

Item 7

Meeting Date: March 2010
Title: Policy Changes to WWRP Farmland Preservation Program
Prepared By: Dominga Soliz, Policy Specialist

Approved by the Director:

Proposed Action: Decision

Summary

Staff is proposing changes to the Washington Wildlife and Recreation Program (WWRP) Farmland Preservation Program for use in the 2010 grant round. The proposal incorporates recommendations from the Recreation and Conservation Funding Board (board) and the Farmland Preservation Advisory Committee, and provides an additional update to the definition of "farm and agricultural land."

The environmental values evaluation criteria proposal is a follow-up to the board's discussion at the November 2009 meeting.

Strategic Plan Link

Consideration of these farmland policy changes supports the board's objectives to (1) evaluate and develop strategic investment policies and plans so that projects selected for funding meet the state's recreation and conservation needs, and (2) fund the best projects as determined by the evaluation process.

Staff Recommendation

Staff recommends that the board approve the farmland policy recommendation via Resolution #2010-05. These policies would:

1. revise and clarify the environmental values evaluation criteria
2. exclude community gardens from program eligibility
3. update the program definition of "farm and agricultural land" to include land that is used primarily for commercial equestrian related activities.

The policies, if approved, will be incorporated into RCO manual 10f (Farmland Preservation Program) for use in the 2010 grant round.

Background

The primary purpose of the Farmland Preservation Program in the Washington Wildlife and Recreation Program (WWRP) is to acquire development rights on farmland in Washington and ensure the land remains available for agricultural practices. A secondary goal is to enhance or restore ecological functions on farmland.

RCO staff worked with the following stakeholders to develop these recommendations,:

Name	Organization
Pat Powell	Washington Association of Land Trusts
Josh Giuntoli	State Conservation Commission, Office of Farmland Preservation
Jim Aldrich	Friends of the Field
Jeanne Williams	Department of Natural Resources, Farmland Preservation Program Advisory Committee
Cindy Ray	Farmer, Farmland Preservation Program Advisory Committee
Chris Hilton	Whidbey Camano Land Trust
Mike Tobin	North Yakima Conservation District
Linda Lyshall	Puget Sound Partnership
Scott Nelson	Farmer, Farmland Preservation Program Advisory Committee
Mary Embleton	Cascade Harvest Coalition, Farmland Preservation Program Advisory Committee
Jeff Harlow	Natural Resources Conservation Service, Farm Service Agency

Analyses of Proposed Policy Changes

1. Environmental Values Criteria

Staff suggested revisions to the environmental values criteria in an effort to address three issues reported by applicants and evaluators in the Farmland Preservation Program:

- Many applicants find the current environmental values criteria hard to address, and evaluators have found it difficult to score.
- It can be difficult for applicants to maximize points in the environmental values criteria section without diminishing agricultural production.
- Applicants believe it is not economically beneficial for some farms to apply for these funds because they would have to reduce agricultural productivity to meet environmental values criteria.

In November 2009, the board considered a policy change that would add criteria to the environmental values section. The criteria were designed to address the environmental benefits farms could provide while promoting agricultural production. The board discussed a variety of options and considerations regarding this policy, and ultimately deferred its decision, pending further review by key stakeholders.

Analysis: Environmental Values Criteria

The board is required by statute to consider the environmental values of farmlands brought forth by applicants seeking funding for conservation through the Farmland Preservation Program.

The Farmland Preservation Advisory Committee, applicants, and other key stakeholders recommended the criteria be revised to:

- Better address how the particular farmland benefits specific species and habitat.
- Better consider farmland that is part of a local, regional, or statewide conservation plan
- Emphasize environmental benefits that can be achieved while promoting agricultural productivity
- Be simple, short, and eliminate overlap
- Be clear, and provide examples, but be flexible enough to fit a wide range of projects

Staff Proposal: Environmental Values Criteria

Staff proposes clarifying the Environmental Values criteria as follows and maintaining the section's total point value at 22. Attachment A shows detailed policy language for both the current criteria and the proposed new criteria.

Summary of Proposed Environmental Values Criteria

Acquisition-only projects	Acquisition and restoration/enhancement projects
1. <u>Species and Habitat Support</u> : Which species does the property support? How does the property support the species that use it? (10 points)	1. <u>Species and Habitat Support</u> : How will the project further the ecological function of the land? (8 points)
2. <u>The Bigger Picture</u> : How does protecting this property fit with local, regional, statewide conservation objectives? (8 points)	2. <u>The Bigger Picture</u> : How will protecting this property fit with local, regional, and/or statewide conservation objectives? (6 points)
3. <u>Agricultural Productivity</u> : How does the agricultural productivity of this property enhance its environmental values? (4 points)	3. <u>Likelihood of Success</u> : What is the likelihood that the restoration or enhancement will achieve the anticipated benefits for species and habitat? (4 points)
	4. <u>Agricultural Productivity</u> : How will the restoration or enhancement promote agricultural productivity? (4 points)

2. Community Gardens

In 2008, the Farmland Preservation Advisory Committee expressed concerns about community gardens receiving Farmland Preservation Program funding because they are not focused on agricultural productivity.

Analysis: Community Gardens

Community gardens may not be consistent with the program's purpose of protecting farmlands to maintain them in agricultural production. Under current program policy, a sponsor may convert farmland protected with Farmland Preservation Program funds into a community garden after the project is completed. If community gardens become ineligible in the program, then a sponsor could not convert a funded project to a community garden without replacing the value of the property through the board's conversion processes.

Community gardens are not specifically included in the statutory definition of farm and agricultural land.

Staff Proposal: Community Gardens

Stakeholders and staff recommend that the board make community gardens ineligible for Farmland Preservation Program funding because they are not focused on agricultural productivity.

3. Statutory Definition Change

The enabling legislation for the Farmland Preservation Program defines "farmlands" as any land defined as "farm and agricultural land" under the current use classifications in RCW 84.34.020.

In November 2009, the board approved a policy to reflect legislative changes to the statutory definition of "farm and agricultural land" to include specific standing crops such as short-rotation hardwoods and Christmas trees.

Since then, staff learned that a separate 2009 bill (Senate House Bill 1733) further broadened the statutory definition in response to a Department of Revenue rule. This bill adds to the definition:

"any land that is used primarily for equestrian related activities for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed and that otherwise meet the [acreage and gross income requirements of the statute]"
RCW 84.34.020(2)(g)

As a result of this statutory change, land used for these activities now is eligible for current use valuation as farm and agricultural land. For example, if a horse boarding operation allows the boarded horses to graze, then the "sale" of the pasture forage constitutes the sale of an agricultural product. The board policy needs to be amended to reflect this statutory change. The

board can decide in the future whether to weight commercial equestrian projects differently than other farmland projects.

Public Comment on Policy Proposals

On January 1, 2010, RCO staff released the proposed changes to the environmental values criteria and eligibility of community gardens for public comment via email and the agency web site. We received three written comments (Attachment B).

- Two of the three respondents asked about the reference to salmonids in the first criterion. Staff responded that salmonids are specifically included because it is the only species specifically called out in the program statute. The project will not automatically receive additional points if salmonids use the site. Staff added a footnote to the word "species" at the recommendation of the Biodiversity Council in order to emphasize a wide scope of species that the questions consider.

The addition of equestrian related activities to the program definition was not in the public review draft because staff learned of the change after the comment period had closed. This change is required to align program and statutory definitions. Staff has informed key stakeholders about this change.

Next Steps

If approved by the board the policies will be incorporated into RCO policy manual 10f (WWRP Farmland Preservation Program) for use in the 2010 grant round.

Attachments

Resolution 2010-05

- A. Proposed Environmental Values Criteria
- B. Summarized Public Comment

Recreation and Conservation Funding Board
Resolution #2010-05
Changes to WWRP Farmland Preservation Program

WHEREAS, applicants and evaluators in the Farmland Preservation Program have suggested that the environmental values criteria should be clarified and should better consider how farms can provide environmental benefits while promoting agricultural productivity; and

WHEREAS, the Farmland Preservation Advisory Committee suggested that community gardens be excluded from Farmland Preservation Program eligibility in order to be consistent with the program's purpose of protecting farmlands to maintain them in agricultural production; and

WHEREAS, the 2009 Legislature amended the definition of "farm and agricultural land" to include land that is used primarily for commercial equestrian activities; and

WHEREAS, Recreation and Conservation Office (RCO) staff developed policies to address these issues; and

WHEREAS, RCO staff circulated this policy proposal for review and comment from the general public and among people that have asked to be kept informed about the Farmland Preservation Program thus supporting the Recreation and Conservation Funding Board (board) objective to conduct its work in a fair and open manner; and

WHEREAS, adopting these revisions would further the board's strategic goal to "[f]und the best projects as determined by the evaluation process";

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt the following policies:

- Exclude community gardens from Farmland Preservation Program funding eligibility;
- Revise the Farmland Preservation Program Environmental Values evaluation criteria as written in Attachment A for clarity and to consider how farms can provide environmental benefits while promoting agricultural productivity; and
- Update the program definition of "farm and agricultural land" to align with statutory authority; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement this revision beginning with the 2010 Washington Wildlife and Recreation Program grant cycle.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Proposed Environmental Values Criteria

Staff proposes replacing the environmental values section of the existing criteria as follows:

Environmental values (for evaluating acquisition-only projects)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<ol style="list-style-type: none"> 1. Is the type and quality of habitat found on this property specifically recommended for preservation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region wide prioritization effort? Does the property contribute to recovery efforts for endangered, threatened, or sensitive species? What specific role does the habitat play in supporting this/these species? (maximum 9 points) 2. Describe the ecological and biological quality of the habitat and its benefits to fish and wildlife. What species/communities benefit from habitat on this property? How is this habitat important in providing food, water, cover, connectivity, and resting areas? Are other protected lands near or adjoining this farm managed in a manner that is complementary or compatible for these species? Is the farm property part of the larger ownership? If so, describe management of the larger ownership. (maximum 9 points) 3. Is there an existing or proposed environmental management/ stewardship plan or conservation plan for the farm/ranch? Is the farm/ranch certified under some sort of sound environmental practices or sustainability program? Describe any stewardship activities undertaken by the landowner in the past and the results of those efforts. (maximum 4 points) 	<ol style="list-style-type: none"> 1. <u>Species¹ and Habitat Support</u>: Which species does the property support? How does the property support the species that use it? (10 points) <ol style="list-style-type: none"> a. Describe the species that rely on the property for all or part of their life functions. Which, if any, endangered, threatened, or sensitive species does the property help recover? What, if any, are the benefits to salmonids? b. How do the species use the property? (For example: migration, connectivity to habitat, food, water, cover, breeding and/or resting areas. The property may be important for a species entire lifecycle, or may serve a critical function during part of its lifecycle, such as seasonal habitat for migratory species). c. What is the quality of the habitat provided? (Are the size, condition and other characteristics of the habitat adequate to support the species? If not, describe the quality and indicate if the property contributes important habitat to surrounding protected lands that, when combined, adequately support the species. Be specific.) d. What would the impact to the identified species be if this habitat were converted? (How much does each species rely on this particular habitat?)

¹ Species can include, for example, invertebrates, plants, and fungi.

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2. The Bigger Picture: How does protecting this property fit with local, regional, statewide conservation objectives? (8 points)
 - a. Other than benefits that support specific species, what are the other environmental benefits of protecting the property, such as aquifer recharge, flood control, connectivity to other protected land, air and/or water quality improvement, etc?
 - b. Which local, regional, and/or statewide plans support protecting the identified species and/or habitat? (For example: a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region-wide prioritization effort). Which, if any, plans identify this property as being important for conservation? Which priorities in the identified plan(s) are addressed by protecting this property?

 3. Agricultural Productivity: How does the agricultural productivity of this property enhance its environmental values? (4 points)
 - a. Describe how agricultural production activities on this property can benefit the environment. (For example: seasonal grazing to control weeds; hedgerows or other plantings to attract pollinators, and provide habitat for birds who factor into an integrated pest management plan; crops that provide habitat for small rodents, which in turn become food for area raptors.) Describe any past stewardship activities that have taken place on the property. What were the results of these activities?
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Environmental values (for evaluating acquisition + restoration/enhancement projects)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<ol style="list-style-type: none"> 1. Enhancement or restoration projects must further the ecological functions of the farmlands. <ol style="list-style-type: none"> a. Consider the current habitat values of the property. How is this habitat important in providing food, water, cover, connectivity, and resting areas? Has the landowner already undertaken successful stewardship activities on the farm/ranch? (maximum 2 points) b. Consider the benefits to fish and wildlife species, especially endangered, threatened or sensitive species, including benefits to plant and animal communities and the habitat on which they depend (maximum 3 points) c. Benefits to habitat forming processes, for example restoring the ability of a river or stream to transport gravel and fine sediment or restoring native riparian vegetation to provide for a future source of shade, detritus and woody debris (maximum 4 points) 2. Consider the likelihood that the anticipated benefits will be realized. This would be based on the use of accepted methods, sound project design and siting, etc. <ol style="list-style-type: none"> a. The project is based on accepted methods of achieving beneficial enhancement or restoration results (maximum 3 points) b. The project is likely to achieve the anticipated benefits. Consider siting, project type, management/stewardship plan, proposed monitoring and evaluation (maximum 6 points) 	<p>Briefly describe the restoration/enhancement activity.</p> <ol style="list-style-type: none"> 1. <u>Species and Habitat Support</u>: How will the project further the ecological function of the land? (8 points) <ol style="list-style-type: none"> a. Describe the species that will rely on the property for all or part of their life functions. Which, if any, endangered, threatened, or sensitive species will the property help recover? What, if any, are the expected benefits to salmonids? b. How do the species use the property? (For example: migration, connectivity to habitat, food, water, cover, breeding and/or resting areas) c. What's the quality of the habitat that will be provided? (Will the size, condition and other characteristics of the habitat be adequate to support the species? If not, do surrounding protected lands provide quality habitat that will adequately support the species? Be specific.) d. How will the proposed restoration/enhancement activity benefit the species identified above? (How much will each species rely on this particular habitat?) 2. <u>The Bigger Picture</u>: How will protecting this property fit with local, regional, and/or statewide conservation objectives? (6 points) <ol style="list-style-type: none"> a. Other than benefits that support specific species, what are the other environmental benefits of protecting the property, such as aquifer recharge, flood control, connectivity to other protected land, air or water quality improvement, etc? b. Which local, regional, and/or statewide plans support protecting the identified species and/or habitat? (For example: a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region-wide prioritization effort.)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<p>3. Does the proposed restoration or enhancement address needs or priorities identified in a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, a listed species recovery plan, the Washington State Natural Heritage Plan, or a coordinated region wide prioritization effort? (maximum 4 points)</p>	<p>Which, if any, plans identify this property as being important for conservation and/or restoration? Which priorities in the identified plan(s) are addressed by protecting this property?</p> <p>3. <u>Likelihood of Success</u>: What is the likelihood that the restoration or enhancement will achieve the anticipated benefits for species and habitat? (4 points)</p> <p>a. Describe how the proposed restoration or enhancement activities will achieve the benefits for species and habitat. Are they generally accepted methods of achieving beneficial enhancement or restoration results? (For example: Who recommended the proposed activities as appropriate for this property? Was the recommendation made as part of a conservation or stewardship plan? What is the relevant expertise of the person who wrote that plan? Do the activities enjoy widespread support?)</p> <p>b. Describe any past stewardship activities that have taken place on the property. What were the results of these activities?</p> <p>4. <u>Agricultural Productivity</u>: How will the restoration or enhancement promote agricultural productivity? (4 points)</p> <p>a. Describe how the proposed restoration or enhancement activities will promote agricultural productivity. (For example, if the proposal is to install water efficiencies, describe how that will allow the farmer to produce greater crop yields. If the proposal is to install a livestock well, describe how that will not only benefit water quality, but will support an increase in animal units. Address how the benefits to productivity do not cancel out the environmental benefits described in number 1. For example, describe how the lack of water may have been a limiting factor on the property, and how the increased number of livestock now supported by the well will not lead to exceeding the carrying capacity of the land).</p>

Summarized Public Comments on Proposal

The following remarks have been edited for brevity.

Commenter	Summarized Comments	Staff Response (if applicable)
Sandra Staples-Bortner Great Peninsula Conservancy	We appreciate the revised format based on three to four themes. We feel question 1(a) might put too much emphasis on salmonids, overshadowing the presence of other endangered, threatened, sensitive, or common species that use the property.	Salmonids are specifically included because it is the only species specifically called out in the program statute. The project will not automatically receive additional points if salmonids use the site.
	We suggest consolidating the queries wherever possible to simplify each section and avoid repeating questions.	Stakeholders recommended that adding more questions that address specific issues will be more helpful to applicants than combining several questions in one query, which could be more confusing.
	We think you should consider combining questions 1c and 2b and use more descriptive language.... There are various ways to measure quality and intensive field research may be needed to adequately address a question of this breadth.... It is a complex question, and we think there is overlap with questions 1a through 1c, which all relate to the issue of habitat quality in some regard.	Question 2b asks which plans support protecting the habitat in order to identify how and whether the project is a conservation priority. It might be assumed that local, regional, and statewide plans consider habitat quality when developing conservation priorities, but question 1c allows program evaluators to more directly consider habitat quality when scoring environmental values.
	Consider moving the "Bigger Picture" questions to the beginning of the Environmental Values Evaluation.	Staff believes it will be easier for applicants to address the more narrow question before the wider question
	We agree with the addition/revision of the Likelihood of Success and Agricultural Productivity sections. The questions recognize organizational capacity as well as stewardship activities that add value to the environment. Applicants or landowners may not have been able to highlight these types of practices in the past.	
	We recommend retaining community gardens as eligible for Farmland Preservation Program funds. We feel community garden projects can help preserve agricultural land and promote the restoration of habitat	Staff is reluctant to make this change. Stakeholder group and public response was unanimous in recommending exclusion of community gardens from eligibility.

Commenter	Summarized Comments	Staff Response (if applicable)
Tom Niemann, Snohomish County Planning and Development Services	<p>We strongly support RCO's proposal to exclude community gardens from eligibility...</p> <p>Based on our experience with the RCO project evaluation process, we strongly support the revision and clarification of the environmental values evaluation criteria. However, we would like to suggest amendments to the proposed criteria for acquisition-only projects:</p>	
	<p>Reduce the maximum number of points available for question 1 to eight points and increase the maximum number of points available for question 3 to six points;</p>	<p>Staff did not change the point values in order to be consistent with the acquisition + restoration/ enhancement section.</p>
	<p>Add values to question 3 to those found in B3 of the current criteria to that farmers can continue to receive credit for environmental management/conservation plans and land stewardship activities;</p>	<p>Staff added language accordingly.</p>
	<p>Under question 3, change "Describe how this property's production of agriculture can benefit the environment" to read "Describe how agricultural production activities on this property can benefit the environment."</p>	<p>Staff made the change accordingly.</p>
Cindy Ray, Soap Lake Farmer	<p>I support excluding community gardens I don't see them as farmland and think a different funding source is more appropriate.</p> <p>I also support the proposed Environmental Values Revision. I prefer the language for questions #3 and #4 in Acquisition and Restoration/ Enhancement to the language in Acquisition only. It is great to see a 'Likelihood of Success' section with requests for a plan with follow through.</p> <p>I am curious why in #1a. salmonids are the only species specified. Shouldn't we include all species?</p> <p>#1c. - I really am pleased to see the criteria specify the piece of property the application is for. Most past applicants talked about statewide or regional efforts.</p>	<p>Salmonids are specifically included because it is the only species specifically called out in the program statute.</p>

