The Cascade Agenda
An uplands strategy for saving Puget Sound

Dan Stonington
Cascade Land Conservancy
January 19, 2010
About the Cascade Land Conservancy

- Conserved nearly 150,000 acres using market-based approaches
Overview

- Growth trends and Puget Sound
- The Cascade Agenda
- The latest on implementing strategies
Growth is happening

In the next 100 years the Puget Sound Basin will experience population growth equivalent to 15 cities the size of Seattle.

Source: PSRC
And it is impacting Puget Sound

• The Puget Sound Partnership’s Action Agenda Priority A1:
  • “Protect intact ecosystems…”
Regional Growth Trends 2000-2007

2000-2007 Growth as Percentage of Regional Growth
Strategy Expectations - King, Pierce, Snohomish, Kitsap

- Metro Cities
- Core Cities
- Larger Cities
- Small Cities
- Uninc'd UGA
- Rural
- Resource
- TOTAL

Graph showing growth percentages for different categories of regions relative to the regional growth.
Where growth is supposed to go

Based on the PSRC VISION 2040 Regional Growth Strategy
### Development Rights and Associated Acreage:
King, Pierce, and Snohomish Counties (Red Dots)

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<tr>
<th>Development Rights</th>
<th>Acreage</th>
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2100 ALTERNATIVE FUTURE
2100 “Preferred” FUTURE
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Cascade Agenda Goals

Save our landscape

1.3 million acres of farms, forests, parks, habitat

Enhance our communities

Affordable, compact and thriving communities
The Cascade Agenda Approach

Looking long

• 100 years forward

Thinking broad

• Sustain a strong regional economy
• Promote livable communities
• Ensure healthy ecosystems
The Cascade Agenda Approach

Public Involvement
- Conversations with 3,500 stakeholders
- Involvement of 460 classrooms

Science and Economics
- Assistance of over 50 experts

Elected Leadership
- Engagement of over 100 municipalities and governmental entities

Practitioners
- Involvement of over 100 stakeholders

Steering Committee
- 50 civic, business, and environmental leaders
What It All Adds Up To

- Strong Economy
- Livable Communities
- Healthy Environment

Public lands
Maintain: 2.3m acres

Working forests
Conserve: ~700k acres

Working farms
Conserve: ~300k acres

Parks, Habitat and Waters
Conserve: ~265k acres

Cities and towns
Threatened Land  $10M  Purchase Land
Raise Funds  $0

Traditional model
The Cascade Agenda Model

- **Purchase Land** - $10m
- **Sustainable Forestry on part of the land** - +$4m
- **Sell Development Rights** - +$8m

**Total**: $12m
The Bottom Line

1.3M acres = ~$7B

- Value Added Conservation Tools
- New Financing Resources
- Align Market and Regulatory Forces
Cascade Agenda Strategies

Urban Livability Strategies
• increase vibrancy and livability of cities
• invest in restoration and stewardship of urban parks
• increase housing affordability in urban areas
• promote arts in center cities

Financing Strategies
• community forest bonds
• establish public conservation authority
• securitized financing
• quick action consortium
• transaction fund

Flexible Development Strategies
• conservation development
• flexible rural and urban development
• regulatory certainty/reduced oversight matched to conservation achievement
• environmentally friendly development techniques (LID, LEED, GreenBuilt)

Strategic Public Investment Strategies
• Effective use of public funds
• New housing financing that supports public amenities and infrastructure

New Markets Strategies
• Off site mitigation
• transfer of development rights
• new revenue streams: carbon, water recharge, recreation
• improve agricultural markets
• stewardship partnerships with farmers and foresters

Public Engagement Strategies
• educate public about benefits of density and vibrant communities
• CA public engagement campaign
• encourage 100 year vision in other communities
• integrate planning processes
• regional transportation investments and planning

Stewardship Strategies
• increased stewardship of riparian areas and watersheds
• BNSF ROW restoration agreement and strategy
Overview

- Growth trends and Puget Sound
- The Cascade Agenda
- The latest on implementing strategies
  - Transfer of Development Rights
  - Rural TDR
  - Ecosystem markets
  - Community Forestry Bonds
Transfer of Development Rights

Development rights separated from property with conservation easement

Sending Area

Development Rights

Receiving Area

Funding for resource land protection
Cities: Infrastructure Incentives

- Cities struggling
  - Meet growth targets
  - Build/upgrade infrastructure
  - Housing affordability

- TDR into cities adds to challenges
- Link infrastructure money to TDR receiving sites
Tax Increment Financing 101

- WA is 1 of 2 states w/out TIF

**Property Tax Allocation**

- City: 23%
- State: 19%
- County: 12%
- Library: 4%
- Local Schools: 39%

*(example)*

**Tax Increment Financing**

- Incremental AV: Incremental real property tax belongs to Tax Increment Reinvestment Zone (TIRZ) to pay project costs.
- Base AV: AV belongs to all other taxing districts in project area.
- New Post-Project AV: Total AV now belongs to all taxing districts in project area.

- Created: 25 Year TIF
- Terminated
TIF + TDR

• Address sprawl & urban infrastructure needs together – link infrastructure financing to TDR

1. Commit & Plan
   - City agrees to TDR goal
   - Establishes district
   - Creates development plan

2. Infrastructure Investment
   - TDR threshold met by private market
   - City bonds against TIF
   - Infrastructure improvements made as planned

3. Market–lead Redevelopment
   - District is more favorable for development
   - Private market responds

4. Forest & Farm Conservation
   - TDRs are utilized in district
   - Over time the City’s TDR goal is met
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- **Acreage:**
  - 465,000
  - 75,000
  - 317,000
  - 857,000

Demand for only a fraction of these rights in the urban areas.
Existing Landscape

Images compliments of: Brandywine Conservancy
Environmental Management Center
Typical Development

Images complements of: Brandywine Conservancy
Environmental Management Center
Density Transferred to Conservation Village

Images compliments of:
Brandywine Conservancy
Environmental Management Center
What is an environmental market?

- Programs for buying and selling credits for protecting and restoring the environment
- Focused on ecosystem conservation goals
- Often driven by regulatory requirements
- Also known as conservation and mitigation banks, water quality trading, and ecosystem service markets
Watershed Approach

- WA Department of Ecology and Puget Sound Partnership

Watershed Characterizations
- Protection
- Restoration
- Development
Why markets?

• Current frameworks are not well coordinated
• Section 404 permitting process is resulting in an 80% loss of wetlands (Turner et al 2001)
• $7 billion in regional conservation needs
Puget Sound in-lieu-fee program

- Puget Sound Partnership Action Agenda
- $4 million to start program
- Pilot site selection consistent with regional priorities
- Sequence
  - Options to purchase
  - Mitigation planning and review
  - Purchase (likely conservation easements)
Progress

- TDR legislation 2007 and 2009
- TDR pilot projects ~ 800 acres
- 16 CA Cities
- 20,000 volunteers
CONSERVING GREAT LANDS
CREATING GREAT COMMUNITIES

Thank You!

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