CONSERVATION FUTURES (CFT) 2015 ANNUAL COLLECTIONS
APPLICATION FOR FUNDS

PROJECT NAME: Gateway to the Green Agricultural Production District

Applicant Jurisdiction(s): King County Department of Natural Resources and Parks

Open Space System: Upper Green River Agricultural Production District

Acquisition Project Size: 112 acres CFT Application Amount: $400,000

CONTACT INFORMATION

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Date: March 10, 2014

PROJECT SUMMARY:

By purchasing the development rights, this project will permanently preserve 112 acres of farmland in active production of commercial row crops, such as squash, leeks and other leafy greens. The property has been farmed for many years and is used in conjunction with the adjoining 68-acre Mosby Brothers Farm that is already in the Farmland Preservation Program (FPP). The attached aerial photo, Gateway to the Green – Proposed Protected Area, shows the adjoining properties.

Including this 112-acre property in the FPP will result in a block of 275 acres of permanently preserved farmland, and has strategic growth management benefits as well since the property is located directly adjacent to the County’s UGA boundary and the eastern limits of the City of Auburn.

Over 90% of the property consists of nook-sack silt loam, which is classified by the U.S.D.A. Soil Survey as “prime” farmland. As such, this property is a high priority property for farmland preservation. In addition to its prime soils and growth management attributes, the property also provides ecological benefits. One quarter of the property, that is not used to grow row crops, is forested. This forested area near contains a section of wetland that is identified in King County’s 1990 Wetland Survey. This defined wetland is currently a high priority for ecological restoration and Water and Land Resource Division staff are applying for 2015 Conservation Futures funds to acquire it in fee. The farmland protection easement will remove development rights and identify the areas extending from the wetland as potential restoration sites to allow for the possibility of habitat restoration/enhancement in the future. Both this wetland area and the sloping forested area along the western boundary contribute to the diversity to the property’s habitat features.

This project represents a combination of FPP and TDR program efforts to accomplish preservation of farmland. This means that the development rights will be removed from the property and transferred and sold into cities, most specifically the City of Seattle, for increased urban density via the TDR program. Combining TDR and FPP efforts in this way will allow King County to: (1) increase levels of farmland...
protection, (2) use TDR funds as match with local CFT funds, (3) recoup and revolve CFT/TDR funds for additional farmland protection into the future, beyond the property contemplated herein, and (4) achieve strategic growth management objectives.

1. OPEN SPACE RESOURCES
Review the attached evaluation criteria. For the proposed acquisition parcel(s), please (1) mark those criteria that apply, and (2) describe in the space below how the proposed acquisition satisfies each marked criteria.

- A. Wildlife habitat or rare plant reserve
- B. Salmon habitat and aquatic resources
- C. Scenic resources
- D. Community separator
- E. Historic/cultural resources
- F. Urban passive-use natural area/greenbelt
- G. Park/open space or natural corridor addition
- H. Passive recreation opportunity/unmet needs

Wildlife Habitat/Plants – Although this property is used for growing crops, its proximity to the Green River and the identified wetland provides habitat for small mammals, birds, amphibians, reptiles and possibly coyotes, as well as supporting various species of wetland vegetation. The property also provides foraging and habitat for hawks and various kinds of smaller birds.

Salmon Habitat/Aquatic Resources – The property abuts and is hydrologically connected to the Green River – an important salmon bearing river in King County. The Farmland Preservation Program Deed and Agreement requires that a conservation plan be prepared for the property approved by the King Conservation District. The purpose of the conservation plan is to ensure that farming activities occurring on the property are performed using agricultural Best Management Practices to protect water quality, both on-site as well as in off-site drainage systems. Preserving this property for agricultural use will help to maintain the quality of water leaving the site, thereby protecting salmon habitat, other downstream aquatic resources, and the adjacent identified wetland.

Scenic Resources - These farm properties provide outstanding scenic opportunities associated with the Middle Green Agricultural Production District. The farming activity can be seen from SE Green Valley Road and from State Route 18.

Community Separator - The parcels and farm are adjacent to the County Urban Growth Area boundary and the City limits of Auburn; a portion, approximately 30 acres, is located within the City of Auburn. Placing a conservation easement on these properties will protect the gateway to the Green River Agriculture District and substantially add to the community separator function that currently is being provided by other property participation in the Farmland Preservation Program.
2. ADDITIONAL FACTORS

For the proposed acquisition parcel(s), please (1) mark all criteria that apply, and (2) thoroughly, yet succinctly describe in the space below how the proposed acquisition satisfies each marked criteria.

☐ A. Educational/interpretive opportunity
☒ B. Threat of loss of open space resources
☒ C. Ownership complexity/willing seller(s)/ownership interest proposed
☒ D. Partnerships - Describe any public or private partnerships that will enhance this project:
☐ E. Is the property identified in an adopted park, open space, comprehensive, or community plan?
☒ F. Transferable Development Credits (TDC) participation

Threat of loss of open space resources – Preserving this property as a large farm will protect it from being divided into smaller residential farms that would no longer be viable for the growth agricultural products at a commercial scale. Its location adjacent to the UGA and Auburn City limits make it especially vulnerable to development over time. Although this farm is within a County-designated Agricultural Production Districts (APD), this designation is occasionally challenged and may not be sufficient to provide protection on a permanent basis and over the long term. Transferring the development rights allows the County to place covenants on the property which limits uses to agriculture and open space. Participating in FPP also removes the property’s speculative development value, thereby helping to ensure that the property will remain affordable and thus available for agriculture or open space uses.

Ownership complexity/willing seller/ownership interest - King County staff have contacted both owners of the properties; they are willing to have the County conduct appraisals and negotiate an acquisition.

Partnerships: This project will implement and advance the partnership agreement that King County and the City of Seattle entered into to allow farmland development rights to be transferred and sold into the Downtown and South Lake Union. In total, 800 development rights will be permitted into the City to allow greater urban density; significant priority is given to development rights from farmlands in King County because this furthers the City’s and County’s policy goal to protect active farmland that contribute to the local food supply since local farms produce food crops that directly contribute to the region’s food web. At present there are very farmland development rights available for sale and transfer into the City.

FPP/TDR Partnership: This joint acquisition strategy is also a partnership of two County programs, the Farmland Preservation Program (FPP) and the Transfer of Development Rights (TDR) Program. The FPP/TDR coordination will showcase how levels of restrictions put into farmland conservation easements can remove the threat of development and seek to maintain land in active production. The effort will apply the understanding that in order to achieve full and complete protection of a farm operation, as envisioned by the FPP’s covenants, it may - depending on the current farmland owner - take several transactions over a period of years that add layers of increasing restrictions. This acknowledges that a first step toward full farmland protection is to remove some (but perhaps not all) development rights; additional restrictions to maintain farm operations can be applied depending on the current/future landowner’s willingness. This could happen early in the process, or it may take many years and involve changing ownership of intended farmland before the County is able to achieve the levels of restriction on a given property that completely reflect the current FPP covenants.

The TDR bank has pending sales of development rights to developers in South Lake Union; the proceeds from these sales will be used as the matching value for the CFT award. These TDR bank sales are expected to close in late 2014/2015. If the bank is unable to close on the sale of these development rights in time to bring matching funds to the transaction, then the FPP will use its limited remaining '79 bond funds as match.

City Partnership: A portion of the property is located inside the City of Auburn. County staff are working with the City to ensure that the City understands the County’s intent with the farmland easement. It is the County’s goal to work with the City to apply the farmland easement on the farmlands inside the City; however, if the City does not support this, the County will focus the project on the areas of the farm property outside the City limits.

3. STEWARDSHIP AND MAINTENANCE

How will the property be stewarded and maintained? Does the property lend itself to volunteer stewardship opportunities? How will ongoing stewardship and maintenance efforts be funded?
Although the development rights are formally removed from a property, the remaining property interests are privately owned. FPP staff regularly monitors the properties to ensure that the owners are aware of the restrictive covenants that are on their property and are complying with them. Monitoring activities include site visits and meeting with the property owner as well as routinely driving by properties and checking aerial photographs of preserved properties. Site visits and meetings with property owners are generally done once every three to five years unless a situation warrants more frequent visits. If a covenant violation is noted, staff informs the owner of the violation and work with them to resolve it. If such means of resolving a violation are unsuccessful, the County has the option of resolving it through litigation.

Funding for staff to monitor FPP properties and perform other program management activities is included as an expense item in the County’s annual budget.

4. PROJECT BUDGET

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<tr>
<th>TOTAL CFT APPLICATION AMOUNT*</th>
<th>$400,000.00</th>
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*Allowable acquisition costs (Ordinance 13717): The disbursement of funds shall be made only for capital project expenditures that include costs of acquiring real property, including interests in real property, and the following costs: the cost of related relocation of eligible occupants, cost of appraisal, cost of appraisal review, costs of title insurance, closing costs, pro rata real estate taxes, recording fees, compensating tax, hazardous waste substances reports, directly related staff costs and related legal and administrative costs, but shall not include the cost of preparing applications for conservation futures funds.

Estimation of property value:
Briefly describe how land values have been estimated, i.e. appraisal, property tax assessment, asking price, letter of value or other means.

Budget estimates were correlated through market value comparison in KC appraisal files of comparable properties with similar site influences, and would be confirmed by appraisal prior to acquisition.

<table>
<thead>
<tr>
<th>ESTIMATED PROJECT COSTS (dollars)</th>
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<tbody>
<tr>
<td>Total property interest value</td>
<td>$772,000</td>
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<tr>
<td>Title and appraisal work</td>
<td>$10,000</td>
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<tr>
<td>Closing, fees, taxes</td>
<td>$10,000</td>
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<tr>
<td>Relocation</td>
<td>$0</td>
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<tr>
<td>Hazardous waste reports</td>
<td>$0</td>
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<tr>
<td>Directly related staff, administration and legal costs</td>
<td>$8,000</td>
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<tr>
<td>Total Project Costs (CFT and other funds)</td>
<td>$800,000</td>
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<tr>
<th>MATCHING FUNDS SOURCES</th>
<th>Date Expended or Committed</th>
<th>Match Funds Expended or Committed</th>
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<tbody>
<tr>
<td>King County’s Transfer Development Rights bank</td>
<td>10/2014</td>
<td>$400,000 (anticipated through sale of TDR credits)</td>
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<td>Or</td>
<td>10/2014</td>
<td>$400,000 in '79 bond funds</td>
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<tr>
<td>FPP</td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Total CFT Funds Previously Received This Project</td>
<td></td>
<td>$0</td>
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Unidentified remaining match need
Please discuss briefly how the unidentified remaining match need above will be met:
Location Map: Gateway to the Green - Proposed Protected Area
The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representation of warranties, express or implied, as to accuracy, completeness, or timeliness, or rights to use such information. This document is not intended for use as a survey product. King County shall not be liable for any general, special, incidental, or consequential damages resulting from any errors or omissions in the information contained on this map. Any use of this map or information on the map is prohibited except by written permission of King County.

Site Map: Gateway to the Green - Proposed Protected Area

Legend
- Gateway to the Green parcels
- Incorporated Areas
- FPP property
- Publicly owned land or easement
- Potential restoration area