



MEETING MINUTES

Land Bank Commission Meeting January 15, 2021 Virtual ZOOM Meeting

Commission Members in Attendance:

Jim Skoog, District 1, position 1
 Sandi Friel, District 2, position 2
 Miles Becker, District 3, position 3
 Brian Wiese, at large, position 4

Doug Strandberg, at large, position 5
 David Meiland, at large, position 6
 Christa Campbell, at large, position 7

Commission Members Absent: 0

Land Bank Staff in Attendance: Shauna Barrows, Lincoln Bormann, Judy Cumming, Peter Guillozet, Eliza Habegger, Erin Halcomb, Doug McCutchen, Amanda Wedow, Jacob Wagner, Tanja Williamson

Land Bank Staff Absent: Charlie Behnke, Kayla Seaforth

County Council Liaison: Christine Minney

County Manager: Absent

Public in Attendance: Eleven individuals over the course of the meeting.

Topic	Key Discussion Points & Agreements
Call to Order 8:32 am	Chair, Sandi Friel, called the meeting to order.
Public Comment 8:32 am	Sandi asked for public comments. Steve Ulvi acknowledged Judy Cumming’s impending retirement and stated she will be missed. He also requested the commission purchase more wetland properties and hunting opportunities when considering future acquisitions. He noted there are other recreational interests beyond “hiking and picture taking.” Steve also inquired about progress with

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Public Comment continued	determining water rights at Zylstra Lake Preserve. Lincoln has engaged a water rights attorney to assess the situation.
Adoption of Minutes 8:39 am	The December 18, 2020 minutes were reviewed. There was a correction. Minutes were approved with correction.
Chair and Commissioner's Report 8:41 am	Sandi asked for comments from commissioners. Brian noted that the Conservation Agriculture Resource Team (CART-Coffelt) January 14, 2021, public meeting was well attended, including Lincoln, Sandi, Eric Nelson (former staff member), and Charlie Behnke. Brian said it was a good meeting with interesting comments.
Council Liaison 8:43 am	Sandi congratulated Christine Minney in her new role as County Councilwoman and welcomed her as the new Land Bank County Council liaison. Christine noted she also attended the CART-Coffelt meeting and noted it was very informative. She looks forward to being our Council liaison and having more to report in future meetings. She congratulated Judy on her retirement. Sandi opened questions from the public for Christine. Steve Ulvi asked that the new council encourage the Land Bank to focus on resiliency in the face of climate change in future acquisitions. Kathy Morris encouraged commissioners who were not able to attend the CART-Coffelt meeting to view the recorded meeting; specifically, Bruce Gregory's presentation on carbon sequestration, which she said is towards the end of the recording.
Finance 8:49 am	Judy noted not much happening at the beginning of the year, but that the 2020 Real Estate Excise Tax (REET) was \$5.6M after the 1% administration fee was taken out. She noted the numbers haven't been audited yet or reviewed; final REET will be available at February's meeting. She also said there will be an amended budget in the 1 st Quarter of 2021 to adjust the beginning cash balances to include the Coffelt Farm Preserve Stewardship and Management Plan. If the commission decides to change the budget amount of the endowment, they could do so in that amended budget. Lincoln noted there will also be changes in acquisitions. Brian asked for a graph representing "year to year" results.
	Action Item: Judy will have a "year to year" REET graph for February meeting.
Stewardship Endowment Discussion	Lincoln summarized the projections. He noted that since the Land Bank is a government agency, its endowment fund has extremely limited investment options and is unable to keep up with inflation. If the Land Bank REET was not renewed, by year 15 the fund would be exhausted. Lincoln explained, when the fund was established in 1990, the Local Government Investment Pool (LGIP) interest rate was routinely at 5%, but since 2007, the interest rate has been nothing close to that, making it impossible to set aside enough money to care for the properties in perpetuity. Lincoln suggested a sub-committee to look deeper into the pros and cons of adding additional funds to the endowment. Doug S. agreed and suggested the sub-committee do some research and report back to the commission at the March meeting. It was suggested that the sub-committee have a commissioner from each island. Christa, Brian and Doug S. volunteered for the sub-committee. Both Jim and David asked if there is firewall in place to protect misuse of the endowment funds.

	Christa said yes, it is legislative (protected by law), but that doesn't mean the law can't be changed.
	Action Item: Christa, Brian and Doug S. will use Lincoln's memo as a basis for discussion and report back in March.
<p>Director's Report 9:23 am</p> <p>Lopez Island</p>	<p>Lopez Hill Preserve Addition/Smith Property – Background: This 117-acre parcel north of Lopez Hill Preserve has high conservation value and was purchased by the Lopez Community Land Trust (LCLT) last year. Their intent has been to sell a portion to the Land Bank with the San Juan Preservation Trust (SJPT) holding a conservation easement. LCLT would retain the northern 40 acres for farming homesteads. Current: This project is already in the budget as 70 acres for \$630k. LCLT has some additional costs and would like to increase the sale to 75 acres at \$9500/acre (\$712k). The Land Bank would receive 50% back with the purchase of a conservation easement (CE) by SJPT. Lincoln stated the price is still well under market value. He also noted SJPT would make payment in 2022. Miles Becker moved to increase the budget from \$630k to \$720k for the purchase price and transaction costs. David Meiland seconded the motion. There was discussion. Doug S. was concerned about SJPT's commitment. Brian Weise put forth an amended motion that acquisition of the property be contingent on having an agreement with SJPT. The proposed amended motion is that the commission authorize the increase in expenditure from \$630k to \$720k for the Smith Property as long as they receive commitment from SJPT that their 50% will be paid to the Land Bank in 2022. Motion passed unanimously.</p> <p>Spencer Spit Addition - Background: This 20-acre shoreline property is north of the State Park with exceptional views across Lopez Sound. It is also highly visible to travelers on the ferry. In 2019 the Land Bank purchased 10 acres in a bargain sale with the owner donating proceeds to LCLT. Washington State Parks (WSP) was working on acquiring the other parcel and received a grant for the purchase. The plan was for the Land Bank to convey its lot to WSP ownership in exchange for a CE on both parcels. Current: The seller donated the other 10-acre parcel to the Land Bank. The transaction closed and now we will move forward with WSP to come up with a management plan. There will be passive recreation only with no facilities or camping.</p> <p>Davis Bay Farm Property (Richardson Marsh) – Background: This is a 24-acre parcel on the east side of Richardson Marsh on Lopez. The San Juan Preservation Trust (SJPT) is working to protect the marsh in its entirety and currently holds CE's on some of the surrounding properties. Lincoln said the subject parcel would provide public access for bird watching, and as a waypoint for cyclists. The purchase price is \$75k, which is below market value. SJPT will hold a CE on the property. Current: Lincoln said SJPT is taking the lead on the project. It will be direct deeded to the Land Bank and a CE to SJPT. Lincoln expects the acquisition should close in January.</p>

<p>Discussion of 2019 Retreat Action Items/Goals 10:24 am</p>	<p>Lincoln noted that the retreat was in December of 2019 and a lot of the action items were impacted by Covid-19. He highlighted recommendations from the communications analysis that were completed or are in process, such as updating the website (completed) and how we present information in the annual report (using more graphics – done). Going forward we will include more video content. Tanja is working with a volunteer videographer, Michael Noonan, on a general use video to visually illustrate the Land Bank’s mandate. Lincoln then opened the discussion for questions and comments. Christa noted movement on several topics, including Coffelt and agriculture, even with the difficulties of Covid-19. Sandi brought up climate change and the Land Bank’s role at the local level. She suggested a general policy on the topic. Lincoln agreed and said there is acquisition potential to support resilience and gave the example of how larger, more contiguous forested areas would be beneficial. He noted of the current properties, approximately 100 acres will likely require more intensive management for forest health. Miles suggested mitigation (reducing how much energy is consumed) and adaption (how to create a more resilient eco-system). He agreed with the benefits of contiguous properties and would also like to see a cultural emphasis – getting people into nature to appreciate why it’s important in the resiliency discussion. Miles also supports a climate change policy. David also agreed on thinning and queried if more funds from the stewardship budget should be set aside for forest management. Lincoln said yes, more funds will be needed, but didn’t think more staff was needed. He suggested contractors. Jim supports a policy and stated that everything the Land Bank does should be through a “climate change lens.” He believes the Land Bank should lead by example. Christa remarked having a vague recollection about setting aside money for a trial thinning. Doug M. said, yes, there had been great discussion at a couple previous commission meetings and the commission had agreed to committing some funds, approximately \$50k to \$75k a year. He said it’s been a capacity issue which has kept staff from making headway. He reminded the commission of the DNR grant application that Erin coordinated for funding. He agreed with Lincoln that a staffing increase isn’t needed but using contractors. He also suggested using conservation corps and advocating for local trained crews, like the crew that Orcas has developed. Christa said she thinks this is a great outreach topic and would make a good presentation highlighting what the Land Bank does and challenges that arise. David in complete agreement to move forward and suggested a line item in the budget designated for climate change mitigation. Peter noted that the contracted forest health assessment at Turtleback Mountain Preserve is mostly complete and proposed a county wide assessment to prioritize where the risks lie and work through them over the next 20 years. Miles agreed with Peter and noted that good management of forest and natural lands is the same with or without climate change. Erin noted that the Terrestrial Managers Group has been working on the same topic for the last few years and suggested using this information to help inform a Land Bank policy.</p>
	<p>Action Item: Peter will consult with staff to put together a short proposal for an overview.</p>

Executive Session 11:04 am – 11:25 am	The Land Bank Commission met in executive session in accordance with RCW 42.30.110 (1)(b) To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price.
Future Agenda Items 11:25 am	Climate change (once a quarter) CART – Coffelt summary
Meeting Adjourned 11:33 am	Chair, Sandi Friel, adjourned the meeting.
NEXT MEETING	The next LBC meeting is scheduled to take place February 19, 2021.