

City of Missoula, Montana
Item to be Referred to City Council Committee

Committee: Conservation Committee

Agenda Item: Oxbow Cattle Company Conservation Easement

Date: July 14, 2017

Sponsor: Elizabeth Erickson, Open Space Acquisitions Attorney

Prepared by: Elizabeth Erickson, Open Space Acquisitions Attorney

Wards affected: Ward 5

Action Required:

Set a public hearing for adoption of a Resolution that authorizes the expenditure of up to \$175,000 of the City's portion of the 2006 Open Space Bond funds to help purchase a conservation easement across 168 acres of agricultural land and open space in the Lower Miller Creek area of Missoula, near the Bitterroot River, and cover a portion of the transaction costs associated with purchasing the conservation easement.

Recommended Motion:

The committee recommends City Council set a public hearing to adopt a resolution to expend \$175,000 of the City's portion of the 2006 Open Space Bond funds to purchase a conservation easement across 168 acres of agricultural land and open space on the Oxbow Cattle Company property in the Lower Miller Creek area of Missoula, and cover a portion of the transaction costs associated with purchasing the conservation easement.

Timeline:

Referral to committee:	July 17, 2017
Committee discussion:	July 19, 2017
Council acts to set hearing:	July 24, 2017
Public hearing:	August 21, 2017 (joint Board of County Commissioners and City Council hearing)

Background:

This project proposes to spend up to \$175,000 of the City's portion of the 2006 Open Space Bond proceeds to help purchase the conservation easement. The proposed 168-acre Oxbow Cattle Company-Miller Creek conservation easement is located in Lower Miller Creek within the Missoula Planning Region. Oxbow Cattle Company is owned by Bart and Wendy Morris and is a local cattle ranching operation that provides natural, grass-finished beef throughout the Missoula community and beyond. Their goals are to provide customers with the highest quality beef, improve the ecological integrity of the land through good stewardship, and contribute meaningfully to the community. As part of their strong land ethic, Wendy and Bart would like to

place a conservation easement on a portion of their ranch to protect its conservation values by preventing future residential development and subdivision on the property.

Conservation values associated with the property include open space for continued agricultural production, important agricultural soils, and fish and wildlife habitat. In addition, a portion of the property is located within the Bitterroot River Open Space Cornerstone—a geographic area designated as high priority lands for protection within the Missoula Open Space Plan. The Oxbow Cattle Company-Miller Creek property also is connected to other private lands that are protected with conservation easements. Conserving the 168-acre project area would expand the conservation footprint in this area, providing fluid connectivity of protected open space to the Bitterroot River.

Based upon the Natural Resources and Conservation Service's (NRCS) soil classifications, the property includes 92% important agricultural soils, with 104 acres designated as prime farmland if irrigated and 51 acres of locally important soils. The NRCS considers the soils on the Oxbow Cattle Company-Miller Creek project area so important that Five Valleys Land Trust was able to secure \$165,000 through its Agricultural Land Easement Program to fund a large portion of the conservation easement. The importance of these soils to the Missoula Community is described in a letter of support from the Community Food and Agricultural Coalition.

More than a mile of Miller Creek, a westslope-cutthroat trout stream, meanders through the Oxbow Cattle Company-Miller Creek property. Westslope cutthroat trout are a Montana State Species of Concern and several populations in the headwaters of Miller Creek are genetically pure (L. Knotek, FWP, personal communication 2017). Based upon the Montana Natural Heritage Program species of concern reports, there are 18 plant and animal species of concern and one special status species within the township and range of the project area. The property also provides important habitat and connectivity for a suite of other species, including: elk, mule deer, white-tailed deer, red-tailed hawk, western meadowlark, and mountain bluebird.

The total project cost is estimated to be \$373,000, which includes the estimated conservation easement value of \$330,000 plus transaction costs. The requested open space bond funds from the City would cover just under 50% of the total project cost, and the remaining funding is being covered by the NRCS Agricultural Land Easement program, Five Valleys Land Trust and the landowners.

To protect the conservation values of the property, the conservation easement would not allow for any residential development or subdivision, and would ensure that the two parcels that include the easement could not be sold separately. Additional protective terms of the easement include a riparian buffer zone and minimum deed terms required by the NRCS that include limitations on impervious surfaces and a required agricultural land easement plan.

Article II, Section 2.1 of the April 5, 2007 Interlocal Agreement between the City of Missoula and the County of Missoula Related to Open Space Acquisition and Use of Open Space Bond Proceeds (Interlocal Agreement) establishes the general purposes of the open space bond. The Oxbow Cattle Co. conservation easement project accomplishes a number of those established purposes. The project will carry out the purposes of the Bonds by conserving working ranches, farms, and forests;

protecting wildlife habitat; managing for growth; providing open space and scenic landscapes; protecting the water quality of rivers, lakes, and streams and paying non-personnel related transaction costs.

On July 13, 2017, the Open Space Advisory Committee (OSAC) unanimously passed a resolution to support the expenditure.

Financial Implications:

The Oxbow Cattle Co. conservation easement proposes to expend up to \$175,000 of the City's portion of the 2006 Open Space bonds to provide the public benefits described above. Future maintenance and stewardship costs will be borne by the landowner and Five Valleys Land Trust, the land trust that will hold the conservation easement.

Attachments:

Exhibit A – Resolution

Exhibit B – Vicinity, Property and Cornerstone Maps

Exhibit C – Letter of Support from CFAC