

From: [Oliver Orjiako](#)
To: [Jeffrey Delapena](#)
Subject: FW: Comment Letter Related to Existing Site-Specific Request
Date: Wednesday, November 6, 2024 11:36:14 AM
Attachments: [Letter to Clark County in Support of Site Specific Request, 4887-5790-1046 v.1.pdf](#)

Hi Jeff,

FYI and for the record. Thanks.

From: Bremer, LeAnne M. <LeAnne.Bremer@MillerNash.com>
Sent: Wednesday, November 6, 2024 11:28 AM
To: Oliver Orjiako <Oliver.Orjiako@clark.wa.gov>; Jose Alvarez <Jose.Alvarez@clark.wa.gov>
Cc: Stacey Shields <stacey@romanofinancial.com>
Subject: Comment Letter Related to Existing Site-Specific Request

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.

Oliver and Jose, please see the attached letter and AG study for the comprehensive plan update record. We are in separate discussions with the City of Vancouver on this matter. Thank you. LeAnne

LeAnne M. Bremer, P.C.

Partner-in-Charge Vancouver Office (Pronouns: she/her)

Miller Nash LLP

500 Broadway St, Ste 400 | Vancouver, WA 98660

Direct: 360.619.7002 | Cell: 360.907.7576 | Office: 360.699.4771

[Email](#) | [Bio](#) | [Insights](#) | [Website](#)

Our attorneys regularly offer insights to address the challenges faced by our clients. To visit the Miller Nash industry-focused blog overview page on our updated website: [please click this link](#).

CONFIDENTIALITY NOTICE: This email message may contain confidential or privileged information. If you have received this message by mistake, please do not review, disclose, copy, or distribute the email. Instead, please notify us immediately by replying to this message or telephoning us. Thank you.



LeAnne M. Bremer, P.C.
Partner
LeAnne.Bremer@MillerNash.com
360.619.7002 (direct)

November 6, 2024

**VIA EMAIL: OLIVER.ORJIAKO@CLARK.WA.GOV;
JOSE.ALVAREZ@CLARK.WA.GOV**

Oliver Orjiako, Director of Community Planning
Jose Alvarez, Program Manager
Clark County Department of Community Planning
1300 Franklin Street
Vancouver, WA 98660

Dear Oliver and Jose:

I represent Romano Development Inc. with respect to a site-specific request they filed by the March 15, 2024 County deadline related to Tax Parcels 159327-000 and 159364-000, in which they requested that the properties be included in the Vancouver Urban Growth Area with a medium residential designation, as part of the 2025 Clark County Comprehensive Land Use Plan update.

In a 2022 resolution, Clark County suspended annual reviews while it updated its comprehensive plan, but in its place the County allowed property owners to submit site-specific applications that the County represented would be considered during the plan update, including in the DEIS. This is consistent with the requirements of RCW 36.70A.130(2)(a), which requires the County to adopt a process for considering amendments to its comprehensive plan.

The County did so. For instance, the County's website states:

As part of the 2025 Comprehensive Growth Management Plan update, Clark County Community Planning accepted site-specific comprehensive plan and zoning amendment requests through March 15, 2024. The application period is now closed. The next phase of the plan update process will be the creation of land use alternatives to be studied as part of the Draft Environmental Impact Statement (DEIS).

This statement says that the site-specific requests would be "part of" the update, that requests were made by "application," and that the next phase would be to wrap them into the DEIS. These points were further detailed in a letter sent to you yesterday.

Agricultural Studies

The subject parcels are zoned Agricultural-20 with an Urban Reserve overlay. The current land use plan states that lands with an Urban Reserve overlay have been identified for future additions to the UGA. *Clark County Comprehensive Plan 2015-2035*, Page 38. Specifically, policy 3.7.5 states that “[u]rban reserve lands shall be the first priority lands for inclusion in urban growth boundaries.” *Id.*, page 97.

Because of the AG designation, my client commissioned an Agricultural Resource Lands Analysis by Johnson Economics, dated May 2024, enclosed with this letter, in which it is concluded that that the properties do not have long-term commercial significance for agricultural, one of the requirements for AG lands.

In addition, and as also stated in yesterday's letter, state law requires the County to follow the minimum guidelines established by the Department of Commerce in designating agricultural lands and forestlands. RCW 36.70A.050(1). The County's comprehensive plan is also subject to continuing review and evaluation to ensure that the plan meets the requirements of GMA. RCW 36.70A.130.

One Commerce regulation states:

In classifying, designating and de-designating agricultural resource lands, **counties must conduct a comprehensive countywide analysis** consistent with WAC 365-190-040(10). Counties and cities should not review resource lands designations solely on a parcel-by-parcel basis. Counties and cities must have a program for the transfer or purchase of development rights prior to designating agricultural resource lands in urban growth areas. Cities are encouraged to coordinate their agricultural resource lands designations with their county and any adjacent jurisdictions.

WAC 365-190-050(1).

A similar regulation in WAC 365-190-060 applies to forestlands.

Further, WAC 365-190-040(10)(c) states:

(c) Reviewing natural resource lands designation. In classifying, designating and de-designating natural resource lands, **counties must conduct a comprehensive countywide analysis**. Counties and cities should not review natural resource lands designations solely on a parcel-by-parcel basis. Designation amendments should be based on consistency with one or more of the following criteria:

- (i) A change in circumstances pertaining to the comprehensive plan or public policy related to designation criteria in WAC 365-190-050(3), 365-190-060(2), and 365-190-070(3);
- (ii) A change in circumstances to the subject property, which is beyond the control of the landowner and is related to designation criteria in WAC 365-190-050(3), 365-190-060(2), and 365-190-070(3);
- (iii) An error in designation or failure to designate;
- (iv) New information on natural resource land or critical area status related to the designation criteria in WAC 365-190-050(3), 365-190-060(2), and 365-190-070(3); or
- (v) A change in population growth rates, or consumption rates, especially of mineral resources.

There is no equivocation in the regulations. The County is required to periodically review, and if needed, revise its policies and development regulations regarding natural resource lands to ensure these policies and regulations comply with the requirements of GMA (e.g. agricultural lands are capable of being used for agricultural production and have long-term commercial significance). In this comprehensive update, the County must meet the minimum guidelines applicable to natural resources lands and conduct the County-wide study according to the above rules.

Lastly, the County will not consider changes to natural resource land designations during the annual review process because of the requirement that these not be considered on a site-specific basis. Therefore, the only time these designations can and must be considered is during this comprehensive update, which includes potential UGA expansions. To consider them, the County must commission and consider a County-wide study.

A Residential Designation is Appropriate for these Properties

The properties can be a 'growth' node, as it could help meet the housing demand with a variety of products geared toward affordability. The site contains 160 acres, east of 162nd Avenue and south of Fourth Plain, and there are existing critical areas covering nearly half the site, so not all of this acreage is developable. The property was formerly part of the Andersen Dairy Farm, which has ceased operations, and a significant portion of the farm adjacent to these properties will be conveyed to a buyer by the end of the year, which would preserve around 700 acres for open space and habitat. This will provide a permanent, natural demarcation between the Vancouver and Camas urban growth areas.

My client understands that County and City residents are plagued by low rental vacancies, rising rents, and increasing home prices. Not only is there existing demand for housing, but with the growth expected over the next 20 years, more land is needed to respond to this growth. It is not reasonable to expect that all of this growth can be accommodated in the existing UGA. The densities the County is presently considering in existing areas, with proposed R-40, R-45, and R-50 zoning districts, will simply will not materialize, nor would we expect that existing residents adjacent and near these areas would be supportive of such a dramatic increase in density over what is currently in the community or that can be provided with modest upward adjustments in densities. It is also not logical to assume that current R1 zones will develop at 22 units per net acre, as the County assumes, due to site constraints, code limitations, and market factors, and the fact that this has not historically been the case. More detailed analyses on these points are being entered into the record by others, which we fully support.

These properties are also easily serviced by utilities, C-Tran and transportation infrastructure. My client envisions a variety of products: walk ups/multi family, townhomes, a percentage of affordable housing units that could be geared towards first time home buyer program, with commercial nodes where appropriate, and phased over a number of years, and they are flexible on how that vision will be achieved. My client is open to working with the County and City to design a development that provides a variety of housing with jobs to help meet housing and job goals. There is no question that there is a need for additional housing, and this would be a modest expansion of the UGA to accommodate that need.

Oliver Orjiako
Jose Alvarez
November 6, 2024
Page 5



Conclusion

We respectfully request that the County commission the required County-wide AG study, and secondly, include my client's site-specific request in an alternative to be considered in the DEIS.

Thank you for your consideration.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'LeAnne M. Bremer'.

LeAnne M. Bremer, P.C.

Enclosure



JOHNSON
ECONOMICS



AGRICULTURAL RESOURCE LAND ANALYSIS FOR DETERMINATION OF DE-DESIGNATION IN CLARK COUNTY, WASHINGTON

PREPARED FOR
ROMANO DEVELOPMENT, INC
MAY 2024

JOHNSON ECONOMICS, LLC

621 SW Alder St, Suite 506
Portland, Oregon 97205



**JOHNSON
ECONOMICS**

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	EXECUTIVE SUMMARY	1
III.	SITE ANALYSIS.....	2
	PROPERTY BACKGROUND	2
IV.	CHARACTERIZATION OF URBAN GROWTH	5
V.	CURRENT AGRICULTURAL PRODUCTION	8
VI.	COMMERCIAL SIGNIFICANCE FOR AGRICULTURE.....	10
	LAND CAPABILITY CLASSIFICATION	10
	AVAILABILITY OF PUBLIC FACILITIES.....	11
	TAX STATUS	11
	AVAILABILITY OF PUBLIC SERVICES	12
	PROXIMITY TO URBAN GROWTH AREAS	12
	PARCEL SIZE.....	12
	LAND USE PATTERNS & INTENSITY OF SURROUNDING LAND USE	12
	HISTORY OF PERMITS ISSUED NEARBY	13
	LAND VALUES UNDER ALTERNATIVE USES.....	13
	PROXIMITY OF MARKETS.....	14
	HAY/LIVESTOCK PRODUCTIVITY.....	14
VII.	THE STATE OF AGRICULTURE IN CLARK COUNTY.....	15
VIII.	RECOMMENDATIONS.....	19



I. INTRODUCTION

JOHNSON ECONOMICS was retained by ROMANO DEVELOPMENT to evaluate a cluster of parcels in Clark County (referenced throughout as the “subject property”) under the Washington Growth Management Act (GMA) to determine if they meet the criteria of agricultural resource lands. These criteria are:

- (a) The land is not already characterized by urban growth.
- (b) The land is used or capable of being used for agricultural production (based on physical characteristics).
- (c) The land has long-term commercial significance for agriculture. (WA 365-190-050)

The analysis will consider site-specific and broader local trends in land use, urban growth, and future potential for agricultural use as detailed in WA 365-190-050. The main components of this study are:

- *Characterization of urban growth around the subject property.*
- *Determining if the subject property is primarily devoted to commercial agriculture production.*
- *Analysis of the long-term commercial significance of agricultural production at the subject property.*
- *Review of the criteria for agricultural resource lands in the context of the subject property.*
- *Assessment of the state of agriculture in Clark County, including agricultural and urban trends.*
- *Recommendations for de-designation of the subject property.*

II. EXECUTIVE SUMMARY

The property is characterized by urban growth. It is adjacent to the Vancouver urban growth area and within a mile of five residential and industrial developments under construction. Zoning and land use around the property is primarily residential, mixed use, and industrial, with some agricultural use.

The availability of public facilities and services is mixed at the subject property. It is outside Vancouver water and sewer service areas, though adjacent parcels are served by those city systems. There is good access to schools and emergency services and the nearest hospital is about five miles away.

The soils on the subject property are classified as Class V and are most suited for growing hay, grasses, or grains, or for pasture use. This is in line with current agricultural use at the property, which grows hay and silage and grazes a small herd of beef cows. However, the productivity of each of these operations is below a profitable level, and there are ecological concerns with cattle that may reduce the farms’ feasibility further.

The property is designated as agricultural land under the Current Use program, a tax deferral that reduces the taxable value of each parcel. If the parcels are sold for non-agricultural use, they will be subject to back taxes of around \$160,000. Correspondingly, the total assessed market value of the parcels is almost \$1.5 million, rendering them infeasible to purchase except for residential use.

Land in Clark County is trending towards more residential use and less agricultural use. From 2017 to 2022, land in farms decreased by 38%. Over that same period, Clark County’s population increased by 48,000 (a 10% increase) and almost 27,000 new residential units (16,000 single-family homes) were permitted.

We find that the subject property does not meet the criteria of agricultural land as defined by the Washington Growth Management Act, and therefore, we recommend de-designation.



III. SITE ANALYSIS

The subject property is comprised of two parcels that total 160.24 acres. The parcels are mapped with their parcel ID numbers below.

FIGURE 3.1: PARCELS CONTAINED IN THE SUBJECT PROPERTY



SOURCE: Clark County, Romano Development, JOHNSON ECONOMICS

PROPERTY BACKGROUND

Both properties were owned by Ron Andersen of Andersen Dairy until his passing in 2018, upon which the parcels were transferred into the Ron Andersen Trust. The southern parcel was purchased in 1992 and designated as 162nd Farm LLC in 2021, and the northern parcel, RAA Farm LLC, was acquired in 2012.



Historically, the farms supported dairy farming with about 1,800 cows. The farms allocated some areas for grazing, and in other areas grew hay and silage as feed. Now, the property has a small herd of beef cows and continues to produce hay and silage, selling the excess.

There are four buildings on the southern parcel, built from 1945 to 1955: a loafing barn, a milk house, and two general purpose buildings. According to the Clark County Assessor, all but the milk house is in “badly worn” condition. We do not consider the value of these buildings to be important to this analysis. There are no buildings on the northern parcel.

FIGURE 3.2: SATELLITE IMAGE OF DAIRY FARM BUILDINGS ON THE SOUTHERN PARCEL, 2023

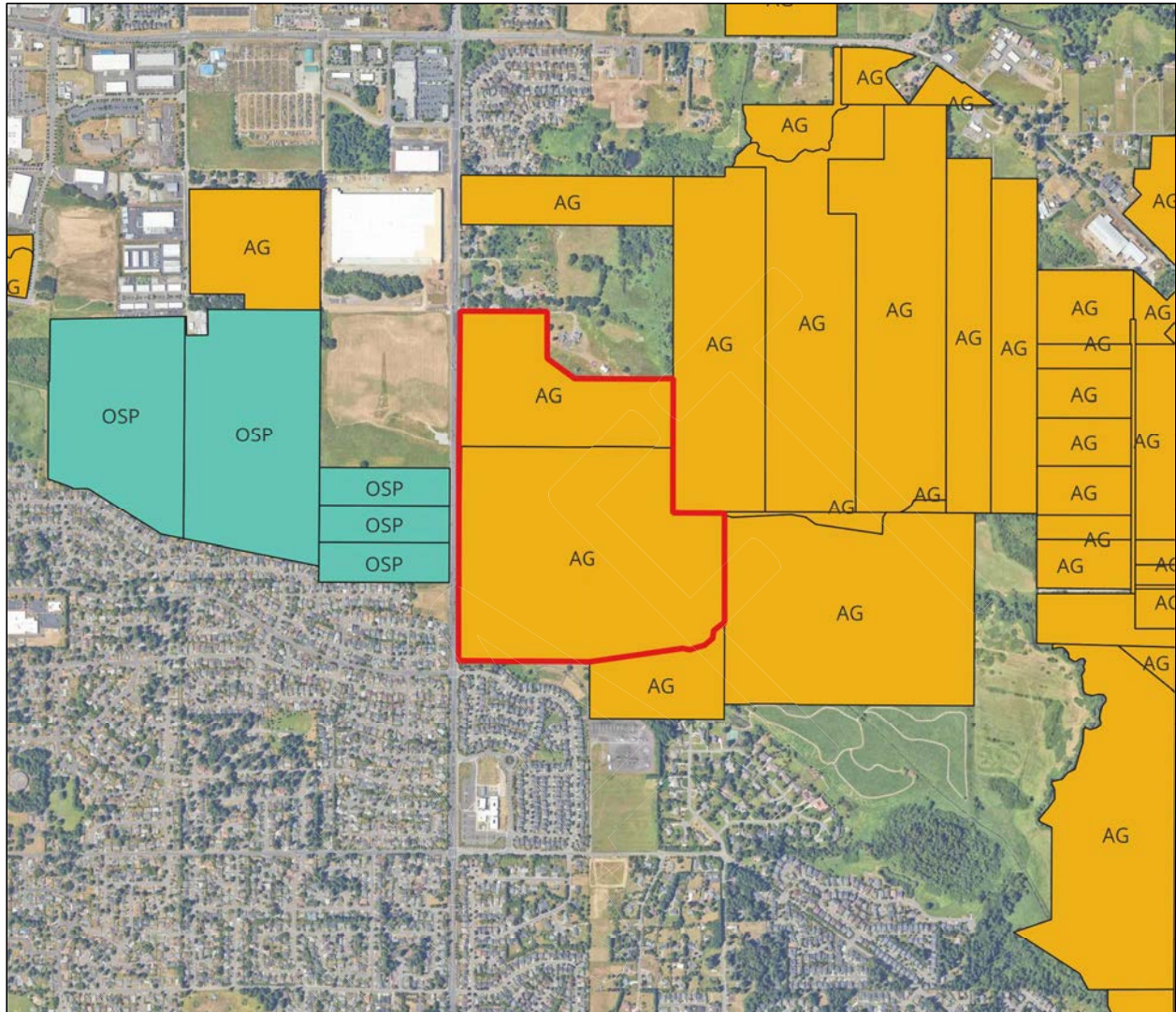


SOURCE: Google Earth, JOHNSON ECONOMICS

Both parcels within the subject property are within the Current Use program and have been for many years. Current Use allows open space, timber, agricultural, and forest lands to be taxed at the value of their current use, rather than at their assessed value. This program is a tax deferral, so if the lands are withdrawn, the owner must pay at least seven years of back taxes at the assessed value, plus interest and penalties in some cases. This is detailed later in the report. The following map shows the subject property and its Current Use designation of agricultural lands, as well as Current Use designations of the surrounding areas, which are primarily agricultural and open space.



FIGURE 3.4: CURRENT USE DESIGNATIONS, SUBJECT AND SURROUNDING PROPERTIES



SOURCE: Clark County, JOHNSON ECONOMICS



IV. CHARACTERIZATION OF URBAN GROWTH

The subject property is adjacent to the Vancouver Urban Growth Boundary (to the north, west, and south). The parcels on the inside edges of these boundaries are zoned for residential, industrial, and mixed use. These boundaries were last updated in 2022, according to Clark County's GIS system.

FIGURE 4.1: VANCOUVER URBAN GROWTH AREA, 2022

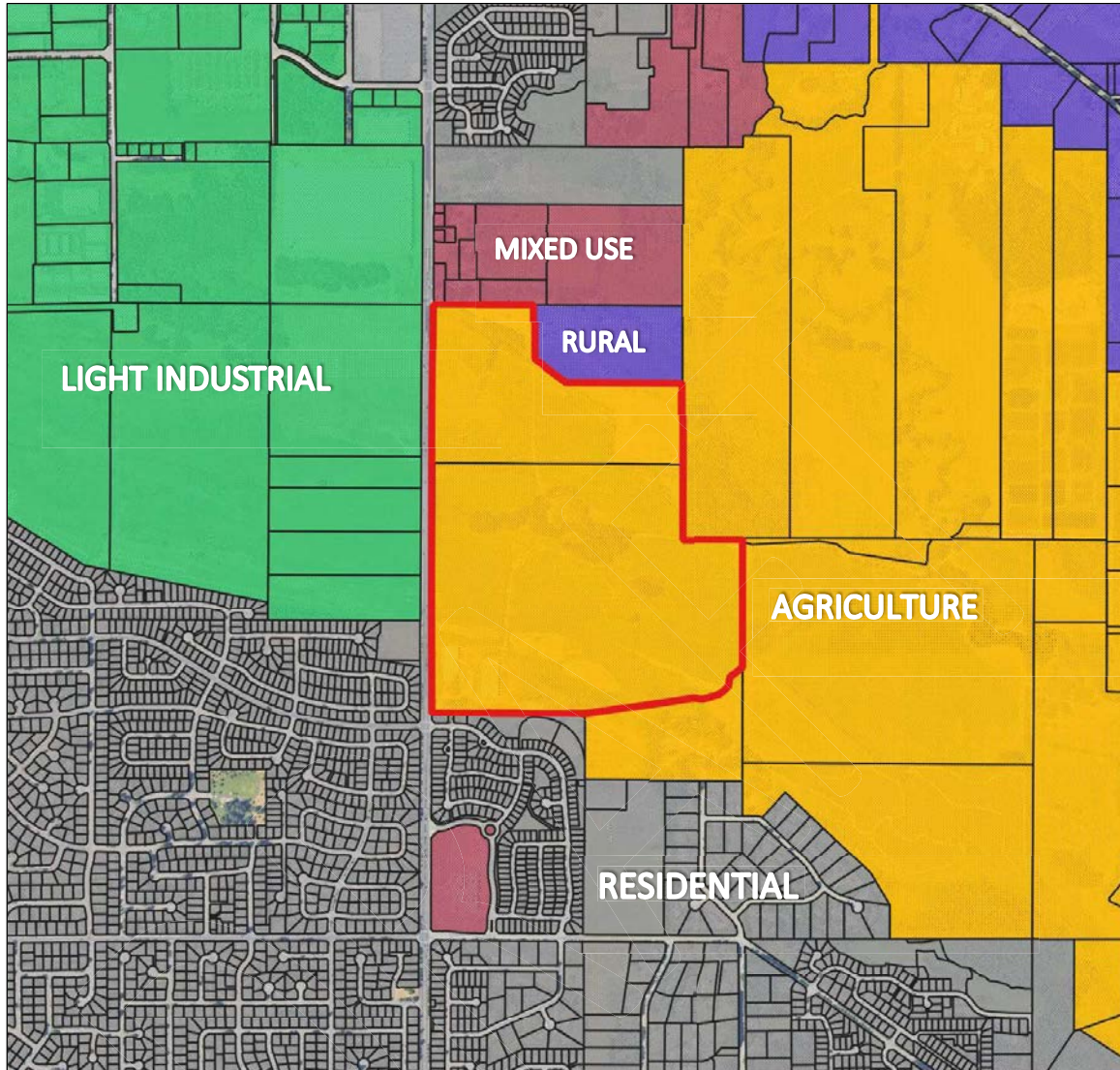


SOURCE: Clark County, JOHNSON ECONOMICS

The subject property, along with several parcels to the east, is zoned for agricultural use. Land to the south is zoned Residential, and land to the west is Light Industrial. Immediately to the north, there is one parcel with rural zoning and several with mixed-use zoning, which allows for a variety of residential and commercial uses. Farther north is more residential, rural, and mixed-use zoning.



FIGURE 4.2: CLARK COUNTY ZONING, SUBJECT PROPERTY AND SURROUNDING

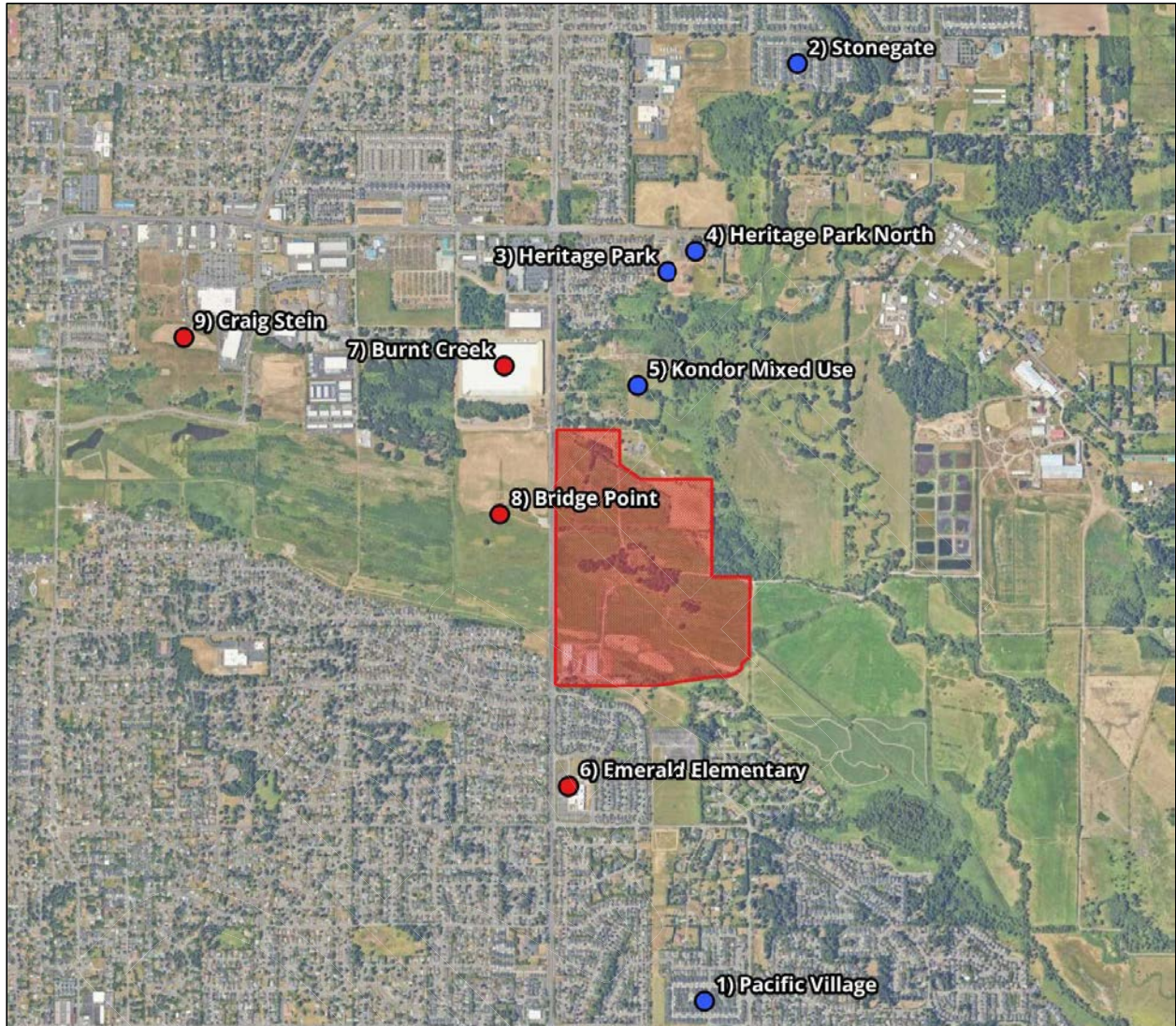


SOURCE: Clark County, JOHNSON ECONOMICS

The subdivisions to the south and southwest of the subject property were built out starting in the 1990s, with some sections constructed as late as 2018. The industrial buildings to the west are more recent; both are still under construction. Two apartment complexes are also under construction in the mixed-use areas north of the subject site. The map below shows buildings under construction within a mile of the subject property. Blue points are residential and red points are non-residential, including industrial and education buildings.



FIGURE 4.2: NEW DEVELOPMENT IN PROXIMITY, 2018-2024



SOURCE: Clark County, JOHNSON ECONOMICS

Almost all the adjacent land to the north, west, and south of the property has been developed or is in the development process. Many of these were built within the last five years. The large number and variety of new developments around the subject property indicates that the property is characterized by urban growth.



V. CURRENT AGRICULTURAL PRODUCTION

The subject property is currently devoted to the production of agricultural products. As of May 2024, both parcels are used as pasture for a few hundred beef cattle, with some hay and silage production. The following satellite imagery shows cattle grazing on the southern parcel over the last five years.

FIGURE 5.1: CATTLE GRAZING ON SOUTHERN PARCEL IN SEPTEMBER 2018 AND SEPTEMBER 2020



SOURCE: Google Earth, JOHNSON ECONOMICS

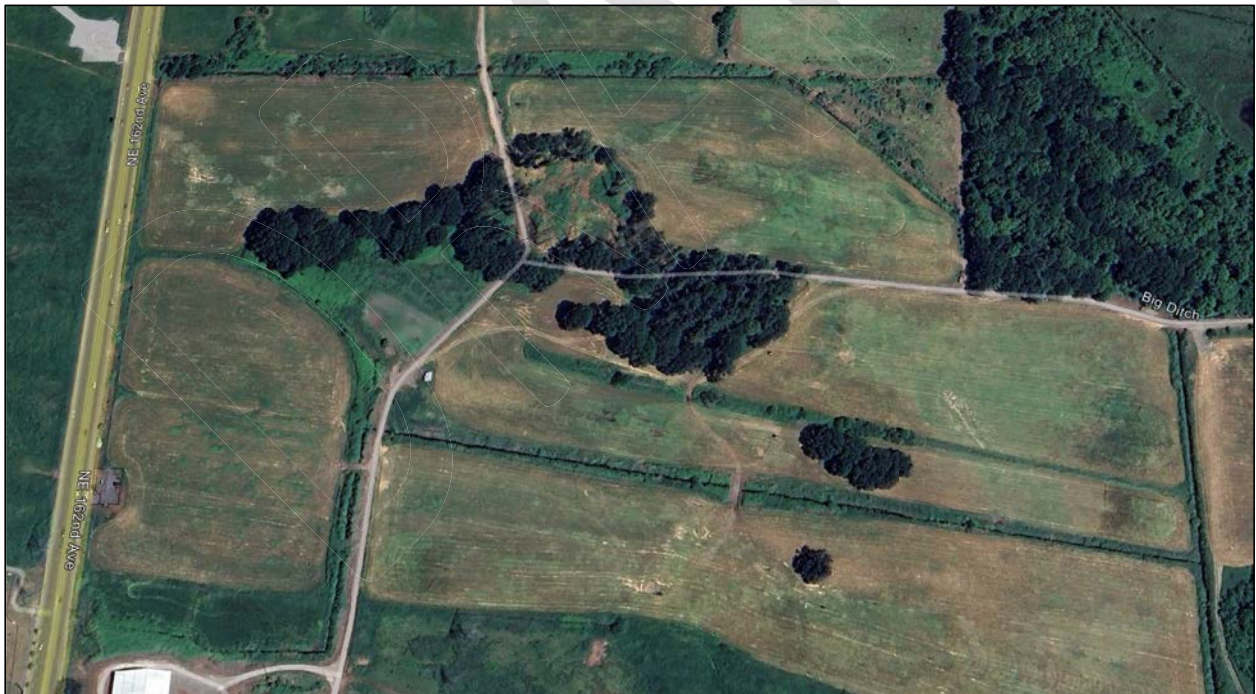


Prior to March 2022, the southern parcel maintained dairy operations. The following satellite imagery shows dairy farming in 2021 and haying in 2023.

FIGURE 5.2: DAIRY FARMING ON SOUTHERN PARCEL, MAY 2021



FIGURE 5.3: HAYING ON SOUTHERN PARCEL, JUNE 2023



SOURCE: Google Earth, JOHNSON ECONOMICS

Much of the land east of the property is designated as agricultural land under Current Use. Satellite imagery shows that several of these parcels have been hayed within the last decade. About a mile to the southeast, there is a 200-acre farm with dairy cows, also owned by RAA Farm.



VI. COMMERCIAL SIGNIFICANCE FOR AGRICULTURE

LAND CAPABILITY CLASSIFICATION

Land capability classification refers to the suitability of soils for growing field crops. Class I soils are the most versatile soils and Class VIII the least. Generally, land with soil classified at IV or higher is unsuitable for most crops but may be appropriate for pasture/grazing use. The subject property is comprised of three main types of soil: Cove silty clay loam (CvA) on the north side and in the central area; shallow Semiahmoo muck (Su) on the southwest side; and Semiahmoo muck (Sr) on the southeast side. The land capability classification of all three of these soils is Class V, with subclass w (more water than usual in the soil; poor drainage). According to the Clark County Assessor, the only suitable crops for these types of soils are hay, grasses, and grain, especially water tolerant types. This would also include pasture.

FIGURE 6.1: USDA SOIL CLASSIFICATION, 2019



SOURCE: USDA Web Soil Survey, JOHNSON ECONOMICS



AVAILABILITY OF PUBLIC FACILITIES

To the left of the subject property is Northeast 162nd Avenue, which has four travel lanes, each 12 feet wide, with a median, bike lanes, and sidewalks. The posted speed limit is 40 miles per hour, and large intersections to the north and south are controlled with traffic lights. Northeast 58th Street, on the north side of the property, functions as an extended driveway. No adjacent roads are included in the Clark County Six-Year Transportation Improvement Plan.

The subject property is currently under the jurisdiction of the Rural/Resource Sewer District. However, it is adjacent to the Vancouver Wastewater service area on the west boundary of the site, and there is a sewer pump in the neighborhood directly south of the subject property. Given the existence of adjacent infrastructure, it is feasible that service could be extended to the subject property in the future.

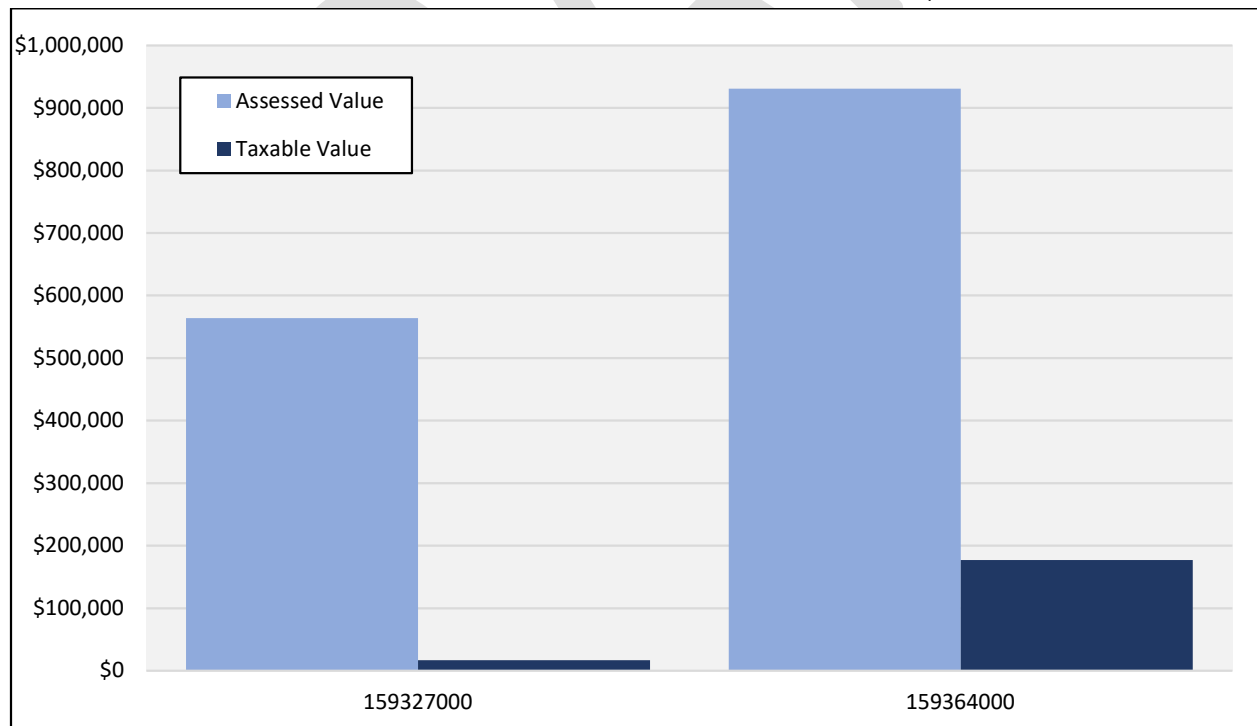
The 2022 update to the Vancouver Water System Plan does not include the subject property within the future service area. A comprehensive update is slated to begin this year, which may change this. The closest water station is just over a mile southwest of the subject property.

There are four neighborhood parks within half a mile of the subject property. These have small playgrounds and some green space.

TAX STATUS

The two parcels that make up the subject property are designated under the Current Use program as agricultural lands, so they are taxed at a reduced value from their assessed market value. The graph below illustrates the difference between the assessed value and the taxable value under this program.

FIGURE 6.2: ASSESSED VALUE AND TAXABLE VALUE OF SUBJECT PARCELS, 2024



SOURCE: Clark County Assessor, JOHNSON ECONOMICS

The basic definition of farm and agricultural land under Current Use is:



“any parcel of land or contiguous parcels of land that are 20 or more acres: (i) devoted primarily to the production of livestock or agricultural commodities, for commercial purposes; (ii) enrolled in the federal conservation reserve program or its successor administered by the United States Department of Agriculture; or (iii) other similar commercial activities as may be established by rule... ‘Commercial agricultural purposes’ means the use of land on a continuous and regular basis, prior to and subsequent to application for classification or reclassification that demonstrates that the owner or lessee is engaged in and intends to obtain through lawful means, a monetary profit from cash income by producing an agricultural product” (RCW Chapter 84.34 and 84.33).

While the parcels currently meet these requirements, if the parcels are sold for non-agricultural use, they will need to be withdrawn from the program. According to Clark County Assessor records, the parcels have been designated under Current Use since at least 2006, so removing them from the program would incur only back taxes and interest and no additional penalties. Upon withdrawal from Current Use, we estimate the total back taxes plus interest to be around \$159,460.

AVAILABILITY OF PUBLIC SERVICES

The subject property is about one mile southeast of the Vancouver Fire Station 4, though the property is currently within Clark Fire District 5, which does not have a station nearby. It is about three miles from Vancouver Police East Precinct.

The nearest medical center with an emergency department is PeaceHealth Southwest Medical Center, about five miles to the southwest of the subject property. The hospital is currently expanding their emergency department capacity, with estimated completion in 2025.

The subject property is in the Evergreen School District, about half a mile from Emerald Elementary School, two miles from Pacific Middle School, and four miles from Union High School.

PROXIMITY TO URBAN GROWTH AREAS

The subject property is adjacent to the Vancouver Urban Growth Boundary. It is within one mile of four residential projects that were recently built or that are under construction, with a total of over 300 new homes and apartments. This demonstrates proximity to urban growth areas.

PARCEL SIZE

The north parcel is 46.14 acres, and the south parcel is 114.1 acres in size. These are significantly larger than developed parcels nearby, which range from 0.14 acres (residential parcels in subdivisions) to 37.2 acres (large industrial buildings).

LAND USE PATTERNS & INTENSITY OF SURROUNDING LAND USE

Agricultural use of the subject property would stand in contrast to current and anticipated land use patterns of surrounding areas. Immediately to the south of the subject property are single-family homes in the Springbrook Ridge Subdivision. These homes are on 0.1 to 0.2 acre lots. There are a few larger lots (70 to 100 acres) to the east that, like the subject property, are also in the Current Use program.

Land use to the west is light industrial. A large part immediately to the west of the subject property, about 78 acres, was designated under Current Use as agricultural land until 2007, according to assessor records. It was then reclassified as open space land in 2008 and de-designated in 2022 by owner request. This could set a precedent to support de-designation of the subject property.



HISTORY OF PERMITS ISSUED NEARBY

Since 2018, four residential permits have been issued within a mile of the subject property, and one project is still early in the planning process. There are two subdivisions (Pacific Village and Stonegate at Harder Acers) that total 166 single-family homes. They were permitted in 2018 and 2020 and have completed construction. Three multifamily and mixed-use projects are located just north of the subject property. Two projects, Heritage Park, and Heritage Park North, comprise a total of 144 units under construction. Kondor Mixed Use is still in its early stages, planning for 200 multifamily units with commercial space for adult care.

Nearby commercial development is primarily industrial. Burnt Creek Logistics Center is in the last stages of construction as of May 2024 and will add almost 700,000 square feet of industrial space. Bridge Point Vancouver to the south will be of similar size. Both projects were permitted in 2022. There is also a smaller distribution center, Craig Stein Beverage, which was permitted in May 2023. Though Emerald Elementary School, built in 2020, is not a commercial development, it is an important indicator of urban growth, reflecting increasing population and residential development.

#	Project Name	Address	Status	Permit Date	Units
1	Pacific Village Subdivision	NE 30th St & NE 170th Ave	Complete	10/2/2018	90
2	Stonegate at Harder Acers Subdiv.	NE 77th St & NE 174th Ave	Complete	5/6/2020	76
3	Heritage Park Apartments	16807 NE Fourth Plain Blvd	U.C.	2/15/2023	108
4	Heritage Park Apts. North	16702 NE 66th Way	U.C.	7/23/2023	36
5	Kondor Mixed Use	E of NE 58th St & NE 162nd Ave	Proposed	Pre-Permit	200
Total Residential Units					510

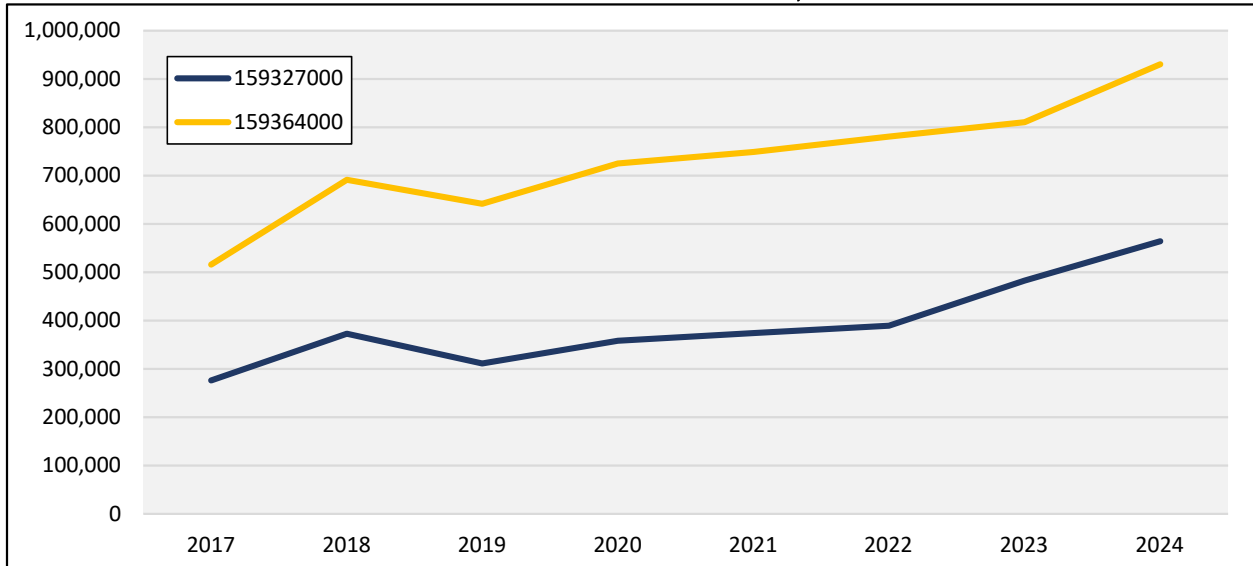
#	Project Name	Address	Type	Status	Permit Date	SF
6	Emerald Elementary	4000 NE 164th Ave	Education	Complete	5/22/2019	N/A
7	Burnt Creek Logistics Center	5920 NE 162nd Ave	Industrial	U.C.	5/23/2022	681,780
8	Bridge Point Vancouver 600	5500 NE 162nd Ave	Industrial	U.C.	8/24/2022	646,274
9	Craig Stein Beverage	14303 NE 63rd Ave	Industrial	U.C.	5/5/2023	150,000
Total Industrial SF						1,478,054

LAND VALUES UNDER ALTERNATIVE USES

Under the Current Use program, the north parcel has a taxable value of \$16,780 and the south parcel has a taxable value of \$177,046. These values would be maintained if the parcels continued their current agricultural use. At fair market value, they are assessed at \$563,965 and \$930,512 respectively. The assessed prices reflect residential development values and are much higher than what a farmer would reasonably pay to use the land for agricultural production. Assessed land values have also increased significantly over the last few years. The graph below shows the assessed value over time for each parcel. From 2017 to 2024, assessed values increased by 80-100%.



FIGURE 6.3: ASSESSED VALUE OF SUBJECT PARCELS, 2017-2024



SOURCE: Clark County Assessor, JOHNSON ECONOMICS

PROXIMITY OF MARKETS

Distance to hay/silage, dairy, and cattle markets can be variable. Larry Brown, at LLB Ameliorant LLC, has done accounting for the farms for many years and provided us with more specific information about market proximity and productivity.

The market for grass silage and hay is close to and within the subject property. When the farm on the southern parcel still conducted dairy operations (pre-2022), most of the hay and grass silage was used onsite to feed the farms' dairy and beef cows. Since the dairy farm shut down, the farms have switched to internal use of the grass silage and some of the hay, selling the rest of the hay to nearby farms and stables. They also sold some of the grass silage in 2023, but do not anticipate selling silage regularly.

All the milk produced at the farm was sold directly to Anderson Dairy. The processing plant is in Battle Ground, about nine miles north of the subject property. This milk was then sold at WinCo Foods throughout Washington and Oregon.

Beef cattle markets are more variable, especially given the small size of the farm's current herd. Commercial cattle slaughter facilities are farther and fewer in number as food safety regulations become stricter.

HAY/LIVESTOCK PRODUCTIVITY

As detailed above, hay production and livestock operations are the two possible options for farming at the subject property, given land capability classifications. In Washington State, non-irrigated hay crops yield 1.8 to 3.8 tons per acre. County level data is not available, but a similar report to de-designate a property in Clark County estimated a yield of 2.0 tons per acre, so we will use this number. The USDA Washington-Oregon Hay Report for early May 2024 estimates sale prices of \$225 per ton for medium quality hays. Silage generally sells for less. From these we estimate hay and silage crop revenue to be \$350-400 per acre. If we assume exclusive hay and silage production, selling all that is produced, and that there are about 130 acres usable for farming, hay and silage revenue is \$45,000 to \$52,000 yearly. The costs of growing hay and silage include labor, equipment, and fertilizer as well as transaction costs.

A second possible use of the subject property is pasture grazing for beef cows, which is part of its current use. We use cow-calf pairs as an example. A single cow-calf pair can be supported by two acres of grazing land per year, and a barn and equipment would also be needed. With these assumptions, up to 60 calf-cow pairs could be supported on the



subject property. The operations analyzed in USDA budgets have 138 cows and an annual calf crop of 104 animals, which is considered small scale, but is about twice as large as what is possible at the subject property. The USDA budget estimates the net value per calf sold at a loss of \$359, removing this as a profitable option. Producing a mix of hay and cow-calf pairs cuts down on feed costs by about \$110, so the value per calf is higher, but there is still a net loss.

The third possible use is dairy farming. USDA annual budgets assume 1,250 milk cows per farm, which is comparable to previous dairy farming at the subject property, and about 23,000 pounds of milk produced per cow. These budgets also assume mostly purchased feed and some harvested feed, though the subject farms may be able to produce more to reduce costs. The net value of milk production with these assumptions is about fifty cents per hundred pounds of milk. This comes out to \$144,000 estimated profit annually.

However, with cattle production for dairy or beef comes concerns for mud, odor, and nuisance conflicts with nearby residential areas, and additional ecological concerns with the adjacent Lacamas Creek. Larry Brown disclosed that ecological concerns were a major reason for ceasing dairy operations at the subject property, and that this may put pressure on the farms to sell their current beef herd as well. This may reduce the feasibility of any type of livestock farming at the subject property.

The most significant cost associated with farming the subject properties, however, is the cost of buying or renting the land. The assessed market value of the subject property is \$1.5 million. While there are no comparable farm sales in the area, it is very unlikely that a farmer would pay that much for a small-scale farming operation. It is not economically feasible to conduct agricultural operations on the subject property, and therefore, the subject property does not have long-term commercial significance for agriculture.

VII. THE STATE OF AGRICULTURE IN CLARK COUNTY

The Washington GMA specifies that a countywide analysis must be conducted in order for cities and counties to de-designate natural resource lands (including agricultural lands) within the county. This Comprehensive Plan is required by the Washington GMA to be updated by the end of 2025, after its last update in 2016. In lieu of this full countywide analysis, we include a summary of the state of agriculture and urban development in Clark County.

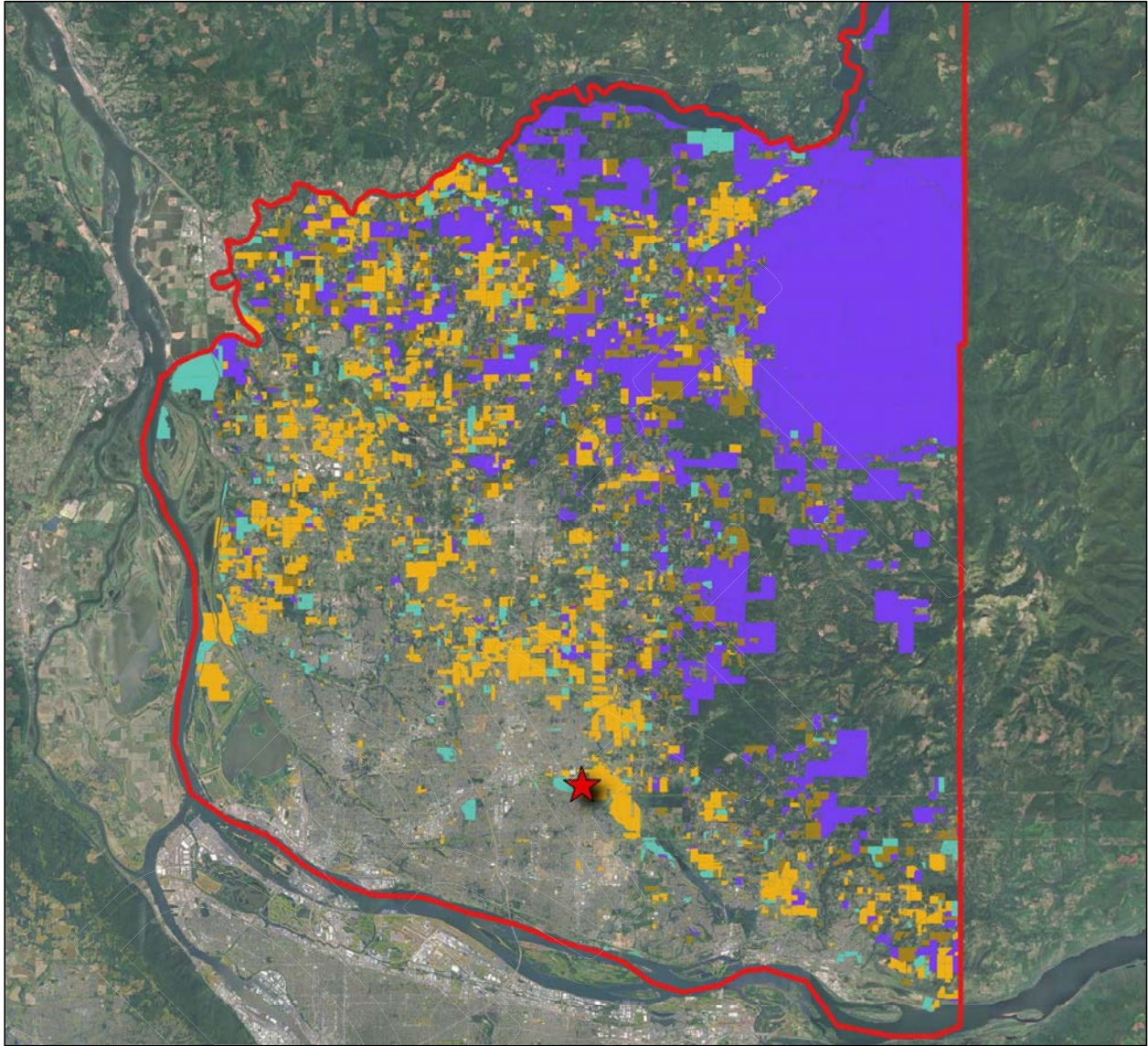
As of 2022, there were just over 1,900 farms in Clark County, according to the USDA. This includes 56,000 total acres, down 38% from 2017, when there were over 90,000 acres of land in farms. However, the number of farms in the county only decreased by 3%, suggesting that either a few large farms have ceased operations or that many farms have decreased in size.

On average, farms in Clark County are primarily small in size and scale: almost 70% of farms make less than \$5,000 in sales, and almost 90% of farms are smaller than 50 acres. Average farm-related income increased 132% from 2017 to 2022, but average net cash farm income is still negative at -\$230. The most produced crops in Clark County, by acreage, are hay (13,500 acres), Christmas trees (910 acres) and berries (855 acres).

Natural resource lands in Clark County are designated under the Current Use program, as described earlier in this report. About 36% of the county's land by area is classified under this program. Of the total land in Current Use, 25% is agricultural land (yellow), and the rest is open space (teal), designated forest land (purple), or timber land (brown). The subject property makes up about 0.5% of total agricultural land area in Clark County.



FIGURE 7.1: CLARK COUNTY LAND UNDER CURRENT USE, 2024



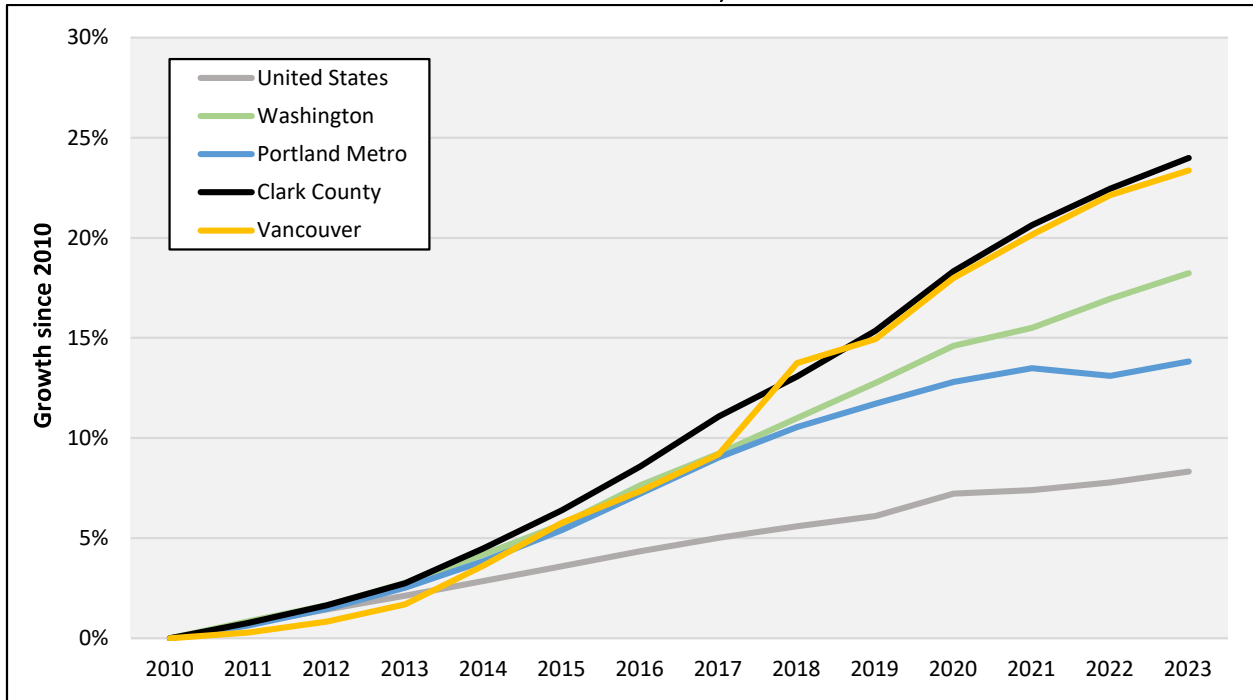
SOURCE: Clark County, JOHNSON ECONOMICS



POPULATION TRENDS

The county has seen population growth of 24% since 2010, which is equivalent to just over 100,000 people. Over that same period, Vancouver saw comparable growth of 23%, an increase of about 38,000. Both geographies are growing faster than the Portland Metro Area and the state.

FIGURE 7.2: POPULATION GROWTH SINCE 2010, GEOGRAPHIC COMPARISON



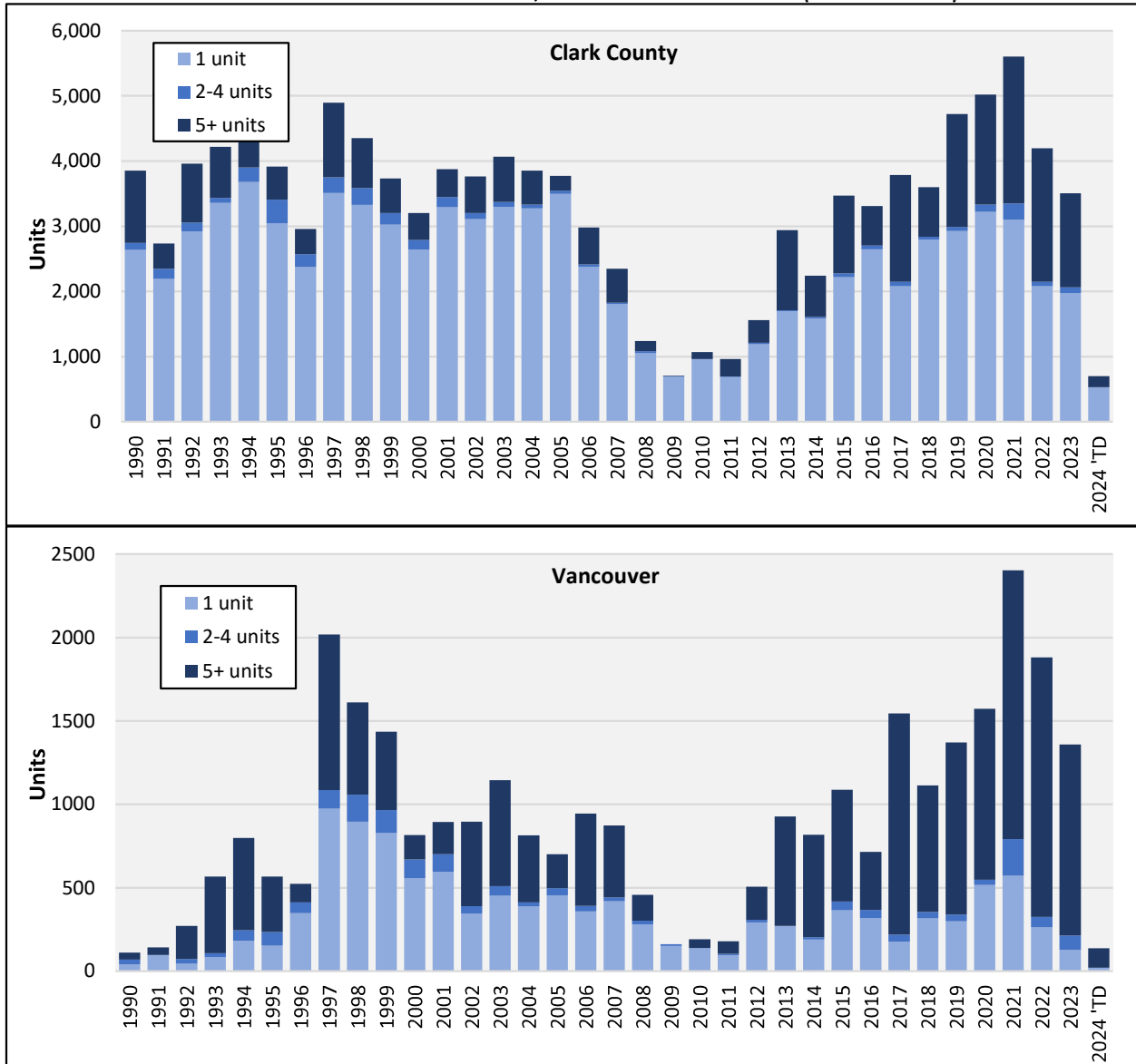
SOURCE: U.S. Census Bureau, Portland State University, WA Office of Financial Management, JOHNSON ECONOMICS

THE STATE OF HOUSING IN CLARK COUNTY

Recent housing construction in Clark County has roughly been on par with the 1990s, when the county experienced a suburban boom. However, the share of multifamily units has increased considerably, while single-family construction is below the 1990s level. This pattern is even more pronounced in Vancouver, where multifamily units built have outpaced single-family construction since 2013.



FIGURE 5.15: RESIDENTIAL BUILDING PERMITS, CLARK COUNTY & VANCOUVER (1990-2024 'TD)



SOURCE: U.S. Department of Housing & Urban Development, Johnson Economics

The disparity between single-family and multifamily construction in Vancouver is due to the city's position as a secondary (to Portland) urban center. Subdivisions of medium to large single-family homes, which require more land area than multifamily homes, are the primary form of residential construction in suburbs, while multifamily homes are more appropriate in denser urban areas. The subject property is in the Mill Plain area of East Vancouver, which is more suburban but also somewhat land constrained. There are few large land areas for new subdivisions within Vancouver city limits, but the city's population continues to grow at rates above Portland's and the broader metro area. The city will not be able to plan for large new subdivisions without de-designating some of its agricultural land.



VIII. RECOMMENDATIONS

It is our opinion that the subject property does not meet the criteria of agricultural land as laid out in the Washington Growth Management Act and is therefore recommended for de-designation as agricultural land:

- The property has characteristics conducive to urban growth. It is adjacent to the Vancouver UGB and within a mile of four residential developments that have been recently completed or are under construction. It is also within half a mile of 1.5 million square feet of industrial development under construction. Vancouver is a fast-growing city compared to Portland; its population has grown by almost 25% since 2010. The GMA requirement for designation as agricultural land is that “the land is not already characterized by urban growth;” the property fails to meet this requirement.
- While the property is currently being farmed, meeting the second GMA requirement of “the land is used or capable of being used for agricultural production,” farming has been greatly reduced in recent years. The dairy farm ceased operations in 2022 because of ecological concerns with Lacamas Creek, which is adjacent to the east. It may become entirely ecologically infeasible to have livestock on the property, which limits agricultural use further.
- The subject property lacks adequate soil for commercial production of high value crops. This limits the types of farming on the site to hay and livestock operations primarily, which are not considered to be profitable or feasible on the subject property. Thus, the property does not meet the GMA requirement of “long-term commercial significance for agriculture.”