Saving Farms and Saving Fish— Creative Problem Solving and Incentive Programs

Draft January 20, 2005

Introduction to Platform Statements

This "platform statement" is one of nine papers drafted to stimulate discussion and make progress on topics related to salmon recovery that cross all the Puget Sound watersheds. These platform statements are not intended to represent positions or decisions of any individual or organization. Rather, they have been developed by the Shared Strategy staff with help from others, and are intended to describe the ideas and questions that have been identified to date by a variety of people working on these issues.

The expectation is that together, Shared Strategy participants will be able to forge a regional consensus on how to make progress on the ideas and questions identified in the papers and that these ideas will be incorporated into the draft regional recovery plan submitted to NOAA and U.S. Fish and Wildlife Service this June.

Under the Endangered Species Act, a recovery plan must identify the threats to survival, the actions necessary to address the threats, measures for delisting, cost of the actions and a schedule for implementation. In the Shared Strategy, all governments and interest groups agreed to add to the federal requirements by including commitments to implement the plan to ensure its success. This will be the first recovery plan ever developed through a partnership of affected parties that includes commitments for implementation.

The Puget Sound recovery plan will be a living document that evolves and improves over time through implementation. Parts of it will be well defined by June, and other parts will need more work in the future, due to limited knowledge, resources or current political or public commitments. Where additional detail is needed to address a significant threat to salmon survival, the plan must provide a schedule with measurable decision points for how the gap will be filled.

We encourage your comments at the Summit or by contacting Shared Strategy staff. It will be most helpful for you to indicate where the draft statement is generally heading in the right direction and how to take it further to help achieve recovery goals, as well as to identify which questions or issues will need to be addressed at a future time.

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Moving Beyond Past Conflicts to a New Future

There are many causes for the decline of salmon in Puget Sound and they all have to be addressed. However, rather than focusing on which specific cause had the most impact, it is more helpful to identify creative solutions that address opportunities for salmon recovery. One such opportunity is working with farmers to pursue both the future of farming and the future of salmon. Many of the salmon-bearing rivers in the region are bordered by farmland, and effective strategies for promoting conservation and restoration on farms is a vital element of the recovery strategy. This parallels other efforts to improve habitat conditions in the urban, suburban and forested areas and to operate effective harvest and hatchery programs for the Puget Sound region.

Farm and fish interests have often have been viewed as opponents over the last several decades, particularly in 1999 following the listing of salmon in Puget Sound . Those groups advocating for fish have seen farmers as causes for the environment decline in local waterways, while farmers have seen fish advocates as causes of increased regulation that limits their ability to farm. In the past, fish and farms have been pitted against each other in the political process at both the local and state level. However, many people now believe that choosing farms over fish or fish over farms is a false choice. In reality we need both to flourish in a manner that complements the other. In Puget Sound watersheds where farmers, tribes, local governments and environmental groups have started working together, there have been significant strides for both fish and farms.

How can more collaboration occur between farmers and fish advocates? The premise of this paper is that farming which is done in an environmentally sensitive manner is a good neighbor for fish. The presence of too many blanket regulations on farming will limit the farmers' ability to make a profit and they will be encouraged to sell to development interests where the land will provide less benefit to the environment. Fish and farm advocates need to work together to determine at a watershed level if farms are creating any significant impacts, develop solutions to target specific problem areas and ensure that farmers continue to institute conservation practices to protect existing habitat and eliminate any significant impacts to fish.

Moving to a new future means finding ways to understand and support the needs of the farming community in Puget Sound; finding ways to improve the certainty that farms will protect fish habitat and providing incentives for creating new habitat in a manner that supports farms too. The ultimate hope is that farming and fish advocates working side by side will create a future where protecting salmon is part of the daily business of farmers and supporting the prosperity of farms is a daily concern of fish advocates.

The Challenge

For more than a century, farmers have raised food for local tables, supported the growth of rural communities, and tended a vast landscape of fields and pastures in the river valleys of the Puget

Sound region. Farming is vital to the economy of the state and the well being of rural communities. It also contributes greatly to the environment of the region. Farms provide a rural edge next to developing communities, preventing urban sprawl into river floodplains. In early part of the past century, the land adjacent to many Puget Sound rivers and streams was altered to improve the productivity of farming and some of these changes had significant impacts on fish habitat. However, in the last 15 years changes in farm practices due to water quality and growth management requirements have reduced some of the past impacts on fish. In addition, many farmers understand the practical advantages of good conservation practices, and many are already protecting and restoring stream corridors, wetlands, and other natural features on their farms.

Farming in many parts of the region faces an uncertain future. Competition in the international markets for agricultural commodities has reduced prices for Puget Sound farm products while costs of land and raw materials continue to rise. Low profit margins have forced many farmers out of business and farmland is being converted to other uses at an alarming rate. For example, more than 20% of the farmland in the region, greater than 100,000 acres, was lost to other uses in the fifteen years between 1982 and 1997ⁱ.

The future of salmon will depend in large part on the future of farming. If farming remains viable in the region and farmers continue and expand their commitment to conservation, a major part of the salmon landscape (approximately 20% of the land along salmon streams in the Sound is in agricultural uses) will be protected. If farms are lost and replaced by sprawling suburban communities, a host of urban environmental problems will follow and a major opportunity for preservation and restoration will be lost. Put another way, if salmon recovery is possible in the Puget Sound region, it will be because of farming, not in spite of it.

A strong, healthy agricultural community is profitable, is viewed as a permanent part of the landscape and is fully integrated with the surrounding community. If the recommendations outlined in this paper become reality, we will have an agricultural industry whose practices are directly benefiting the health of salmon while also increasing the presence of local agriculture in the marketplace and surrounding community.

The following sections of this paper identify a set of projects and programs to promote farming and conservation actions on farms. Some of the actions can be implemented quickly through budget appropriations or program administration. Others may take a longer commitment. All have been recommended by farmers and farm groups as key actions to improve the viability and conservation potential of Puget Sound farms. If supported by the region, the recommendations below would be part of the salmon recovery plan for Puget Sound and a broad-based group of leaders at federal, state and local levels would be asked to support the funding and implementation of these recommendations.

The Tools

This proposal focuses on three initiatives, each with its own set of tools:

- Improving farming's bottom line;
- Keeping farmland in farming; and
- Protecting & restoring fish habitat.

Tools for Improving Farming's Bottom Line

Provide economic development support for the agricultural community.

Increase the state commitment to enhance economic development for Puget Sound agriculture. A comprehensive economic development strategy includes: state purchasing plans (purchasing local agriculture and related products for all state institutions), financing of economic development strategies for farming communities and individual farms, and providing access to capital to support sustained economic development plans. Both commodity and specialty farms should be targeted as part of this effort to help sustain agriculture as an industry overall, with a different menu of tools available for each. In terms of economic development, emphasis should be placed on commodity farms that traditionally support the overall infrastructure of agriculture, accompanied by complimentary efforts to target smaller niche farms.

Remove current, fiscally based regulatory impediments for agriculture.

Develop a model agricultural ordinance that supports a strong, healthy agricultural industry. The Shared Strategy will work with local farm communities to develop recommendations to local governments regarding legal and regulatory frameworks that can help promote the economic vitality of agriculture. Working with local officials, these model standards will be incorporated into local ordinances to remove unnecessary impediments to modernizing agricultural production and marketing, and ensure that local programs and policies support economically viable farming and the preservation of farmland. Possible components of a model ordinance would encourage protection and restoration of habitat, strengthen right-to-farm laws and allow for on-site processing and agritourism in a manner that does not conflict with other critical community objectives. In addition, CTED should revise the model agricultural ordinance in conjunction with agricultural and environmental groups, tribes, the Washington State Department of Agriculture, the Washington Department of Fish and Wildlife and the Conservation Commission to ensure that local ordinances do not hinder healthy agriculture and promote protection and restoration of fish habitat.

Promote local agricultural products in the marketplace.

Work with farmers to develop a branding strategy that fulfills both the desire to increase market value and penetration and also ensures healthy salmon runs as part of the development of a "buy local, save salmon" marketing campaign. The combination of complimentary regulations and programs currently in place, along with the implementation of new incentive programs for local producers in the near future, will help ensure that the link between locally produced agriculture and resulting healthy salmon habitats has integrity and value. The Shared Strategy could initiate this marketing effort, while the Cascade Harvest Coalition could administer the resulting campaign. This effort must be tied to verification that Puget Sound agriculture is meeting credible standards to ensure that purchasing local agriculture has a direct benefit to salmon habitat. These standards would include compliance with NCRS farm plans, state waste management and pesticide programs and local government critical areas ordinances.

Tools for Keeping Farmland in Farming

Provide more state and federal funding for programs to purchase development rights.

As residential development encroaches into farm communities, the value of farmland can rise abruptly to the point where farmers can't expand their operations or continue to pay rising taxes. The increase in land value is also a powerful inducement to sell farmland for residential or commercial use. One very effective tool to keep farmland in farm use is to provide the opportunity for farmers to sell development rights – the rights to develop the land for residential and commercial use – while leaving the underlying farm and rights to continue farming to the farmer.

Prioritize the allocation of funds for best effect.

Funding for programs to purchase development rights is in short supply and it is important to allocate these dollars where they will do the most good. Agricultural commissions (where available) should work with watershed groups to develop a prioritization scheme for funding local PDR programs based on their specific needs and conditions.

Ensure that local planning efforts work to preserve farmland.

Emphasizing farmland preservation in any planning decisions taking place at the local or state level can have a significant impact on the effectiveness of preservation programs and the ease with which they can be run. Agricultural commissions, where available, and local governments should strategize about how to use existing local government programs and ordinances to achieve the desired goal of preserving farmland and preventing incompatible development in agricultural communities. This work should be included as an element of the model ordinance program proposed in the economic development section noted previously as well. The development of Comprehensive Irrigation District Management Plans (CIDMPs) should also be encouraged to ensure that farm and fish compatible goals are set and achieved.

Ensure that farmers can undertake ditch maintenance activities that protect drainage and salmon. Providing for ditch maintenance to occur on farms is an essential component of a preservation strategy. Some farmland can't be farmed if the fields can't be drained. Impediments to drainage are a major contributing factor to uncertainty facing farmers in the future, which in turn translates into increased pressure for the conversion of farmland to other purposes. Refining state administrative requirements surrounding ditch maintenance practices that are designed to protect salmonids is a key element of farmland preservation that should be undertaken by relevant agencies.

Tools for Protecting & Restoring Fish Habitat

<u>Provide more flexibility for farmers that want to engage in salmon recovery actions.</u> Although a number of federal incentive programs are available for Washington farmers, the diversity of cropland, combined with eligibility and program requirements, may not allow for full participation. For farmers that want to participate in conservation activities, a program that offers state-level technical assistance and cost-share approaches for conservation practices is needed. Such a program could provide payments to farmers who undertake water quality and habitat improvements, provide technical assistance to help farmers identify what/how conservation activities can take place on their lands, and provide financial assistance for practices related to the presence of fish.

Providing an option for farmers who engage in these programs to also enroll in an easement program would help extend the effectiveness and investment in conservation practices over the long-term. The Conservation Commission, working through local conservation districts, should take the lead role in providing coordinated outreach and education to ensure all conservation programs are available in an easily accessible format. The primary goal of this exercise should be to ensure that all programs create positive experiences for landowners that engage in conservation efforts, that these efforts take minimal time to participate in and that they enhance the farm's profitability.

Increase state funding for programs to lease land and share the costs of restoration activities.

One important incentive program currently available to local farmers is CREP– the Conservation Reserve Enhancement Program – which provides cost-share payments to farmers to set aside and restore natural areas. Washington State is currently participating in the program and every state dollar is matched with approximately ten federal dollars in assistance to farmers, making this one of the most attractive programs to engage in from a fiscal standpoint. Despite these very favorable terms, the state has recently had difficulties providing sufficient funding for the program. Ensuring a state commitment to fund CREP is a critical component of a highly utilized and successful program.

Broaden the WA State CREP program to cost-share a wider range of environmental projects. Part of the state/federal deal to offer CREP in Washington State was an agreement on which farm conservation practices were eligible for cost-sharing. The state program is currently available only for stream buffers (CP 391). It would be desirable to open CREP to other practices, such as hedgerows, grass filter strips, wetlands and other water quality projects, when the deal is renegotiated in 2007. In addition, an option to enroll in a conservation easement program should be available to all CREP participants at the end of their lease contracts. Other states have already negotiated this type of agreement for their CREP contracts.

Encourage the Development of Farm Plans on all Puget Sound Farms

Many local government ordinances rely on voluntary farm plans to define practical conservation measures that are tailored to individual farms for environmental protection. Where farm plans are implemented, they are an effective means for achieving protection of fish habitat on the individual farm. However, fish habitat needs to be protected comprehensively along all the rivers and streams in a watershed. Encouraging the development of farm plans that are easy to create and are in line with priorities for fish protection and restoration would help meet this need. Recognizing that most local ordinances are relying on this technique, a need exists to foster the development and implementation of farm plans that achieve the level of habitat protection needed in the whole watershed where farming is the major land use. In addition, state and local government funding is needed to support Conservation Districts in developing plans and providing cost share to farmers for their implementation.

The Opportunity

In the coming year, the focus of the Puget Sound salmon recovery effort will shift from development of the recovery plan to the first steps of implementation. One major task will be to secure the commitments from federal, state, and local officials, tribal leaders, and other key stakeholders to follow through on funding and other responsibilities under the plan. Although the Shared Strategy can provide support for the initiatives suggested in this paper, it will be up to groups and individuals at the local level who are best in tune with their needs and interests to make this effort successful. The implementation of these recommendations for farms and fish need to be developed at a community or watershed scale to ensure the local characteristics of the farms and the fish needs are met. Providing support for this local dialogue and representation by the farming community in these discussions in a manner that does not create a hardship for individual farmers is a need that is currently going unmet and would provide great buoyancy to efforts to promote a mutually beneficial relationship between farm and fish interests.

Questions for Discussion

- 1. In the past, agricultural and salmon recovery interests have been viewed as opponents to each other. Many believe that a partnership between both groups is needed in order for both to succeed. Are these the right actions necessary to create that partnership? What else should be considered to create the trust for a successful partnership?
- 2. If we had the opportunity to look back in 10 to 20 years, what would be viewed as success (in terms of agricultural viability and fish habitat)? How would we measure success?
- 3. How do we encourage the development and implementation of farm plans to increase certainty for the farmer and certainty that fish habitat will be protected?
- 4. Taking the ideas we have developed together, what are our next steps for translating them into reality? Given that your continued participation is essential to the success of these recommendations, how can we make this possible?

¹ National Agricultural Statistics Service. 1997 U.S. Census of Agriculture.