From: Jose Alvarez

To: Jeffrey Delapena

Cc: Oliver Orjiako

**Subject:** FW: Thompson UGA Expansion Request: AG De-Designation Report

Date: Tuesday, November 5, 2024 10:29:02 AM

Attachments: <u>image001.png</u>

Thompson Final Report 102924.pdf

image002.png image003.png image004.png image005.png

Jeff,

Please include this report in the index of record. Thanks



Jose Alvarez he/him/his Program Manager II COMMUNITY PLANNING

564.397.4898







From: Claire Lust < Claire.Lust@ridgefieldwa.us> Sent: Thursday, October 31, 2024 10:28 AM To: Jose Alvarez < Jose.Alvarez@clark.wa.gov>

Cc: jkmrja@aol.com

Subject: Thompson UGA Expansion Request: AG De-Designation Report

**EXTERNAL:** This email originated from outside of Clark County. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jose,

Please find attached the Agricultural Resource Land Analysis for Determination of De-Designation prepared for Parcels 212381000, 212341000, 212342000, and 212331000. The latter three parcels (Thompson-Goldenstein property) are the subject of an owner-initiated site-specific UGA expansion request. I am not seeing Parcel 212381000 (Holdorf) on the County's map of site-specific requests,

but it is included in the attached report.

The City supports inclusion of site-specific expansion requests adjacent to the existing Ridgefield UGA in the DEIS land use map so their potential inclusion in the UGA may be studied moving forward. We ran the Thompson-Goldenstein parcels through our land use model assuming neighborhood commercial zoning with a mixed-use overlay and found they could yield up to 211 housing units (169 affordable to households earning less than 80% AMI) and 101 jobs.

Thank you,



#### Claire Lust

Community Development Director | Community Development

(360) 857-5024

www.ridgefieldwa.us

510-B Pioneer St | PO BOX 608 | Ridgefield, 98642

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# Agricultural Land Resource Analysis of Four Parcels Adjoining the City of Ridgefield, Washington

October 2024

A Determination of De-Designation Under the Washington Growth Management Act

Prepared by Bruce Prenguber Globalwise Inc., Vancouver, WA



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# Agricultural Resource Land Analysis of Four Properties Adjoining the City of Ridgefield, Washington

A DETERMINATION OF DE-DESIGNATION UNDER THE WASHINGTON GROWTH MANAGEMNT ACT

#### Introduction

This report evaluates the farm and land use characteristics and conditions for three parcels in the Dorothella Thompson-Goldenstein Trust and one property owned by Aletha and Steve Holdorf (collectively the subject property) located in the Ridgefield Junction area of Clark County, Washington. The owners of the subject property request that it be de-designated as agricultural resource land and be brought into the Ridgefield Urban Growth Boundary (UGB). This analysis is required under the Washington Growth Management Act (GMA).

The author of this analysis is Bruce Prenguber, an agricultural economist who was raised on a farm in Washington and has a Bachelor of Science degree and a Master of Science degree in Agricultural Economics. My experience comes from over 40 years as a practicing economist with emphasis on agricultural economics and business. I have worked most of my professional career as a consulting economist analyzing production agriculture, food processing, and food marketing. See the Attachment at the end of this report for further description of my background and professional experience.

The subject property consists of four tax parcels totaling 50.0 acres. See Figure 1 for identification of the property tax parcels and Figure 2 for the general location of the property.

#### Site Analysis - Property History and Current Use

The subject property was purchased by Arthur and Dorothella Thompson in 1978 and was operated as a parttime farm. The Thompsons previously farmed in the Ridgefield area and raised cattle and grass hay. At the time the subject property was purchased, 10 acres were in blackberry production. The other farming activity on the remaining farmland was grass hay production and cattle raised for personal use.

After the death of her husband, Dorothella Thompson-Goldenstein sold one five acre parcel to one of her daughters, Aletha Holdorf, and Aletha's husband. The Holdorfs live on the property and lease their small farmable acreage to Aletha's brother, Will Thompson. Will Thompson grows grass hay on this property and occasionally alternates with grazing a few head of cattle. The Holdorf's have an old barn which they also lease to Aletha's brother for hay and farm equipment storage.

Mrs. Thompson-Goldenstein placed the remaining three parcels in trust for her children and leased these parcels to her son, Will Thompson, who continues to farm these parcels. In 2022 ownership of the three trust parcels was transferred to family members. Will Thompson is one of the heirs to this trust property along with other siblings. He is a part-time farmer. Over about two years, starting in approximately 1997, Will Thompson converted all

of the farm ground in the Dorothella Thompson-Goldenstein Trust to strawberries. Starting about 2009, the strawberries were removed due to unprofitable conditions. In only a few years, all of the strawberries were removed. The history of strawberries described here was mirrored across Clark County, with the closure of local fruit processors and declining farm-level berry prices. Furthermore, it is increasingly difficult to hire farm workers for strawberry harvest.

After strawberries, Will Thompson raised wheat and oats. However these crops have also proven to be unprofitable. In recent years, the dominant crop on the subject property is grass hay.

Currently, Will Thompson farms approximately 120 leased acres which includes about 36.5 acres of tillable ground on the four parcels. He raises grass hay and occasionally grazes a few head of cattle on the Holdorf property. Will Thompson also buys straw primarily from Willamette Valley farmers for re-sale.

Farming does not provide a sufficient or stable income for Will Thompson's family so he also has a part-time nonfarm job.

Table 1 and Figure 1 provide further information on the four tax parcels forming the subject property.

Table 1
Legal Tax Lots Included in the Subject Property

Clark County Assessor Parcel Id. Number	Parcel Ownership	Total Parcel Size (Acres)	Tillable Area (Acres)
212381000	Holdorf, Steve & Aletha	5.0	1.7
212341000	Dorothella Thompson-Goldenstein Trust	5.0	4.3
212342000	Dorothella Thompson-Goldenstein Trust	5.0	3.1
212331000	Dorothella Thompson-Goldenstein Trust	35.0	27.4
	Total	50.0	36.5

Source: Clark County Assessor's property records as of October 15, 2024. Tilled acreage estimated by Globalwise using Google Maps.

Figure 2 shows the subject property in relation to the City of Ridgefield and other surrounding land. The City of Ridgefield is directly south of the subject property. This eastern area of Ridgefield is rapidly expanding with dense residential subdivision development, mostly in the RLD-6 zone. Land located west of NE 10th Avenue slightly south and west of the subject property, is fast developing with businesses in Ridgefield's Employment (E) zone which allows industrial and office uses serving regional markets.

To the west, north, and east of the subject property, land use is a mix of rural residences on small lots, small farm fields, forested land, and a few individual businesses. Table 2 lists the 17 properties that surround the subject property. Only one of the 17 surrounding properties does not have a house on the parcel, and six of the 17 parcels are single family homes sites in a small-lot subdivision. Lot "I" in Table 2 is being subdivided into 57 single family homes. Figure 3 shows the location of surrounding properties that are cross referenced for identification by tax parcel in Table 2.

Figure 1
Subject Property With Four Parcels



#### Legend

Site: Subject Property Boundary

Parcel Boundaries

City of Ridgefield

Figure 2
Vicinity Map of Subject Property

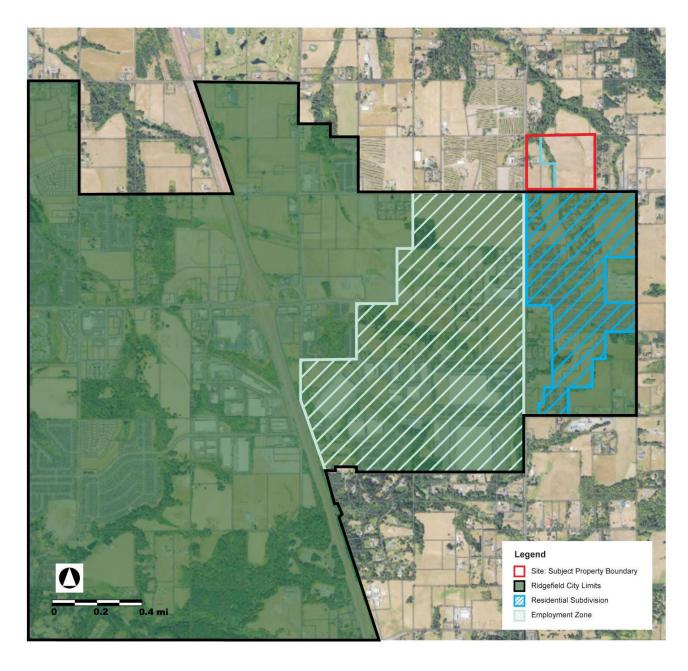
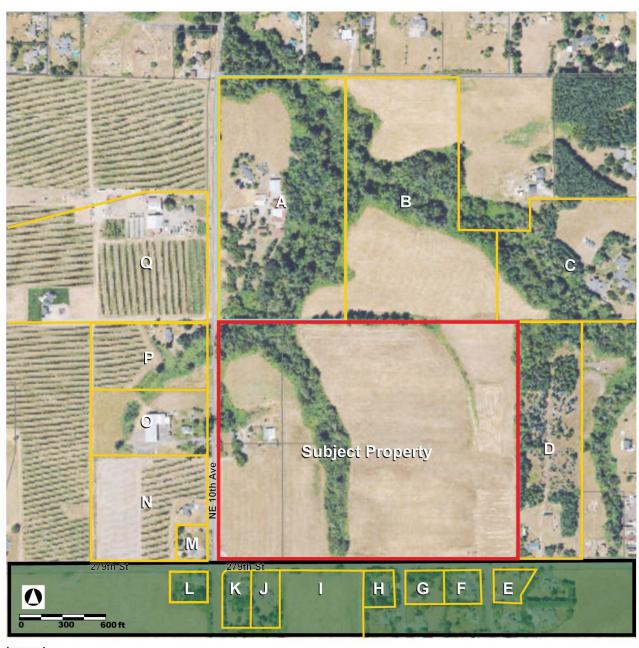


Table 2
Surrounding Property Information

Lot ID (See Figure 3)	County Assessor Parcel ID Number	Ownership	House on Property	Lot Size (Acres)
A	212327000	Anderson, Doris & Glen H Jr Trustees	Yes	20.14
В	212313000	Pratt, Kelly D & Kristen	No	21.26
С	212374015	Hooper, David G & Elizabeth	Yes	11.98
D	212326000	Zyph, Aaron & Kaila, et al	Yes	10.00
E	214499046	Shifflette, Matthew W & Michelle D	Yes	0.76
F	214499050	Helland, Gina & Schlosser, Teresa	Yes	0.79
G	214499064	Wilson, James A & Karen R	Yes	0.80
Н	214499016	Kahn, Eric G & Beth E	Yes	0.70
I	986059796	Ridgefield East Development LLC (Greely Farms Phase 2B and 2c)	Under Construction	53 lots on 19 acres
J	214499012	Watson, Donald K	Yes	1.08
K	214499010	Hajicek, H Ed & Maryan	Yes	1.08
L	214220000	Bartlett, Michael R & Barbara Trustees	Yes	1.07
М	212578000	Jones, Daryl R	Yes	1.00
N	212558000	Summerplace Homes Inc.	Yes	7.80
0	212574000	Kane, Trent A & Andrea L	Yes	5.40
P	212581000	Jones, Rodger W & Deborah A	Yes	5.47
Q	212605000	Jones, Brett R & Georgiana W	Yes	20.02

Source: Clark County Assessor's property records as of October 14, 2024. Greely Farms Subdivision information from City of Ridgefield Development Activity Map.

Figure 3
Surrounding Properties



#### Legend

Site: Subject Property Boundary

Surrounding Property Boundaries

City of Ridgefield

## Factors Analyzed for Determination of Commercial Significance for Agriculture

Each required element that must be considered for de-designation of agricultural land under the GMA is addressed in this section of the report.

#### 1. Land Capability Classification and Water Resources

The soils surveys of the Natural Resources Conservation Service (NRCS) of USDA rate soils with a land capability classification system. Class I soils are considered the best farm soils and Class VIII is the worst. The property has two classes of Gee series soils, two classes of Hillsboro soils and one class of Odne soil. NRCS soil survey map data is used in this analysis to estimate the approximate percentages of the tillable soil in each NRCS soil series and capability class.

All of the soil in the subject property is alluvial (deposited from flowing water). McCormick Creek flows through the subject property and as is typical of drainage ways, each soils series is deposited in an irregular pattern across the fields.

The Hillsboro series soils include about 60 percent of the tillable land. Most of the Hillsboro soil is 3 to 8 percent sloped and is in capability class II, farmland of statewide significance. Erosion potential is noted and these soils may be seasonally wet.

About 30 percent of the subject property's tilled soil is Gee soil series. Most of this soil is in Class II at 0 to 8 percent slope with the other Gee soil in class III. Class II soils are considered prime and Class III are border-line prime. The USDA concise description for Gee soils series is: "This soil is moderately well drained and easily tilled."

Odne series soils account for the remaining 10 percent of the fields. This soil is only slightly sloped and is near McCormick Creek. The Odne soils are class VI and need artificial drainage to improve their crop productivity.

USDA soil surveys further indicate that the Gee soils of Clark County are predominantly found in the area from Salmon Creek to Sara and north to the Lewis River. Most of the Gee soils were cultivated in the 1940's to 1960's when farming was much more prevalent in the area. As farming has declined while suburban expansion has occurred, the Gee series soils in the Ridgefield area are now rarely tilled and planted to crops. Currently these soils are principally used to raise hay and pasture, which are low-value crops. Historically Gee soils have supported production of high value crops, including strawberries, pole beans, potatoes, cane (vine berry fruit such as raspberries) and corn. However few of these crops are now grown on Gee soils in the vicinity of the subject property. The last high value crop grown on the Thompson property was strawberries which were removed by 2011.

Tile drainage was installed prior to the farm property purchase by the Thompsons. This drainage system has been in the fields for over 45 years. Will Thompson reports that the tiles fail periodically and need replacement. Complete replacement cannot be justified due to the low economic return from hay production. Repairs to this old drainage system are not optimal for grass or grain production in the high rainfall of Clark County. Fieldwork is interrupted when the ground is excessively wet and repairs are needed.



View of the subject property fields looking northeast from the intersection of NE 10th Avenue and NE 279th Street.

McCormick Creek is in the treed foreground. Photo taken October 6, 2024.

The subject property does not have a well for irrigation. There are no groundwater rights linked to this property. Will Thompson has the right to use Pioneer Irrigation District (PID) water from the Lewis River and apply the irrigation water to any of the fields he leases. Therefore, if he no longer leases the subject property, a different farmer would need to establish a water right for irrigation. Priority access for PID water goes to farmers who have established rights to this resource. Furthermore, Will Thompson owns the irrigation pipe used for irrigation so a new farmer will need to replace the above ground irrigation pipe at considerable expense.

PID water is supplied to farmers by pumping from the Lewis River with distribution through a system of buried mainline pipes. The PID faces significant challenges to maintain the supply of water to farmers at critical times of seasonal water need. Will Thompson reports that the PID's system of buried pipe is old and often leaks. The required repairs are discovered when water is flowing, thus leaks are detected during the critical spring and summer irrigation season.

A further complication arose in 2021 when PID pump parts were stolen. This resulted in the system being shut down with no supply of water available when needed for boosting hay production. That year's crop was two-thirds of potential production. The more extreme summer heat and lack of timely rainfall climatic conditions in recent years are concerns for future hay yields and adequate farm income.

#### 2. Availability of Public Facilities

#### Roads

NE 279th Street is designated as a Collector. Frontage improvements must follow the City of Ridgefield's 2024 Engineering Standards for that road classification. This section of the street is currently maintained by the City. The developers of the new Greely Farms subdivision are constructing N 88th Drive which intersects with NE 279th Street across from the subject property. If the subject property is annexed, the frontage improvements will be required on the north side of the street.

NE 10th Avenue is classified as a Minor Arterial. Ridgefield maintains this street within the city limits. As development progresses in both the City's Employment zone and Residential zone, this street is widened and otherwise improved. If the UGA is extended north along the subject property, and the land is annexed to the City, it would become N 85th Avenue (City right-of-way at that point) and would be a Minor Arterial. NE 10th Avenue is currently maintained by Clark County.

To improve road capacity and traffic circulation, Ridgefield plans to extend Pioneer Street east from the Ridgefield Junction area to connect to South Union Ridge Parkway. South Union Parkway will then intersect with NE 10th Avenue one mile south of the subject property.

#### **Sanitary Sewer System**

The Greely Pump Station at NE 279th Street is being constructed concurrently with the phased development of Greely Farms subdivision. This will serve Mini-Basin 3-612, McCormick Creek. This pump station is identified as Capital Improvement Project #3-612A. It will discharge to the gravity sewer in the vicinity of NE 10th Avenue and NE 279th Street. Capacity to serve added sewer needs with future development in this mini-basin is anticipated. In fact, a sewer line now reaches the subject property via connection to the sewer main in NE 279th Street.

#### **Municipal Water**

The subject property as well as City of Ridgefield in this area receives its water from Clark Public Utilities (CPU). The subject property is well served by CPU water for any future development. Long the west edge of the subject property there is a 24 inch main water transmission line in NE 10th Avenue. An 8 inch CPU water distribution line is along the southern border of the property in NE 279th Street. There is also a fire hydrant located to the northeast next to the intersection of NE 10th Avenue and NE 279th Street.

#### **Schools**

The subject property is within the Ridgefield School District. The district's public schools are located west of I-5. Ridgefield School District has purchased land for a new elementary school at 7025 N 10th Street in Ridgefield. This is 0.75 miles from the subject property.

#### **Police**

The Clark County Sheriff Department has a west precinct on 179<sup>th</sup> Street a short distance west of I-5. The City of Ridgefield Police Department is located in downtown Ridgefield. However, as discussed below in police services, the police response does not correlate to the location of the closest law enforcement office.



Active construction for Greely Farms Phase 2B and 2C subdivision. Photo taken October 6, 2024, from the subject property.

The new Greely Pump Station will be in this development by the street.

#### Fire & Rescue

Clark-Cowlitz Fire and Rescue Station 21 is located at 911 N 65<sup>th</sup> Avenue, Ridgefield. This station is slightly over one mile from the subject property. The subject property is centrally located in the Clark-Cowlitz Fire and Rescue service area, which serves Ridgefield, La Center, Battle Ground, and Woodland, as well as parts of Clark County. There are six stations in this district and the response for fire protection can originate from any of these locations.

Fire services have access to an existing fire hydrant located on the subject property to the NE of the intersection of NE 10th Avenue and NE 279th Street. As mentioned in the municipal water facilities discussion, water supply is very ample for expanded development of the subject property.

#### **Parks and Trails**

Ridgefield owns and maintains Greely Farms Park, a community park east of I-5. In addition there are several neighborhood and pocket parks that serve nearby neighbors. Urban Downs is a new Ridgefield park under construction that is east of I-5.

Abrams Park, the main Ridgefield Park in downtown Ridgefield, is 4 miles from the subject property. Danger Park and Daybreak Regional Park and Boat Launch are two and three miles, respectively, from the subject property. The main park in LaCenter is slightly more than 2.5 miles from the subject property.

Several park trails are in the vicinity of the subject property. There are long-term plans to connect several trails in a larger system.

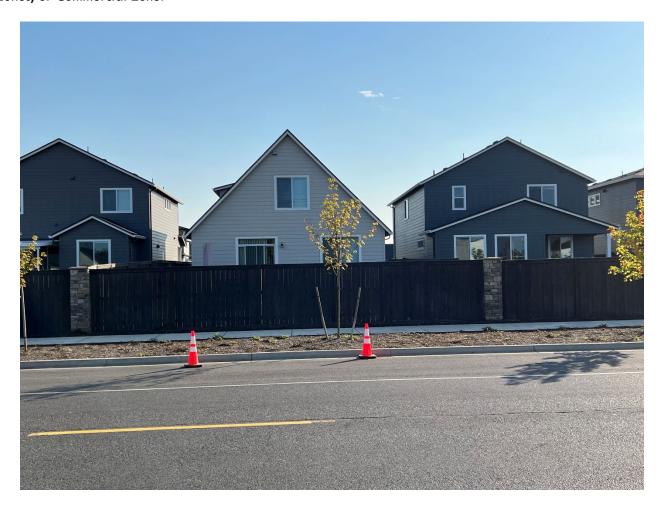
#### 3. Tax Status

The farm ground in the four tax parcels in the subject property are in current use taxation for farm and agriculture. The house and outbuildings in parcel 212381000 are taxed at full assessed value. At the appropriate future time with annexation or ownership change, the tax status will change to full market value assessment.

#### 4. Proximity to Urban Growth Areas

The subject property adjoins NE 279th Street, which forms the current city limits of Ridgefield. West of the subject property near I-5, the Ridgefield city limits have already expanded to the north of NE 279th Street.

The subject property is now directly next to the City's northern UGB. Ridgefield continues to attract local businesses, with buildings and support services on the east side of I-5 in District 4 of the 2015 Comprehensive Plan. The subject property is well placed to provide land for expansion in the Employment Zone, Residential Zones, or Commercial Zone.



New homes on NE 10th Avenue in close proximity south of subject property.

#### 5. Availability of Public Services

#### Roads

The City of Ridgefield maintains NE 279th Street. NE 10th Avenue to the north of NE 279th Street is maintained by Clark County.

#### **Sanitary Sewer**

The Greely Pump Station will be located south of the subject property with sufficient capacity for additional development in the area.

#### **Municipal Water**

CPU water mainlines are available in NE 10th Avenue and NE 279th Street with significant capacity for expanded water service to the subject property.

#### **Schools**

The subject property is within the Ridgefield School District.

#### **Police**

The Ridgefield Police and the Clark County Sheriff are both dispatched with county-wide dispatch service. Police services normally correspond to the jurisdiction of the property location. For example, if a call for service comes from within the City of Ridgefield, normally this would receive city police response. However, close coordination between both the City and County is followed for dispatch police services and either the City police or County sheriff personnel could respond.

#### Fire and Rescue

The current Washington Protection Class rating is 4 for Clark-Cowlitz Fire Rescue District. This is a reasonable and favorable rating for the suburban area. The Washington protection class rating may be upgraded in 2025 when Clark-Cowlitz Fire and Rescue Station 21 will add an ambulance at this location. Next year the station will also have one position for a person trained in advanced life support.

The subject property is in Emergency Medical Services District 2, which also serves all of Ridgefield and other nearby cities. Ambulance service is provided by American Medical Response (AMR).

A fire hydrant is located on the subject property next to the intersection of NE 10th Avenue and NE 279th Street.



Fire hydrant and communication services box on the subject property at the intersection of NE 10th Avenue and NE 279th Street.

#### **Parks and Trails**

Greely Farms Park is the only community park currently owned and maintained by the City east of I-5. It is 0.4 miles from the subject property. There are also several other neighborhood and pocket parks under 0.5 acre that serve nearby residents. The City has issued park impact credits to developments that build publicly accessible parks and trails that are privately owned and maintained. Urban Downs is a new local park near the final stage of construction south of Greely Farms Park with planned opening in 2025. This park is 1.0 miles from the subject property. Additionally, there are several trails on the east side that connect different spaces.

#### **Electricity**

Clark Public Utilities provides electricity to all of Clark County.

#### 6. Parcel Size

The total of the four proposed parcels forming the subject property total 50 acres in four separate tax parcels. Three of the tax parcels are each 5 acres and the larger parcel is 35 acres. The combined acreage is comparable in size to other properties that have been annexed by the City.

#### 7. Land Use Patterns and Intensity of Surrounding Land Use

The 2016 Subarea plan for the Ridgefield Junction references it as the economic engine of the City and refers to it as the employment and commerce center. Commercial growth as well as housing developments in the last decade have proven the accuracy of that vision. Ridgefield's rapidly expanding eastside residential development is zoned for medium density residential land use and is rapidly being build out with the Greely Farms subdivision.

The full length of the southern boundary of the subject property is next to the residential development within the city limits of Ridgefield. From the intersection of NE 10th Avenue and NE 279th Street the housing continues east on NE 279th Street for a distance of 0.3 miles (1,620 feet).

The subject property is directly north of the Greely Farms Phase 2B subdivision. The preliminary Greely Farms Master Plan for the entire development covers 134.9 acres with 127.63 buildable acres. The proposed zoning density is RLD-6, with maximum building density of six dwelling units per acre. The master plan for the entire subdivision has approximately 435 medium density homes.

Phase 2B and 2C of Greely Farms is adding an estimated 53 detached homes. A new street, North 88th Drive will exit Greely Farms at NE 279th Street and is directly south of the subject property. The new street will access NE 279th Street between two clusters of housing in Helen's View, an established subdivision. Greely Farms also includes a Phase 4 subdivision with over 100 lots planned east and south of the subject property.

The area's residential growth has led the Ridgefield School District to buy a 27.36 acre property on NE 10th Avenue to plan for the new elementary school. Approval is awaiting passage of a bond levy. The elementary school site is 0.6 miles west of the intersection of NE 10th Avenue and NE 279th Street.

The area's housing complements and supports the Employment Zone which is next to the subject property to the south and west. Jones Farm Business Park is in pre-application review with the City. It is a 78.86 acre site found southwest and diagonally across from the subject property at the intersection of NE 10th Avenue and NE 279th Street. This will add a substantial employment base.

There is a cluster of businesses about 0.5 miles south of the intersection of NE 10th Avenue and NE 279th Street. This established business complex includes engineering services, building restoration services, off-road recreational vehicle sales and services, a plumbing supply company and a large electrical services contractor.

#### 8. History of Permits Issued Nearby

Within one half mile of the subject property approximately 257 development permits for single family residential lots have been approved within the City of Ridgefield since 2022. Table 3 shows the approved subdivisions near the subject property.

Table 3
Approved Subdivisions Near the Subject Property

Subdivision Name	Recording Date	Recording Number	Number of Residential Lots
Helens View Phase I	7/29/94	9407290477	6
Helens View Phase II	12/10/96	9612100166	10
Greely Farms Phase 2A	2/4/22	6016635	78
Greely Farms Phase 3A	12/20/22	6096585	79
Greely Farms Phase 3B	3/5/23	6117944	100
			273 Total

Source: Clark County Assessor's property records as of October 18, 2024.

In addition to the subdivision approvals in Table 3, Ridgefield has preliminarily approved 53 lots for Greely Farms Phases 2B and 2C. Greely Farms Phase 4 is currently proposed to add approximately 109 lots. With the full buildout of Greely Farms the total is 435 residential lots within one mile of the subject property. This does not include individual applications for residential building permits within one mile of the subject property.

The commercial real estate market activity is strong in the vicinity of the subject property. There is a cluster of commercial buildings approximately 0.5 miles south. The largest is Prairie Electric with offices and the yard for their electrical contracting equipment and services. There are a total of nine businesses located there.

Another large commercial property is in the pre-application stage with Ridgefield. This is the Jones Farm Business Park, which is 78.86 acres to the southwest from the intersection of NE 10th Avenue and NE 279th Street. Other commercial developments are located throughout Ridgefield Junction and multiple locations in Ridgefield east of I-5.

#### 9. Land Values Under Alternative Uses

The 2024 full market value of the two 5 acres parcels (tax id 212341000 and 212342000) which have no buildings is valued by the Clark County assessor at an average of \$69,600 per acre. The assessor's 2024 full market value of the larger 35 acre parcel (212331000) is \$20,100 per acre. The assessor's valuation clearly reflects development value far beyond the land value for agriculture use. There are no comparable sales to estimate what a farmer would be willing to pay for this land. It is clear however that the nearby development has pushed the value of the land well above the price that farmers would pay to use the land for only agricultural production.

Farmers in Clark County often report that the prohibitive cost of land is one of the primary barriers to farm success and continuing their business. Therefore the price of land is a severe limitation for the commercial significance of this land for agricultural use.

#### 10. Proximity to Markets

Will Thompson's grass hay market for is primarily within Clark County. Typical customers are rural residents with a few horses, cattle, sheep, goats, or other farm animals on small acreages. Some larger livestock operations buy large loads, but more typically customers buy small loads of baled hay over the fall, winter, and early spring months. The county's urban expansion is a factor causing a decline in horse ownership and is expanding the market area for Will Thompson's hay. In order to supplement his forage sales Will Thompson buys and resells straw bales. Most of the straw is sourced in the Willamette Valley. Customers include developers

who use straw for erosion control at construction projects as well as farmers who primarily use it for livestock bedding.

Will Thompson raises a few head of cattle for beef when market conditions are favorable. The cattle are fed and sold when they are ready for slaughter as locker beef. Buyers are typically from Clark County and they come to the farm to buy the animals.

#### 11. Agriculture/Livestock Productivity

#### **Productivity for Hay and Grain Production**

Grass hay production is the predominant crop grown on the subject property. Will Thompson reports that the average grass hay yield is about 2.0 tons per acre. A grass hay budget from Colorado State University has been adopted to estimate the returns from raising and selling native grass hay. At a sales price of \$400 per ton (\$10 per 50 pound bale), the hay crop would have gross returns of \$800 per acre. Total costs, excluding a return to Will Thompson's labor and risk, would result in per acre costs of about \$510 per acre. This is a return of about \$290 per acre. If all of the fields are in hay production this is a net return to Will Thompson of return of \$10,585 without considering his labor and time. Given fluctuating yields from year-to-year, weather impacts, and market risk, it is not economically viable for a farmer to raise hay on the subject property.

Wheat and oats are also an alternative but grain production is not easy to grow on small acreages due to the needed specialized farm equipment. Harvesting is a particular problem. Hiring third parties for custom field work is impractical and cost prohibitive for small parcels. Common diseases like stripe and leaf rusts and powdery mildew are also leading reasons Clark County is a minor grain production area. Other areas with lower rainfall and lower land prices are much more suited to grains crops. Recent downward wheat prices are another key factor in the lack of interest in growing wheat. Will Thompson reports that he is not planning to grow wheat in the near future.

#### **Productivity for Cattle Production**

Will Thompson occasionally grazes a small number of cattle on the Holdorf property field for days or at most a few weeks at a time when the grass is available in late spring, summer, or early fall. The grass area of this field is less than two acres which makes longer term grazing impractical. The cattle are rotated between this property and other nearby pastureland Will Thompson manages. There is a perimeter fence but no barn or holding pens for the cattle on this property.

The small field size results in this field being of limited value for pasture. It is impractical to add a barn or make other improvements. When Will Thompson is not raising cattle he uses the field for grass hay.

The economic feasibility of such a small scale beef cattle operation cannot be justified on the subject property. If Will Thompson were to expand cattle grazing on more fields, it raises concern for odor, mud, and other issues that increases the potential for nuisance conflicts with nearby homeowners.

#### Is the Subject Property Agricultural Resource Land Under GMA?

The analysis above provides the basis for evaluating if de-designation is appropriate. The following three questions are determinative.

#### 1. Are the Resource Lands Already Characterized by Urban Growth?

Yes, the subject property is already characterized by urban growth as summarized below:

- Sixteen of the seventeen properties surrounding the subject property have houses.
- The southern border of the subject property is directly across NE 279th Street from the current Ridgefield city limits.
- The residential zoned land directly south of the subject property already has over 270 single family homes within 0.5 miles and approximately 175 more homes are actively planned for final development approval. The new home subdivision lots are medium density.
- Urban infrastructure is currently available within or at the border of the subject property. Municipal
  water mainlines are in the two streets that form the western and southern edges of this property. A
  new sanitary sewer pump station is being built directly across the street from this property and the
  connection to the sewer system is at the property edge. Other public services are described in this
  report and are also reasonably close to the subject property.

#### 2. Are the Resource Lands Used or Capable of Being Used for Agricultural Production?

The subject property is currently used for agricultural production with one home site and out-buildings. However its capability for ongoing agricultural production is questionable for these reasons:

- A reliable source of irrigation water is necessary to grow high value crops. However, the available surface water from the Pioneer Irrigation District (PID) is not vested with ownership of the land. When Will Thompson retires, any new farmer would need to request water from the PID but will only receive it if excess water is available after allocation to existing users. Furthermore, Will Thompson owns the irrigation pipe used on this property. Any other farmer would need to obtain this at considerable expense.
- The soil is of superior quality but crops are limited by drainage problems. The tile drainage systems in the fields are over 45 years old and often need repair. It is prohibitively expense to completely replace all of the old drainage system. The cost of frequent tile repairs is an added expense for the marginal profitability of farming the subject property.
- The profit from leasing this farm property is not stable or insufficient for earning a reasonable annual family income. With the low economic return to farming, the property is too small to earn a reasonable income. Will Thompson leases a total of 120 acres yet he also supplements the farm income with an off-farm job.
- The market value for land located next to the Ridgefield UGB far exceeds the price that farmers can afford to pay for its agricultural use. This is often cited as a main reason farmers are not the purchasers when the land is for sale. Current use taxation is not a sufficient incentive to maintain the land in agricultural production.

#### 3. Does the Land have Long-Term Commercial Significance for Agricultural Production?

No, the land does not have long-term commercial significance for agricultural production, for the following reasons:

- Over time the options have diminished for profitably growing alternative crops. Berries are no longer economically feasible on this small acreage. Wheat and other grains are also not profitable. Cattle are not raised in sufficient numbers due to the limited acreage available for grazing.
- The absence of irrigation water rights with this property restricts the potential for intensively producing high value crops such as vegetables or fruit.
- The fields are principally devoted to raising grass hay. The market for grass hay in the local and
  regional areas is limited and land conversion for urbanization reduces forage demand by owners of
  horses, cattle, and other animals. Will Thompson needs customers beyond Clark County to sell all of his
  grass hay and he must bring in straw from Oregon to augment his income from the hay crop grown on
  this property.
- Other crops such as grain and cattle are also not practical farm options and the total acreage is too small to generate a reasonable net farm income. Furthermore prices for hay and other crops fluctuate widely from year-to-year which does not allow for projecting a favorable future for farming this property.
- Finally, the land market for development far exceeds the ability of new farmers who might consider buying this property for agricultural production.

#### **De-Designation Recommendation Based on Findings**

Based on this analysis, annexation of the subject property should not be denied on the basis that these four parcels are productive agricultural resource lands with long-term commercial significance for agricultural production.

This report submitted by Bruce Prenguber, President of Globalwise Inc.

October 29, 2024

Bruce Prengues

#### **Attachment**

#### Professional Background, Experience and Education of Bruce Prenguber

Personal Profile: I was raised on a wheat and cattle ranch in Eastern Washington where I lived until I

left to attend college at age 18. As a youth I worked for my parents on our farm on the weekends and in the summer months. In the summer during my undergraduate college years I worked on diversified farms in the Yakima Valley and on Horse Heaven area where I grew up. I enjoyed farm life and set my goal to have a career in agriculture. Through my education, work experience and career advancement I have achieved my goal of staying associated with farming and ranching through my chosen

field of agricultural economics.

Education: University of Wisconsin

Madison, Wisconsin

M.S. – Agricultural Economics, 1975

Washington State University

Pullman, Washington

B.S. - Agricultural Economics, 1973

Teaching: Adjunct Instructor of Economics, Washington State University-Vancouver, WA

Branch Campus, 2005

Other Activities: Member, Friends of Washington State University—School of Economic Sciences

Professional Experience: President, Globalwise, Inc.

1996 - Present

 Developed and managed a successful, diversified economic and marketing consulting practice with a portfolio of over 70 clients.

- Analyzed economic damages and lost earnings capacity for the clients of attorneys in the Pacific Northwest and testified in court or gave depositions as needed.
- Managed projects for clients that have resulted in new business formation, ongoing new product sales, based on recommendations for objective management decision-making.

Executive Director, Western U.S. Agricultural Trade Association 2000 – 2002

- Managed 13-member state export program in cooperation with private companies. Improved overall federal funding for states and companies despite declining availability of federal funding.
- Led the staff in development and implementation of a project tracking and reporting system that provided new management information and documented credible results for the largest number of companies helped in the history of the association.
- Evaluated and proposed projects in new federal programs that resulted in \$600,000 of new program funding to the association.

 Increased association reserve funds by 15 percent and led the Board to adopt new reserve fund investment policies.

Assistant Director, Western U.S. Agricultural Trade Association 1980 – 2000

- Initiated and managed international market development programs in 10 countries that introduced over 100 U.S. companies to importers and distributors. These programs had sales of over \$10 million for U.S. companies.
- Managed program reviews and evaluation contracts that led to elimination of low performing activities and additional funding and management support to high success programs.

Officer and Principal, Northwest Economic Associates 1978 – 1996

• Proposed and managed over 100 economic and marketing consulting projects with a total contract value in excess of \$2.5 million.

#### **Selected Analyses and Project Reports**

- "Review of Key Agricultural Considerations at Heritage Farm, Clark County Washington," as a subcontractor to Barney and Worth, November 2022.
- "Compatibility of Proposed Portland Water Bureau Filtration Facility & Pipeline Operations with Surrounding Agriculture" for City of Portland, September 2022.
- "Economic Impacts for Pacific Northwest Apples, Pears, and Sweet Cherries" for Washington Apple Commission, Northwest Cherry Growers, and Northwest Pear Bureau (in association with Belrose, Inc.), May 2021.
- "The Built Environment (Agriculture Sections) for Draft Programmatic Environmental Impact Statement: Lower Green River Corridor Flood Hazard Management Plan" for King County Flood Control District (in association with Parametrix), December 2020.
- "City of Sandy WSFP Detailed Discharge Alternatives Evaluation: Market Potential for Sandy's Recycled Water" for City of Sandy Oregon (in association with Barney & Worth), May 2020.
- "Planning and Workshop Facilitation for Understanding Farmland Protection Priorities in the North and South Puget Sound Region" for PCC Farmland Trust, April 12 and 17, 2019.
- "Major Economic Factors in the Purchase Analysis of Broetje Orchards" for Ontario Canada Teachers Pension Plan (in association with Belrose, Inc.), December 2018.
- "British Columbia Tree Fruits Industry Competitiveness Fund Final Report" for British Columbia Fruit Growers Association, July 2018.
- "Analysis of the Conditions and Land Improvements for Cattle Production at the Westby Cattle Ranch in New Meadows, Idaho" for David and Carrie Westby, January 2018.
- "Testimony of Bruce Prenguber on Behalf of Friends of the Columbia Gorge in the Appeal of Clark County Decision Approving the Application (Clark County Case No. GOR2016-00002 and Case No. GOR2016-00004) for Friends of the Columbia Gorge, August 2017.
- "Cowlitz County Agriculture: Profile and Analysis of Current Conditions" for Cowlitz County Planning Department, August 2017.
- "Proposed Bikeway Impacts on Agricultural Landowners in Benton County, Oregon" for Benton County Oregon (prepared in association with Barney & Worth), May 2017.

- "Analysis of B.C. Ambrosia Marketing" for British Columbia New Tree Fruit Varieties Development Council,
  December 2016.
- "Farmer Survey Response to Bicycle Path Options in Benton County, Oregon" for Benton County Public Works Department, November 2016.
- "Economic Conditions for Agriculture in Pierce County: An Update Assessment to Evaluate Agricultural Zoning" for Pierce County Audit Committee, July 2016.
- "Agricultural Resource Land Analysis of the Gustafson Property Along NE 152nd Avenue in Clark County" A Review of Agricultural Land Resource Conditions Under the Washington Growth Management Act" for Gustafson Investment LLC, June 2015.
- "Agricultural Resource Land Analysis of the Fudge Property at the La Center Junction: A Determination of De-Designation Under the Washington Growth Management Act" for the City of La Center, April 2015.
- "Strategic Development of B.C. Apple and Sweet Cherry Varieties" for the British Columbia Ministry of Agriculture, March 2015.
- "Agricultural Resource Land Analysis of the Subject Properties Near NW 31st Avenue in Ridgefield, WA: A Determination of De-Designation under the Washington Growth Management Act" for 18 LLC Property Owners, December 2014.
- "The Washington Apple Industry: Updated Evaluation of Contributions to the State Economy and the Important Role of Exports" co-authored with Belrose, Inc. for the Washington Apple Commission, June 2014.
- "Oregon Property Tax on Machinery & Equipment: Impacts of Extending the Exemption to the Bakery and Dairy Food Processing Sectors to Boost the State Economy" for Oregon FoodPac, April 2014.
- "Analysis of Maris Farms Crop Loss Damages from Elk Intrusion" for Michael Schwartz, Law Offices of Michael Schwartz, in Administrative Appeals Hearing, Washington Department of Fish & Wildlife, hearing testimony, August 5, 2013.
- "A First Look at Produce Safety Practices and Costs on Oregon's Small and Medium Sized Fresh Fruit and Vegetable Farms" author with Amy Gilroy for the National Network of Public Health Institutes, June 2013.
- "The Orting Study Area: Metrics and Economic Analysis of Organic and Sustainable Agriculture" for PCC Farmland Trust and The Trust for Public Land, February 25, 2013.
- "British Columbia Apple Industry: Strategic Choices and Directions for the Next Decade" co-authored with Belrose, Inc. for the B.C. Fruit Growers' Association, September 2012.
- "Literature Review on Food Safety Adherence and Cost Among Small and Medium Size Produce Growers" coauthored with Oregon Public Health Institute for the National Network of Public Health Institutes, September 2012.
- "The Washington Apple Industry: Contributions to the State Economy and the Important Role of Exports" coauthored with Belrose, Inc. for the Washington Apple Commission, August 29, 2012.
- "Washington Business & Occupation Tax: Impacts of Removing the Exemption on the Food Processing Industry and State Economy" for Washington FoodPac, January 2012.
- "Apple Industry Cost and Returns Analysis for British Columbia and North Central Washington" co-author with Dr. Desmond O'Rourke for British Columbia Fruit Growers Association, July 2011.
- "Electrical Energy Efficiency and Emerging Technologies in Northwest Agriculture" co-author with Cascade Economics and MetaResource Group for Northwest Energy Efficiency Alliance, July 29, 2011.
- "Economic Feasibility of Organic Fertilizer Produced from Chicken Manure in Snohomish County, Washington" for Renewable Farming Group of Washington, June 2011.

- "Market Research and Strategic Initiatives for the Oregon Turfgrass Industry in U.S. Markets" co-authored with Dr. Don Roupe for the Oregon Seed Council, April 2011.
- "A Profile of Agriculture in the Pacific Northwest: Implications for Electric Utilities" co-author with Cascade Economics for Northwest Energy Efficiency Alliance, August 17, 2010.
- "Exploratory Market Research for the Oregon Turfgrass Industry: Phase I Report Depth Interviews, Formal Discussions & Secondary Analysis" for Oregon Seed Council, July 2010.
- "Review of Northwest Food Processing Market Characterization Report" for The Cadmus Group, Inc., January 2010.
- "Economic Performance of the Northwest Food Processing Industry: Trends and Analysis from the Benchmark Data" for Northwest Food Processors Association, July 2009 (the 6th benchmark analysis for NWPFA dating back to 2003).
- "2009 Benchmark Analysis for the Northwest Food Processing Industry" for Northwest Food Processors Association, July 2009.
- "Assessment of Management Systems Companies Doing Business in Idaho, Montana, Oregon and Washington" for Northwest Energy Efficiency Alliance, July 2009.
- "West Coast Food Service Markets for Fresh Organic Fruits and Vegetables," proprietary market research for a west coast organic food distributor, June 2009.
- "Hood River Working Farmland Study: Summary of Grower & Agri-Business Interviews" for Columbia Land Trust, February 2009.
- "West Coast Food Service Markets for Fresh Organic Fruits and Vegetables," proprietary market research for a west coast organic food distributor, June 2009.
- "Market Feasibility of a Food Processing Facility in Port of Skagit (Washington State)" in association with Dr. Hector Saez, Washington State University, for Northwest Agri-Business Council and private investors, December 2008.
- "The Prospect for Expanding Portland's Farmers Markets: Are Growers Ready to Ramp Up the Supply?" for the Office of Sustainable Development, City of Portland, Oregon, May 2008.
- "Animal Byproduct Technology Assessment and Market Analysis: Options for Oregon" co-author with consultant team for Oregon Department of Agriculture and a consortium of Oregon industries and other government agencies, Portland, Oregon September 2007.
- "Economic Impacts of Food Plant Closure: Analysis of the J. R. Simplot Plant in Hermiston, Oregon" for Oregon Food Processors Council, September 2004.
- "Economic Impacts of Food Plant Closure: Analysis of the Pacific Coast Seafood Plant in Warrenton, Oregon" for Pacific Seafood Group, Portland, Oregon, February 2004.
- "Economic Impacts of Food Plant Closure: Analysis of the Seneca Plant in Dayton, Washington" for Washington Food Processors Council, Olympia, Washington, September 2003.
- "Personal Consumption Greatly Impacts Economic Damage Calculations" in Oregon Casualty Adjusters Association Newsletter, February 2004.
- "Value-Added Agriculture and U.S. Competitiveness: A Western U.S. Viewpoint" Analysis and speech presented at the USDA Agricultural Outlook Forum 2002, February 21, 2002, Washington, D.C.
- "Crops and Marketing Opportunities For Agricultural Producers at the Former Wind River Nursery, Skamania County, Washington" analysis presented in "Wind River Nursery Site and Facility Plan" for Skamania County Wind River Redevelopment Team, Stevenson, Washington, June 1, 2000.
- "Implications of Changes in the Food Supply Chain for Small and Medium-Sized Produce Firms in the Pacific Northwest" for USDA Agricultural Marketing Service, Washington, D.C., May 2000.



marketing and economic services