



King County

K.C. Date Received _____

**CONSERVATION FUTURES (CFT) 2017 ANNUAL COLLECTIONS
APPLICATION FOR FUNDS**

PROJECT NAME: Protecting Farmland with Regional TDR (existing project)

Applicant Jurisdiction(s): King County (DNRP)

Open Space System: Active farmlands in WRIA's 7, 8, and 9 that contribute to the local food supply and sell in city farmers markets

(Name of larger connected system, if any, such as Cedar River Greenway, Mountains to Sound, a Regional Trail, etc.)

Acquisition Project Size: aprx. 928 acres of farmland CFT Application Amount: \$750,000
(Size in acres and proposed number of parcel(s) if a multi-parcel proposal) *(Dollar amount of CFT grant requested)*

Type of Acquisition(s): Fee Title Conservation Easement Other: Development rights

CONTACT INFORMATION

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Date: March 9, 2016

PROJECT SUMMARY:

This proposal for 2017 CFT funds seeks to build on the successes of the existing CFT/TDR farmland project by requesting \$750,000 to protect a range of farms in the Snoqualmie, Green River, and Enumclaw Agricultural Production Districts (APDs). Notably these are smaller farms that are not active dairies and thus not part of the FPP/TDR dairy CFT project. This project identifies nine farms, totaling 928 acres, as priorities for the 2017 CFT funds; landowners of all nine farms have indicated willingness.

Cities in King County are showing strong interest and willingness to partner with King County in efforts to accept development rights from unprotected rural farmlands that supply the local food system, and sell produce in weekly farmers markets, retailers, and/or restaurants. Foremost among these cities is Seattle, which in 2013 partnered with King County to accept 800 rural TDRs into its Downtown and South Lake Union neighborhoods for increased height and density. The priority for the 800 TDRs is TDRs from farmland (the first 200 TDRs sold into the City must be from the King County TDR Bank, and farmland TDRs carry the highest density incentive). Since 2013 170 TDRs have been sold into Seattle via the City-County TDR agreement, and 457 are pending as of March 2016.

The farms identified for protection in this proposal have been identified through a multi-criteria analysis of unprotected land in King County's APDs. See attached maps for farm locations and acreages.

1. OPEN SPACE RESOURCES

Please review the attached evaluation criteria. For the **proposed acquisition parcel(s)**, please mark those criteria that apply and thoroughly, yet succinctly, describe **in the space below** how the proposed acquisition satisfies each marked criteria. Please clearly describe how these criteria might be met at a landscape level, and how they apply to individual parcels. If restoration is part of the plan, please briefly describe the current condition and the hoped for restored condition that is the goal of the acquisition.

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

Unprotected farm properties are critically important for local agriculture and food production. In addition, protecting farmland via TDR creates a connection with the County's urban population as many urban residents depend on these types of farm properties to supply local food at neighborhood farmers markets, restaurants, and food retailers.

Equally important, in these days of significant flooding, many of the farm properties identified for acquisition and/or protection have high flood retention value (i.e. very low percentages of impervious surface). Preservation of these properties will not only help retain local food production sources, but will also reduce the impact of future flooding which is predicted to increase with climate change. Many of these farm properties also have riparian and salmon habitats which can be permanently protected from development impacts through permanent TDR conservation easements. The TDR easements can enable and facilitate the restoration of these important habitats and ecological functions on private lands.

In addition, these farmlands provide significant viewshed and scenic benefits from the public roads that cross the County's rural agricultural areas.

2. ADDITIONAL FACTORS

For the proposed acquisition parcel(s), please mark all criteria that apply and 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

This project will specifically advance the King County Executive's initiative for local farm protection and local food production as described in the Executive's 2015 "Kitchen Cabinet" goals. Specifically, this project will:

(1) Advance the goals of (a) protecting farmland currently in production, and (b) increasing acreage in agricultural production by 400 acres annually.

(2) Sustain an "opportunity fund" to protect a range of different types of farmland, using TDR and CFT funds. The County is increasingly finding out about farm landowners' interest and willingness to sell development rights and protect their farm at varying times that do not line up with the timing of the CFT applications. This project seeks to continue and sustain the farmland protection CFT/TDR fund to secure easements and/or fee purchases of farmland (for the County to lease in the future) to enable quick action to protect farms.

All CFT funds will be matched with TDR bank funds received through sales of development rights. Development rights have been sold from the Huschle, Jubilee, Sinnema, Summer Run, and Strom farms. Additionally, sales of more than 457 farm and forest TDRs to Seattle developers are pending and expected to occur in 2016/17, which will likely result in more than \$10 million in sales revenue. This revenue will be available to match CFT funding at least 1:1. This revolving of funds through TDR sales leverages scarce CFT acquisition funds resulting in more farmland protection. In so doing, this project "links" the growing urban population to the County's important rural agricultural lands, and helps catalyze city-county partnerships to transfer development rights from rural farm lands into cities.

King County has a population of roughly 2 million. The Puget Sound Regional Council (PSRC) predicts the current County population will increase 42% (724,000 new residents) by 2040. Based on the King County 2007 Buildable Lands Report, the rural and resource areas of the County will reach buildout, under current zoning, in the next 20-25 years. The next 20 years will see mounting pressure to develop some of King County's agricultural areas as the coming population seeks an increase in land supply for housing.

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?

Farmlands that receive a TDR conservation easement will be monitored and the easements maintained in coordination by the King County Farmlands Program and the King County TDR Program. Fee owners of the farms (farmers) will continue to steward the lands. Because placement of a conservation easement on a farm reduces the purchase/sale price, farmland becomes more affordable, which is a benefit to the agricultural community and the future viability of the agricultural industry.

4. PROJECT BUDGET

1) TOTAL CFT APPLICATION AMOUNT ^a	CFT: \$750,000
2) TOTAL PEL APPLICATION AMOUNT ^b	PEL:

^aAllowable CFT acquisition costs (Ordinance 14714): 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.

^bKing County projects only, if applicable.

Estimation of property value:

Briefly note how land values have been estimated (i.e., appraisal, property tax assessment, asking price, letter of value or other means).

This estimate of cost is based on recent appraisals and closed farmland transactions. The appraisals determined the “before” value of the property with development potential intact and the “after” value once the development rights were removed. The value of the development rights was the difference between the “before” and “after” values and provided the basis for the estimate shown below.

PROJECT COSTS	ESTIMATED DOLLAR AMOUNT OR RANGE
Total property interest value	\$3,000,000 (or more)
Title and appraisal work	\$25,000
Closing, fees, taxes	\$25,000
Relocation	n/a
Hazardous waste reports	n/a
Directly related staff, administration and legal costs	\$15,000
Total Project Costs (CFT and other funds)	\$3,065,000

MATCHING FUNDS: Existing Sources (CFT can only provide a maximum of 50% of anticipated project costs)	DATE (Expended or Committed)	DOLLAR AMOUNT (Expended or Committed)
TDR Bank	2016/2017	\$789,000 <i>Revenue from past and pending sales will more than exceed match requirement for past CFT and New CFT (both Farmland and Dairies projects)</i>
Total CFT Funds Previously Received This Project	2010 - 2016	\$39,000 remains after closing on previous farmland acquisitions (out of \$1.97 million total award)
Total Matching Funds and Past CFT Funds Currently Identified		\$828,000
Unidentified Remaining Match Need		\$0

Unidentified remaining match need: What funds are anticipated and what is the time frame?

Please briefly discuss how the unidentified remaining match need above will be met.

5. IN-KIND CONTRIBUTIONS FROM PARTNERSHIPS

Brief Activity Description	Dollar Value of In-kind Contribution	Status (Completed or Proposed)	Activity Date Range (Completion Date or Proposed Completion Date)
<i>none</i>			
TOTAL	<i>Not applicable</i>		

6. ATTACHED MAPS (*Two maps are now required: 1) site map and 2) general location map; you may also include one additional map, aerial photo or site photo*)

8 ½ x 11” maps are preferred, but 11 x 17” is acceptable if folded and hole-punched for insertion into a three-ring binder.

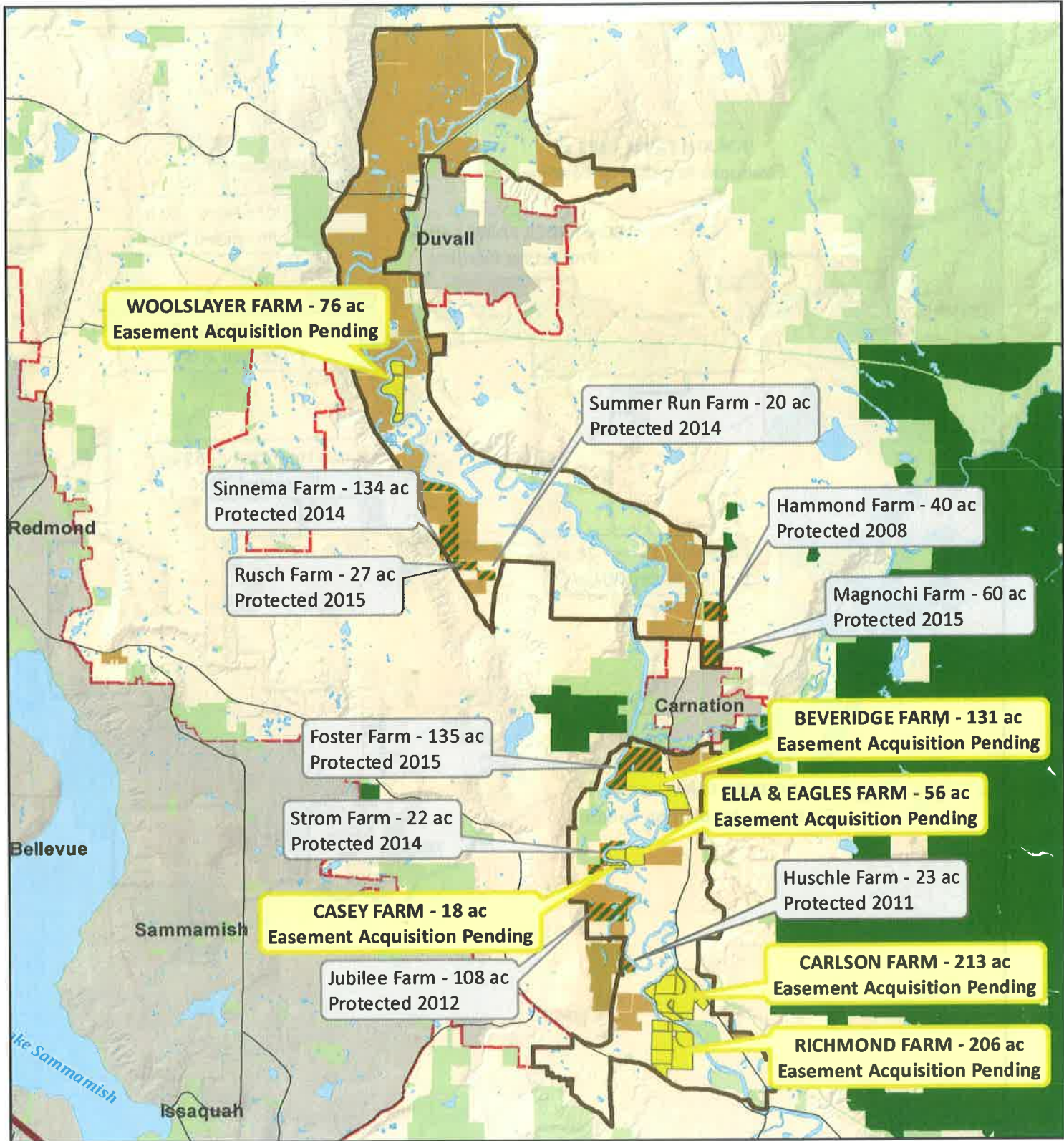
Site Map that shows the following:

- Each parcel proposed for acquisition in yellow or distinct shading and an indication of any parcel proposed for less than fee simple acquisition, such as a conservation easement;
- Location of any proposed development to the site such as parking, trails or other facilities;
- Location of any proposed site restoration;
- Existing adjacent public (local, state or federal) parks or open spaces labeled and shown in dark green or distinct shading.

Location Map that shows the following:

- Other permanently protected open spaces (private, non-profit, institutional, etc.) shown in light green or distinct shading;
- Major water courses such as creeks, rivers, lakes or wetlands;
- Major roads, arterial roads or regional trails.
- *Map scale: This map should show approximately a ten-mile radius around the proposed acquisition(s).*

Protecting Farmlands through Regional TDR (Map 1) (CFT Application - March 2016)

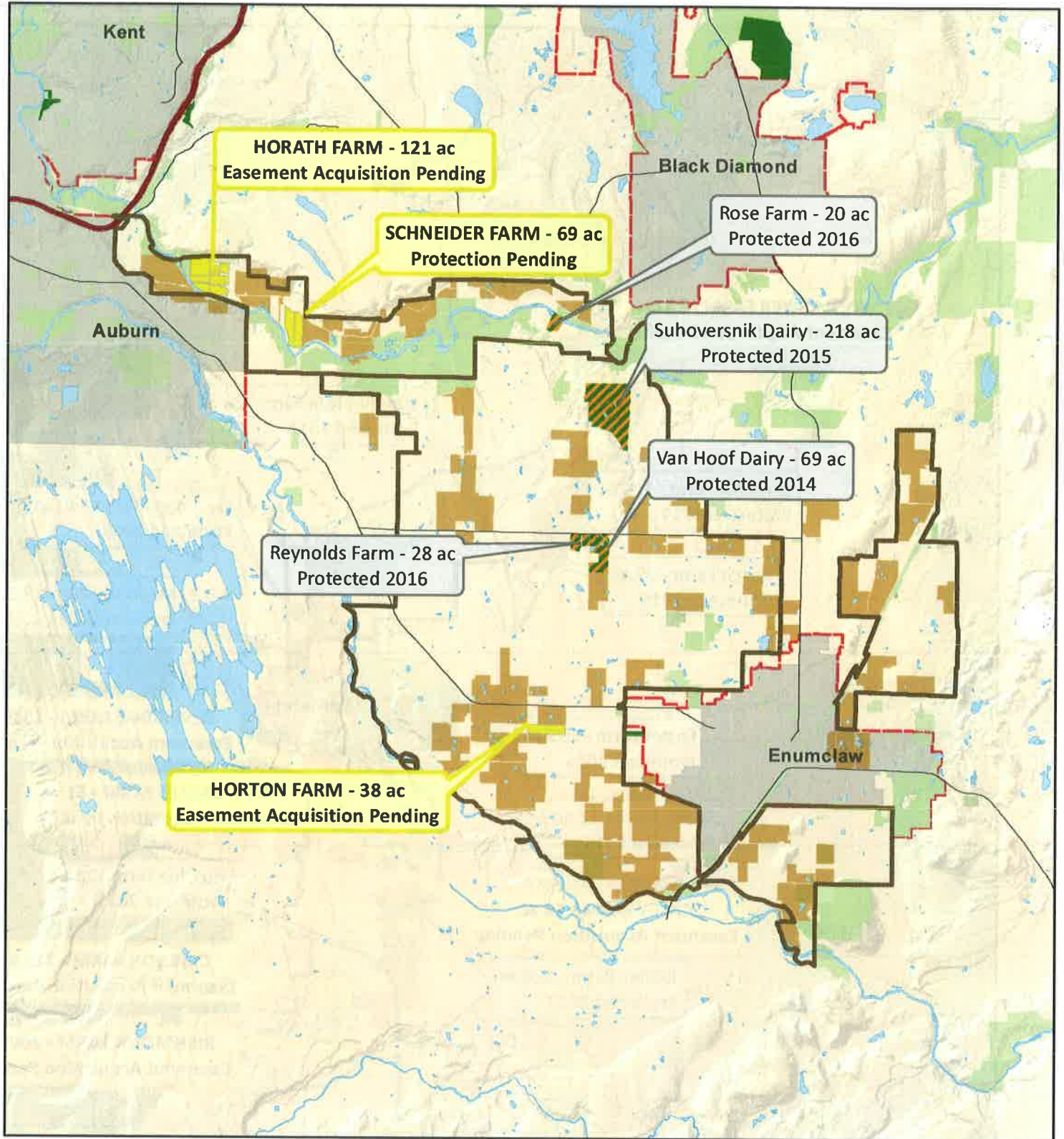


LEGEND

- Farms Pending TDR Protection
- Non-Farm TDR Easements
- TDR-protected Farms
- Urban Growth Area Boundary
- Protected Farmland
- Incorporated Cities
- Public Lands



Protecting Farmlands through Regional TDR (Map 2) (CFT Application - March 2016)



LEGEND

- Farms Pending TDR Protection
- Non-Farm TDR Easements
- TDR-protected Farms
- Protected Farmland
- Urban Growth Area Boundary
- Incorporated Cities
- Public Lands

