Protection Program (FRPP)

- Pursue an increase in local funding through one or more of the following:
 - Increase the conservation futures tax funding to the legislative cap.
 - Seek an increase to the legislative cap in the conservation futures tax program in Washington State.
 - Pursue local bond or levy measure for farmland preservation.
- Seek collaborative partnerships with NGOs that have similar interest in farmland preservation to better leverage existing public funding.

Near Term Strategy # 1.2: *Support the County's effort to develop and implement a County-wide Transfer of Development Rights (TDR) program. The program should be inter-jurisdictional, with the primary focus of development rights being transferred from agricultural areas and other priority conservation lands to lands within existing municipal boundaries.*³²

- A TDR program could be used to protect farmland not currently eligible for protection under the current Farmland Legacy Program.
- A TDR program could explore ways to eliminate future development in the floodplain outside existing municipalities.³³

³² Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 15

³³ Ibid. Page 21

Strategy #2: Develop and Implement an Agricultural Easement with a TFI Option for Chinook Habitat Restoration

In 2011 the Tidegate Fish Initiative (TFI) was entered into and provides for up to 2,700 acres of delta agricultural lands to be converted to estuarine habitat, consistent with the goals of the 2005 Skagit Chinook Recovery Plan. In part, the agreement provides credits to drainage districts for the repair and replacement of tidegate infrastructure as farmland is converted to estuarine habitat.

One of the largest obstacles to the implementation of the TFI agreement is the length of time and high cost to assemble all the land and receive design approval of a proposed project before there can be a release of TFI credits.³⁴ On average, a fish habitat restoration project can take up to six (6) years from conception to completion *after* land assembly has been completed. Land assembly for projects proposed on privately owned land is expected to take considerable more time than publically owned land, as in most cases, habitat restoration projects proposed on private land, will involve multiple landowners.

To help facilitate the acceleration of land assembly for TFI eligible habitat restoration projects, the TFI Oversight Team recommends to the TFI Oversight Committee the following amendments to incentivize private landowner participation through an earlier release of credits.

- The creation of an Agricultural Easement with Option (hereafter referred to as TFI Option) to be utilized by participating Dike, Drainage and Improvement Districts, government agencies and NGOs, that permanently protects all or a portion of farmland, until such time a TFI qualifying habitat restoration project is initiated.
- Upon the successful recording of an Agricultural Easement with TFI Option, a percentage of TFI credits should be released on a sliding scale, up to a 15%, based on the amount of land the TFI Option makes available to habitat restoration in relation to the amount of land needed for a proposed project.
- The reevaluation of the timeline and conditions for credit forfeiture, given the length of time required to execute Chinook restoration projects.
- Projects identified in Phase 2 of the Skagit Delta Hydrodynamic Modeling Project should be prioritized for securing the Agricultural Easement with a TFI Option.

³⁴ Skagit Delta Tidegates and Fish Initiative Implementation Agreement. Skagit County. April 10, 2010. Page 4-20.

- An agricultural easement with TFI option should, at a minimum:
 - Identify, through a boundary line survey and legal description, the portion of the property that will be subject to the TFI Option and the portion of the property to remain in agricultural production;
 - Restrict future impervious surfaces on the remaining farmland portion of property to no more than 3%;
 - Allow agricultural activities to occur until such time the TFI Option to restore Chinook habitat is exercised;
 - The appropriate Special Purpose district, as a party to the TFI Agreement, should hold, monitor and enforce the subject agricultural easement with TFI Option.

Strategy # 3: Develop and Implement Approaches to Address Farmland Loss

Near Term Strategy # 3.1: Addressing Changes to SEPA to Avoid, Minimize or

Mitigate Impacts to Farmland and Farming Infrastructure

We recognize that with the recent passage of RCW 43.21c.011 and the resulting update to the State Environmental Policy Act Environmental Checklist (WAC 197-11-960), the 3FI Oversight Team will need to address how to respond in a way that supports all 3FI goals and the legislative directive found in RCW 43.21c.011(2).

This new State policy encourages project proponents to seek out alternatives to actions that result in impacts to farmland and farming infrastructure in order to lessen adverse effects; and to assure that actions appropriately mitigate for unavoidable impacts to agricultural resources. It should be noted that this new State policy does not necessarily lead to or achieve a *no net loss* outcome.

Types of Farmland and Farming Infrastructure Mitigation for Evaluation and Consideration

If mitigation is required through the SEPA process for actions in support of 3FI, the following are some ideas for possible mitigation strategies:

- Creation of a fee-in-lieu payments program to fund the purchase of development rights on Ag.-NRL zoned lands. Funds would be deposited in a trust account to be used as matching funds to existing or future federal, state, local, or NGO programs and/or grants to permanently protect farmland.
- The creation of a fee-in-lieu payment program to fund floodplain “buy-outs” of improvements within the 100-year flood plain. Funds would be deposited in a trust account to be used as matching funds to existing or future federal, state, local, or NGO programs and/or grants for floodplain buyouts. Land use within subject buyout areas should be consistent with what is allowed under SCC 14.16.400.
- The direct purchase of development rights on farmland zoned Ag.-NRL to permanently protect farmland at a ratio to be determined.
- Posting of a performance bond of sufficient time to ensure adequate funds are available to adaptively manage unforeseen project impacts to adjacent agricultural lands and farming infrastructure after project completion.

Long-Term Strategy #3.2 Replacement Lands Strategy

While it has long been the policy of the State under the Growth Management Act (GMA) to protect farmland from conversion and conflicting uses, implementation has been spotty and needs to be strengthened in order to protect the long-term viability of agriculture and domestic food security. A 2012 study of 12 Puget Sound counties indicates that only half of actively farmed land in Puget Sound is designated as agricultural. Much of the remainder is in general purpose rural zones which have few constraints on conversion to non-agricultural uses.³⁵

There are approximately 108,000 farmed acres in Skagit County with approximately 89,000 acres zoned as Prime Agriculture Lands (Ag-NRL), which provides those lands with the State's and County's highest protections. The remaining 21% of agricultural activity is occurring on lands zoned as Rural Resource Lands (RRc-NRL), which is comprised of approximately 26,800 acres and does not generally include prime agricultural soils. However, these lands include productive agricultural characteristics of prime agriculture but the scale and scope of the agricultural use in these areas is generally smaller in scale than on the Ag-NRL zoned lands.

As conversion of the County's prime agricultural soils occurs due to environmental and climatic changes, development pressures, and the creation of fish and wildlife habitats, a replacement land strategy for conservation of these Rural Resource Lands is becoming an increasingly more important component for maintaining agricultural viability.

Given that the protection and preservation of farmland has the support of Skagit County, the State Legislature, and the Governor's office, a strategy should be developed which could consider such ideas as:

- Developing a strategy to rezone appropriate Rural Resource (RRc-NRL) zoned lands to Ag-NRL in order to protect and replace farmland from conversion to non-farm uses, sea level rise and/or other man-made or environmental changes.
- Developing a suite of policies to incentivize the returning of abandoned structures and/or impervious surfaces (e.g., abandoned home sites, barns, etc.) within the Ag-NRL zoned lands back into cultivated land.
- Developing a floodplain "buy-out" program to fund the removal of improvements within the 100-year floodplain.
- Expansion of the Skagit County's Conservation Futures Program to purchase development rights from *Rural Resource* zoned lands that is actively farmed or which has attributes that would lend the land to commercial agricultural production.

³⁵ Dennis Canty, Alex Martinsons and Anshika Kumar. Losing Ground: Farmland Protection in the Puget Sound Region. Seattle: American Farmland Trust, 2013.

Strategy #4: Support Skagit County in Maintaining and Enforcing County Regulations to Protect Agriculture

The Envision 2060 process and numerous other studies have identified Skagit County as having some of the nation’s strongest regulations to protect agriculture.³⁶ Recently the American Farmland Trust ranked Skagit County as the best county in Puget Sound for its efforts to protect agriculture.³⁷

Skagit County has had over a 40-year history of supporting land use policies and regulations to protect farmland.³⁸ The County’s first comprehensive plan was adopted in 1965 and was one of the first county’s to set the stage for farmland preservation in Puget Sound. By the mid 1970’s Skagit County had adopted 40-acre minimum zoning for agricultural land, which is recognized as a watershed agricultural protection policy in Skagit County and throughout Puget Sound.

In addition to the Comprehensive Plan, Skagit County has worked with local cities to adopt Countywide Planning Policies to support the thirteen state-mandated GMA goals for compact urban growth, reducing sprawl, while addressing transportation, housing, economic development, property rights, permits, natural resource industries, open space and recreation, environment, citizen participation, public facilities and services, and historic preservation. The Countywide Planning Policies were first adopted in July of 1992 and last updated in 2000. These policies, according to Skagit County, serve as the legal backbone for the comprehensive plans of the County and cities.³⁹

The Skagit County Comprehensive Plan and its companion – the Skagit County Development Code, define the parameters for short and long term land uses in the 3FI Project Area.

Near-Term Strategy Recommendation

As Skagit County is a leader in farmland protection in Puget Sound, the principal strategy recommendation is to continue supporting and encouraging Skagit County’s interpretation, application and enforcement of its Comprehensive Plan and Development Code on Ag-NRL zoned lands in favor of long-term agricultural use.

³⁶ Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 15.

³⁷ Dennis Canty, Alex Martinsons and Anshika Kumar. Losing Ground: Farmland Protection in the Puget Sound Region. Appendix B: Skagit County Score Card. Seattle: American Farmland Trust, 2013. Page 17.

³⁸ 2007 Skagit County Comprehensive Plan. Skagit County. October 2007. Page 1.3.

³⁹ Ibid.

Strategy #5: Manage Water Quality Effectively to Protect Fish, Shellfish, and Agriculture

In recent years much attention and focus has been brought to water quality issues on agricultural lands. At the request of tribal interests during consultation with EPA, NOAA, and DOE over the grant application and scope of work for Task 2.2., the 3FI Oversight Team was asked to ensure the 3FI Farmland Preservation Strategy included strategies to encourage best management practices for sustainable agricultural land stewardship that also protects natural resources.^{40,41,42}

It is acknowledged and recognized that the ultimate goal, for both the agricultural community and the restoration community, is to improve water and habitat quality in fish bearing watercourses while protecting agricultural drainage function. To that end, the proposed near-term strategies are aimed at implementing existing agreements and ensuring continued action to improve water quality and habitat as well as establishing baseline monitoring where this monitoring does not already exist. This will allow for improved understanding and identification of relevant concerns and the development of specific solutions. This will be done in partnership with participating Special Purpose Districts,^{*} the Skagit Conservation District, landowners, regulatory agencies, tribal interests and restoration interest.

Near Term Strategies:

- Advocate for immediate legislative funding and implementation of Washington State's Voluntary Stewardship Program (VSP) in Skagit County.
- Advocate for and support the Skagit Conservation District as a lead local agency to work with agricultural landowners on voluntary stewardship and best management practices to protect and improve water quality.
- Advocate for new funding for implementation of the Skagit Delta Drainage Districts Riparian Habitat Opportunities Projects proposal. This program is a partnership between the districts and Skagit Conservation District.

⁴⁰ Larry Wasserman, letter to U.S. Environmental Protection Agency (EPA), Washington State Department of Ecology and the National Oceanic and Atmospheric Administration (NOAA) Restoration Center, May 21, 2012

⁴¹ Polly Hicks, email to 3FI Oversight Team Members, June 19, 2012

⁴² National Estuary Program (NEP) Watershed Protection and Restoration Grant Funding Agreement No. G1200526, Task 2.2

^{*} It is hereby acknowledged and recognized that by submitting these proposed strategies that no Special Purpose District identifies or defines the maximum extent of legal right, entitlement and authority of the Special Purpose Districts under RCW Title 77 and Title 85. The Special Purpose Districts reserve all rights and claims of legal right, entitlement and authority they may have against any party with respect to any issues arising from RCW Title 77 and Title 85 or existing laws, and nothing in the FPS shall limit, prejudice, or otherwise affect the assertion of such rights or claims, or create any precedent regarding any such issue. Any use or construction of the FPS, or of any agreement, or other arrangement or accommodation made in accordance with the FPS, to limit, prejudice, or otherwise affect such rights or claims or to use such as a precedent is unauthorized or improper and is not intended for use and may not be used in any judicial, quasi-judicial, administrative or other proceeding for such purpose.

- Advocate for new funding for implementation of the proposed Skagit Delta Drainage Systems Water Quality Baseline Study. This baseline water quality study is a partnership of the districts and the Samish Tribe
- Advocate for additional and regular funding for continued implementation of the Skagit Delta Drainage and Fish Initiative Drainage District Maintenance Plans. These plans have been developed and supported in partnership with the Washington Department of Fish and Wildlife, and permit approved by all local, state and federal agencies.
- Advocate for additional and regular funding for monitoring in 303d listed waters within agricultural areas.
- Advocate for the continued and sustainable funding of WSDA's *Surface Water Monitoring Program for Pesticides in Salmonid-Bearing Streams* in Skagit County.
- Advocate for an increase and consistent funding of federal, state and local voluntarily stewardship programs such the Conservation Reserve and Enhancement Program (CREP) in Skagit County.

Long-Term Strategy Recommendation

- Encourage, seek and support for research on agricultural water quality issues and the development of best management practices that can achieve community supported resource management objectives without jeopardizing the economic viability of farming operations.
- Advocate for the funding and implementation of best management practices that achieve desired water quality and habitat functions at a meaningful scale and in concert with agricultural viability.

Strategy #6: Seek State, Federal or International Designation for Skagit Valley as a Heritage Site⁴³

A national or international Heritage Area is a region that has been recognized by the United States Congress for its unique qualities and resources. It is a place where a combination of natural, cultural, historic and recreational resources has shaped a cohesive, nationally distinctive landscape. Through their resources, Heritage Areas tell nationally and/or internationally important stories that celebrate the area's diverse heritage. These areas are lived-in, active landscapes.

In heritage areas, local communities and leaders cooperate on efforts to preserve the resources that are important to them. The partnership approach to heritage development involves collaborative planning around common themes, industries and/ or geographical feature that influenced the region's culture and history. This planning strategy encourages residents, government agencies, non-profit groups and private partners to agree on and prioritize programs and projects that recognize, protect and celebrate the natural and cultural resources identified as important by the community.

The heritage areas seek short and long-term solutions to their conservation and development challenges by fostering relationships among regional stakeholders and encouraging them to work collaboratively to achieve shared goals. Preserving the resources and activities in heritage areas in ways that recall the traditions that helped to shape these landscapes enhances their significance.

It is recommended that the 3FI Oversight Team discuss and explore the idea and feasibility of a seeking a Heritage Site designation for the Skagit Delta.

⁴³ Skagit County Envision 2060 Citizen Committee Final Recommendations, Preserving Our Heritage, Shaping Our Future. Skagit County. October 2011. Page 16.

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