



MEETING MINUTES

Land Bank Commission Meeting February 19, 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
Christa Campbell, at large, position 7

Commission Members Absent: David Meiland

Land Bank Staff in Attendance: Shauna Barrows, Lincoln Bormann, Peter Guillozet, Eliza Habegger, Erin Halcomb, Doug McCutchen, Aaron Rock, Jacob Wagner, Amanda Wedow

Land Bank Staff Absent: Charlie Behnke, Kayla Seaforth, Tanja Williamson

County Council Liaison: Christine Minney

County Manager: Mike Thomas, for a portion of the meeting.

Public in Attendance: 21 individuals over the course of the meeting.

Topic	Key Discussion Points & Agreements
Call to Order 8:40 am	Chair, Sandi Friel, called the meeting to order.
Adoption of Minutes 8:41 am	The draft January 15, 2021 minutes were reviewed. There were no corrections or comments. Minutes were approved.
Public Comment 8:42 am	Jennifer Pietsch had several comments and questions related to Coffelt Farm and the Conservation Agriculture Resource Team (CART-Coffelt) process, including: attendees of CART-Coffelt meetings have not fully represented the demographic diversity of the island; why is the older, Natural Resources Conservation Service (NRCS) funded compost facility being used for pig housing; is there a financial

Topic	Key Discussion Points & Agreements
Public Comment continued	<p>feasibility study; are the logs at the log dump actually from the Coffelt property; and she would like to learn more about the lease renegotiation process.</p> <p>Megan Crandell spoke on behalf of Friends of Top of the World (TOW), a Lopez group seeking to conserve a 20-acre property above Fisherman Bay known as Top of the World. The property features great panoramic views and also provides a key connection to neighborhood trails. The property is currently under contract and in escrow. The realtor has advised Friends of TOW to have a backup offer ready in case the existing contract falls through. The group’s primary goal is to secure public access to the property, whether through purchase, a trail easement, or other means. They welcome ideas or assistance from the Land Bank.</p>
Chair and Commissioner’s Report 8:53 am	<p>Sandi welcomed Office Manager/Fiscal Clerk, Aaron Rock, to the Land Bank staff. Aaron spoke about his background and strong interest in conservation and recreation. There were no other reports from Land Bank Commissioners.</p>
Council Liaison 8:56 am	<p>Christine Minney gave a Covid-19 vaccine update. There have been many roadblocks in the effort to get vaccines to San Juan County, the latest being winter storms that have disrupted transportation. She expressed appreciation for the county Health Department’s vaccination team, which includes 6-10 employees and around 50 volunteers.</p>
Finance 9:00 am	<p>Lincoln and Aaron presented the finance report, referencing the draft Year End 2020 Combined Financial Statement Report. Aaron highlighted the current 0.16% Local Government Investment Pool (LGIP) interest rate, as compared with the prior year’s rate of 1.7%. There was discussion around the potential for investing in fixed income assets such as Treasury notes for a better interest rate.</p> <p>Lincoln noted that a budget amendment will be presented at next month’s meeting. Projects to be included in that budget will be discussed later in today’s meeting.</p> <p>Lincoln noted that the Stewardship Fund subcommittee, which includes Christa, Doug S., and Jim, recently met. The stewardship fund currently amounts to nearly 5.7 million dollars. Limited investment options mean that the fund can’t keep up with inflation, and does not truly function as an endowment, which would generate proceeds while preserving the principal. These limitations mean that it is simply not possible to fund stewardship in perpetuity using the fund. Should the Land Bank Real Estate Excise Tax (REET) expire, the fund would allow for limited stewardship of Land Bank property interests for approximately 14 years – based on a balance of \$10M – which would allow some time to seek an alternative means of funding the program. Finally, Commissioners on this subcommittee were unanimous in their recommendation that the Land Bank continue adding \$500,000 annually to the stewardship fund.</p>

<p>Finance continued</p>	<p>There was a brief discussion of the Turtleback and Mt. Grant Preserves stewardship endowments which are held by the San Juan Preservation Trust, which generate 3.5% annually for funding stewardship of these preserves. Commissioners expressed a desire to see recent financial reports for these endowments. ACTION: Lincoln and Aaron will explore fixed rate investments in consultation with the County Treasurer. ACTION: Lincoln will request recent financial reports for Turtleback and Mt. Grant endowments from the San Juan Preservation Trust.</p>
<p>Director's Report 9:22 am Lopez Island San Juan Island</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: The Land Bank recently completed purchase of this 24-acre parcel on Richardson Marsh. A vast majority of the marsh has now been protected, thanks to several conservation easements acquired by the San Juan Preservation Trust in recent years.</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: The Land Bank's purchase of this 75-acre parcel north of Lopez Hill Preserve is underway. The purchase price is \$712K. Once the transaction has closed, the San Juan Preservation Trust has committed to purchasing a conservation easement over the property for half of the purchase price.</p> <p>Beaverton Marsh Access Property/Barker Trail Corridor – Background: At the same time the Land Bank purchased the Taylor property in 2019, the conservation donors also bought a 5-acre parcel adjacent to Linde Community Park in order to provide a trail corridor from the fields to Beaverton Marsh Preserve. Lincoln walked the property and suggested widening the corridor slightly. This project was to entail a \$25k payment and a land trade to ensure the area of the private parcel wouldn't be under 5 acres. Current: The Barker family is donating this parcel to the Land Bank. It will connect Island Rec's Linde Park to the Land Bank's Beaverton Marsh Preserve, allowing for a trail connection between the two. Lincoln presented maps highlighting the potential future 3 miles of trails that could result, while noting that this will involve considerable time and effort due to the challenges of crossing the marsh and other complexities. There was discussion as to how to adequately thank the Barkers.</p> <p>Cady Mountain Development LLC Property (aka Buck): The Land Bank has signed a \$1.7 million purchase and sale agreement for this 142-acre property. Lincoln presented maps showing the property's relationship to other conserved and undeveloped properties. The property lies within a High Climate Resiliency Area as identified by the Nature Conservancy, provides a critical ecological connection</p>

<p>San Juan Island continued</p>	<p>between the English Camp/Mitchell Hill and Cady Mountain conservation areas, and is also a key parcel for providing a trail connection between these two areas. The property includes wetlands, wildflower meadows, views, and mature forests. Around 45 letters of support from the public have been received. All three San Juan Island Commissioners are enthusiastic about this project and there was full Commission consensus to continue. ACTION: Acquisition of the Cady Mountain Development LLC Property will be included in the proposed budget amendment next month.</p>
<p>Orcas Island</p>	<p>Olga Store Historic Preservation Easement – Background: The group that bought the Olga Store would like to put a historic preservation easement (HPE) on the property and has requested \$150k. Boyd Pratt has researched the historical elements of the structure, noting that the East and South side are largely unaltered and key architectural details should be protected. Current: Lincoln reported that the recent property appraisal commissioned by the Land Bank for this project came in much lower than expected, at \$40K. (The Olga Store community group had requested \$150K, and the Land Bank had considered providing \$75K). It was noted that construction is already well underway on renovating the structure. To be compliant with future HPE restrictions, the newly built railing and front piece would need to be redone (Erin confirmed the group’s willingness to do this). ACTION: Lincoln will speak with the Olga Store community group to determine if they’re still interested in Land Bank participation at the reduced amount of \$40K. If they are, the project will be included in the proposed budget amendment next month.</p>
<p>Break 9:47 am – 9:54 am</p>	
<p>Stewardship Report 9:54 am</p>	<p>Salish Seeds Project: Eliza reported three recent updates. 1. A small public plant sale will be held in March, with on-line reservations and in-person pickup of plants. 2. Advertising for the seasonal Nursery Assistant position will soon be underway. This job is 12 – 15 hours per week, for 8 months. 3. Limited indoor storage and workspace will soon be further reduced when the San Juan Preservation Trust converts an outbuilding to intern housing. Eliza is exploring alternatives with SJPT and will report back.</p> <p>Coffelt-CART Update: Coffelt-CART member, Kathy Morris, reported that the group is currently working to incorporate public comments into their recommendations. They also have questions for the Land Bank regarding financial feasibility as relates to infrastructure and rent. Brook Brouwer will be following up with Land Bank staff related to these questions. Their next meeting is March 4th.</p>
<p>Outreach/Volunteer Report 10:02 am</p>	<p>Lincoln responded to Commissioner questions about recent bot attacks on the Land Bank’s website. It will be necessary to switch to a host other than Rock Island to provide better protection in the future.</p> <p>Sandi reported on Outreach Committee plans to hold virtual public meetings in all three districts in March, or at least as soon as possible. The meetings would provide updates on Land Bank activities and seek input on potential future acquisitions.</p>

Another public comment 10:08 am	David Dehlendorf commented in support of the Cady Mountain Development LLC Property acquisition.
Future Agenda Items 10:15 am	Proposed Amended 2021 Budget to be presented next month Coffelt-CART Update Response to public comment questions (Jennifer Pietsch) about Coffelt Farm
Executive Session 10:23 am – 11:24 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.
Meeting Adjourned 11:24 am	Chair, Sandi Friel, adjourned the meeting.
NEXT MEETING	The next LBC meeting is scheduled to take place March 19, 2021.