KING COUNTY DEPARTMENT OF NATURAL RESOURCES AND PARKS WATER AND LAND RESOURCES DIVISION

Report to the King County Hearing Examiner for Property Enrollment in the Public Benefit Rating System (PBRS)

March 30, 2016 - Public Hearing

APPLICANT: DIC LLC

File No. E15CT032

A. GENERAL INFORMATION:

1. Owners: DIC LLC (Keith Dearborn, Trustee) David and Amber Russell

2183 Sunset Avenue SW 3779 Donald Drive

Seattle, WA 98116 Garnet Valley, PA 19060

NOTE: Shortly after receipt of this application, David and Amber Russell purchased parcel 262408-9205 and informed PBRS staff they intend to continue with the approval process as joint applicants with DIC LLC (see Exhibit 14).

- 2. Property location: north of and adjacent to 6935 North Fork Road SE Snoqualmie, WA 98065
- 3. Zoning: RA10
- 4. STR: NW-26-24-08 and NE-26-24-08
- 5. PBRS categories requested by applicant and suggested by program staff:

NOTE: The properties are currently participating in the forestland program (RCW 84.33), but may not remain because they lack the necessary qualifications to continue. The purpose of this application is to reclassify the properties and enroll them in PBRS.

Open space resources

- *Buffer to public or current use classified land
- **Forest stewardship land
- *Rural open space
- *Significant wildlife or salmonid habitat

Special animal site

Surface water quality buffer

Bonus category

*Contiguous parcels under separate ownership

NOTE: *Staff recommends credit be awarded for these PBRS categories. **Award of this category is also possible, but will be dependent upon specific category requirements being met (see resource category discussion under Section E beginning on page 6).

6.	Parcel:	262408-9201	262408-9205	262408-9206
	Total acreage:	4.00	4.79	4.93
	Requested PBRS:	4.00	4.00	4.00
	Home site/excluded area	: 1.65	1.71	1.36
	Recommended PBRS:	2.35	3.08	3.57

Parcel: 262408-9207
Total acreage: 4.82
Requested PBRS: 4.00
Home site/excluded area: 1.18
Recommended PBRS: 3.64

NOTE The attached map (2015 aerial photo) outlines in yellow the parcel boundaries and in blue the areas proposed to be *excluded* from PBRS. The portion recommended for enrollment in PBRS (12.64 acres) is the entire property (18.54 acres) less the excluded areas as measured (5.90 acres). In the event the Assessor's official parcel size is revised, PBRS acreage should be administratively adjusted to reflect that change.

B. FACTS:

- 1. Zoning in the vicinity: Properties in the vicinity are zoned RA2.5 and RA10.
- 2. Development of the subject property and resource characteristics of open space area: Each parcel is currently undeveloped but plans are to have a single family residence on each in the near future. A portion of access road does currently run east to west along the south property lines of parcel -9205, -9206 and -9207. A portion of developed shoulder to North Fork Road SE also runs along the east side of parcel -9201 and must also be excluded from enrollment, along with the existing community well and its access. The enrolling open space area is primarily a mix of coniferous and deciduous forest with native understory.
- 3. Site use: The properties will be used as single family residences.
- 4. Access: The properties are accessed from North Fork Road SE.
- 5. Appraised value for 2016 (Based on Assessor's information dated 3/16/2016)

Parcel #262408-9201	Land	<u>Improvements</u>	<u>Total</u>
Assessed value	\$259,000.00*	\$0	\$259,000.00
Tax applied	\$3,449.08	\$0	\$3,449.08
Parcel #262408-9205	Land	<u>Improvements</u>	<u>Total</u>
Assessed value	\$292,000.00*	\$0	\$292,000.00
Tax applied	\$3,889.21	\$0	\$3,889.21
Parcel #262408-9206	Land	Improvements	<u>Total</u>
Assessed value	\$296,000.00*	\$0	\$296,000.00
Tax applied	\$3,941.95	\$0	\$3,941.95
Parcel #262408-9207	Land	<u>Improvements</u>	<u>Total</u>
Assessed value	\$293,000.00*	\$0	\$293,000.00
Tax applied	\$3,901.40	\$0	\$3,901.40

NOTE: *These values are presently impacted by the land's participation in the Forestland program (RCW 84.33), which is reflected in the land's current and lower taxable value of \$83,500 (tax applied \$1,111.85). Similar to this Forestland program, participation in PBRS reduces the **appraised land value** for the **portion** of the property enrolled resulting in a lower taxable value.

C. REQUIREMENTS SPECIFIED BY KING COUNTY CODE (KCC):

KCC 20.36.010 Purpose and intent.

It is in the best interest of the county to maintain, preserve, conserve and otherwise continue in existence adequate open space lands for the production of food, fiber and forest crops, and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the county and its citizens.

It is the intent of this chapter to implement RCW Chapter 84.34, as amended, by establishing procedures, rules and fees for the consideration of applications for public benefit rating system assessed valuation on "open space land" and for current use assessment on "farm and agricultural land" and "timber land" as those lands are defined in RCW 84.34.020. The provisions of RCW chapter 84.34, and the regulations adopted thereunder shall govern the matters not expressly covered in this chapter.

KCC 20.36.100 Public benefit rating system for open space land – definitions and eligibility.

A. To be eligible for open space classification under the public benefit rating system, property must contain one or more qualifying open space resources and have at least five points as determined under this section. The department will review each application and recommend award of credit for current use of property that is the subject of the application. In making such recommendation, the department will utilize the point system described in section B. and C. below.

- B. The following open space resources are each eligible for the points indicated:
 - 1. Public recreation area five points
 - 2. Aquifer protection area five points
 - 3. Buffer to public or current use classified land three points
 - 4. Equestrian-pedestrian-bicycle trail linkage thirty-five points
 - 5. Active trail linkage fifteen or twenty-five points
 - 6. Farm and agricultural conservation land five points
 - 7. Forest stewardship land five points
 - 8. Historic landmark or archaeological site: buffer to a designated site three points
 - 9. Historic landmark or archaeological site: designated site five points
 - 10. Historic landmark or archaeological site: eligible site three points
 - 11. Rural open space five points
 - 12. Rural stewardship land five points
 - 13. Scenic resource, viewpoint, or view corridor five points
 - 14. Significant plant or ecological site –five points
 - 15. Significant wildlife or salmonid habitat five points
 - 16. Special animal site three points
 - 17. Surface water quality buffer five points
 - 18. Urban open space five points
 - 19. Watershed protection area five points
- C. Property qualifying for an open space category in subsection B. of this section may receive credit for additional points as follows:
 - 1. Resource restoration five points
 - 2. Additional surface water quality buffer three or five points
 - 3. Contiguous parcels under separate ownership two points
 - 4. Conservation easement of historic easement fifteen points
 - 5. Public access points dependent on level of access
 - a. Unlimited public access five points
 - b. Limited public access sensitive areas five points
 - c. Environmental education access three points
 - d. Seasonal limited public access three points
 - e. None or members only zero points
 - 6. Easement and access thirty-five points

D. 2012 COMPREHENSIVE PLAN POLICIES AND TEXT:

E-101 In addition to its regulatory authority, King County should use incentives to protect and restore the natural environment whenever practicable. Incentives should be monitored to determine their effectiveness in terms of protecting natural resources.

- NOTE: Monitoring of participating lands is the responsibility of both department PBRS staff and the landowner. This issue is addressed in the Resource Information document (page 4) and detailed below in Recommendation #B11.
- **E-106** The protection of lands where development would pose hazards to health, property, important ecological functions or environmental quality shall be achieved through acquisition, enhancement, incentive programs and appropriate regulations. The following critical areas are particularly susceptible and shall be protected:
 - a. Floodways of 100-year floodplains;
 - b. Slopes with a grade of 40 percent or more or landslide hazards that cannot be mitigated;
 - c. Wetlands and their protective buffers;
 - d. Aquatic areas, including streams, lakes, marine shorelines and their protective buffers;
 - e. Channel migration hazard areas;
 - f. Critical Aquifer Recharge Areas;
 - g. Fish and Wildlife Habitat Conservation Areas; and
 - h. Volcanic hazard areas.
- **E-421** Terrestrial and aquatic habitats should be conserved and enhanced to protect and improve conditions for fish and wildlife.
- NOTE: PBRS is an incentive program provided to encourage voluntary protection of open space resources and maintain high quality resource lands.
- **E-429** King County should provide incentives for private landowners who are seeking to remove invasive plants and noxious weeds and replace them with native plants.
- NOTE: Participation in PBRS requires landowners address invasive plant and noxious weed control and removal within enrolled portions of a property. Replacement with native vegetation is also encouraged via the implementation of approved forest stewardship, rural stewardship or resource restoration plans.
- **E-443** The county should promote voluntary wildlife habitat enhancement projects by private individuals and businesses through educational, active stewardship, and incentive programs.
- **E-476** King County should identify upland areas of native vegetation that connect wetlands to upland habitats and that connect upland habitats to each other. The county should seek protection of these areas through acquisition, stewardship plans, and incentive programs such as the Public Benefit Rating System and the Transfer of Development Rights Program.
- **E-504** King County should protect native plant communities by encouraging management and control of nonnative invasive plants, including aquatic plants. Environmentally sound methods of vegetation control should be used to control noxious weeds.

- NOTE: Lands participating in PBRS provide valuable resource protection and promote the preservation or enhancement of native vegetation. Addressing nonnative vegetation (invasive plant species), through control and eradication is a PBRS requirement.
- **E-449** The county shall promote retention of forest cover and significant trees using a mix of regulations, incentives, and technical assistance.
- **R-605** Well-managed forestry and agriculture practices are encouraged because of their multiple benefits, including natural resource protection.
- NOTE: The implementation of an approved forest stewardship, farm management or rural stewardship plan benefits natural resources, such as wildlife habitat, stream buffers and groundwater protection, as well as fosters the preservation of sustainable resources.

E. PBRS CATEGORIES REQUESTED and DEPARTMENT RECOMMENDATIONS:

Open space resources

- Buffer to public or current use classified land
 - The properties are all adjacent to property enrolled in the Forestland program (parcel 262408-9200 to the north). The enrolling open space area is providing a buffer of native vegetation of more than 50 feet to both of these adjacent lands, which exceeds the category's requirement. Credit for this category is recommended.
- Forest stewardship land
 - The properties contain more than 12 acres of contiguous forest. In order to qualify for this category, a forest stewardship plan must be provided by the owners, approved by the department and implemented. At this time, credit for this category cannot be recommended because a plan has not been provided. However, if a forest stewardship plan is **provided by November 30, 2016**, and **approved by the department on or before December 31, 2016**, then credit for this category should be awarded administratively. Award of this category may allow forestry activities to occur in the participating open space area. It is the landowner's responsibility to apply for and receive the necessary approvals from the applicable state and local governmental agencies for forestry activities that require a permit or approval, such as clearing and grading.
- Rural open space
 - The property is in the rural area and contains more than 12 acres of contiguous open space, which is more than the category's required ten acre minimum. Credit for this category is recommended.
- Significant wildlife or salmonid habitat
 - The property contains habitat for numerous wildlife species, including foraging and nesting habitat for the pileated woodpecker, which is listed as a candidate species of concern by the Washington Department of Fish and Wildlife. Upon conducting a site visit, program staff observed evidence of pileated woodpecker activity and determined areas of the forest on the property is of sufficient age and diversity to support the species

regular use of the property. Award of this category is consistent with habitat as defined by KCC 20.36.100, section B.15.a(1). Credit for this category is recommended.

• Special animal site

Award of credit for this category requires the property to include or be adjacent to a portion of the county's designated wildlife habitat network, or be identified as an urban natural area by the State's priority habitat and species project. In this case, neither recognized wildlife coverage is identified on or near the property. Credit for this category cannot be recommended.

• Surface water quality buffer

In order to be eligible for this category a wetland, creek, or pond, etc, must be on or adjacent to the enrolling land. In this case, the property is not adjacent to nor does it contain a portion of a surface water body. Credit for this category cannot be recommended.

Bonus category

Contiguous parcels under separate ownership

The application includes multiple parcels of land owned by different owners. The contiguous open space portions of each enrolling parcel contain the same PBRS resources. Based on the number of owners, award for this category would result in an addition of six points. Credit for this category is recommended.

NOTE: It is important to note that enrollment in the PBRS program requires the control and removal of invasive plant species. This issue is addressed in the Resource Information document (page 3) and below in Recommendation #B7.

CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS:

- 1. Approval of the subject request would be consistent with the specific purpose and intent of KCC 20.36.010.
- 2. Approval of the subject request would be consistent with policy E-101 of the King County Comprehensive Plan.
- 3. Of the points recommended, the subject request meets the mandatory criteria of KCC 20.36.100 as indicated:

Open space resources

Buffer to public or current use classified land	3
Forest stewardship land	*
Rural open space	5
Significant wildlife or salmonid habitat	5
Special animal site	0
Surface water quality buffer	0

Contiguous parcels under separate ownership

TOTAL 19 points

NOTE: *If credit is awarded for forest stewardship category, the point total would increase to 24 and the reduction in land assessed value for the portion enrolled would increase to 80%. An approved forest stewardship plan may provide flexibility to allow forestry activities to occur in the participating open space area.

PUBLIC BENEFIT RATING

For the purpose of taxation, 19 points result in 30% of market value and a 70% reduction in taxable value for the portion of land enrolled.

B. RECOMMENDATION:

APPROVE the request for current use taxation "Open space" classification with a Public Benefit Rating of 19 points, subject to the following requirements:

Requirements for Property Enrolled in the Public Benefit Rating System Current Use Taxation Program

- 1. Compliance with these requirements is necessary to continue to receive the tax benefits from the King County Public Benefit Rating System (PBRS) current use taxation program for the property enrolled in the program (Property). Failure to abide by these requirements can result in removal of current use designation and subject the property owner (Owner) to the penalty, tax, and interest provisions of RCW 84.34 and assessment at true and fair value. The County Assessor and the King County Rural and Regional Services Section or its successor may re-evaluate the Property to determine whether removal of the open space designation is appropriate. Removal shall follow the process in RCW 84.34.108.
- 2. Revisions to these requirements may only occur upon mutual written approval of the Owner and granting authority. These conditions shall apply so long as the Property retains its open space designation. If a conservation easement acceptable to and approved by King County is granted by the Owner or the Owner's successors in interest to the Department of Natural Resources and Parks, King County or a grantee approved by King County, these requirements may be superseded by the terms of such easement, upon written approval by King County.
- 3. The open space classification for this Property will continue so long as it meets the open space purposes for which it was initially approved. Classification as open space will be removed upon a determination by King County that the Property no longer meets the

open space purposes for which it was initially approved. A change in circumstances which diminishes the extent of public benefit from that approved by the King County Council in the open space taxation agreement will be cause for removal of the current use assessment classification. It is the Owner's responsibility to notify the Assessor and the King County Rural and Regional Services Section or its successor of a change in circumstance with regard to the Property.

- 4. When a portion of the open space Property is withdrawn or removed from the program, the King County Rural and Regional Services Section or its successor and the Assessor shall re-evaluate the remaining Property to determine whether it may continue to qualify under the program. If the remaining portion meets the criteria for priority resources, it may continue under current use taxation.
- 5. Except as provided for in sections 6, 7 and 10 below, no alteration of the open space land or resources shall occur without prior approval by the King County Rural and Regional Services Section or its successor. Any unapproved alteration may constitute a departure from an approved open space use and be deemed a change of use, and subject the Property to the additional tax, interest, and penalty provisions of RCW 84.34.080. "Alteration" means any human-induced action that adversely impacts the existing condition of the open space Property or resources including but not limited to the following: (Walking, horseback riding, passive recreation or actions taken in conjunction with a resource restoration plan, or other similar approved activities are permitted.)
 - a. erecting structures;
 - b. grading;
 - c. filling;
 - d. dredging;
 - e. channelizing;
 - f. modifying land or hydrology for surface water management purposes;
 - g. cutting, pruning, limbing or topping, clearing, planting, introducing, relocating or removing vegetation, however, selective cutting may be permitted for firewood;
 - h. applying herbicides or pesticides or any hazardous or toxic substance;
 - i. discharging pollutants excepting stormwater;
 - j. paving, construction, application of gravel;
 - k. storing of equipment, household supplies, play equipment, or compost;
 - l. engaging in any other activity that adversely impacts the existing vegetation, hydrology, wildlife, wildlife habitat, or other open space resources.
- 6. Notwithstanding the provisions of Section 5 trees posing a hazard to structures or major roads may be removed. Any trees removed must be replaced.
- 7. If an area of the Property becomes or has become infested with noxious weeds, the Owner may be required to submit a control and enhancement plan to the King County Rural and Regional Services Section or its successor in order to remove such weeds. If an area of the Property becomes or has become invaded by non-native species, the Owner may be required to submit, or may voluntarily submit, an enhancement plan to

- the King County Rural and Regional Services Section or its successor, in order to replace such species with native species or other appropriate vegetation.
- 8. There shall be no motorized vehicle driving or parking allowed on the open space. Property, except for the purpose of forestry and in areas of the Property being used as forest stewardship land.
- 9. Grazing of livestock is prohibited on the open space Property.
- 10. For land designated as forest stewardship land, activities that are consistent with forestry uses and that are consistent with an approved Forest Stewardship Plan for the Property shall be permitted as long as those activities do not cause a significant adverse impact to the resource values of other awarded categories.
- 11. An owner of property receiving credit for farm and agricultural conservation land, forest stewardship land, or rural stewardship land, all of which require a stewardship or management plan, must annually provide a monitoring report that describes progress of implementing the plan. The owner must submit this report, which must include a brief description of activities taken to implement the plan and photographs from established points on the property, to the department by email or by other mutually agreed upon method. An environmental consultant need not prepare this report.
- 12. Enrollment in PBRS does not exempt the Owner from obtaining any required permit or approval for activity or use on the Property.

TRANSMITTED to the parties listed hereafter:

Office of the King County Hearing Examiner
DICC LLC and David and Amber Russell, applicants
Wendy Morse, King County Department of Assessments