

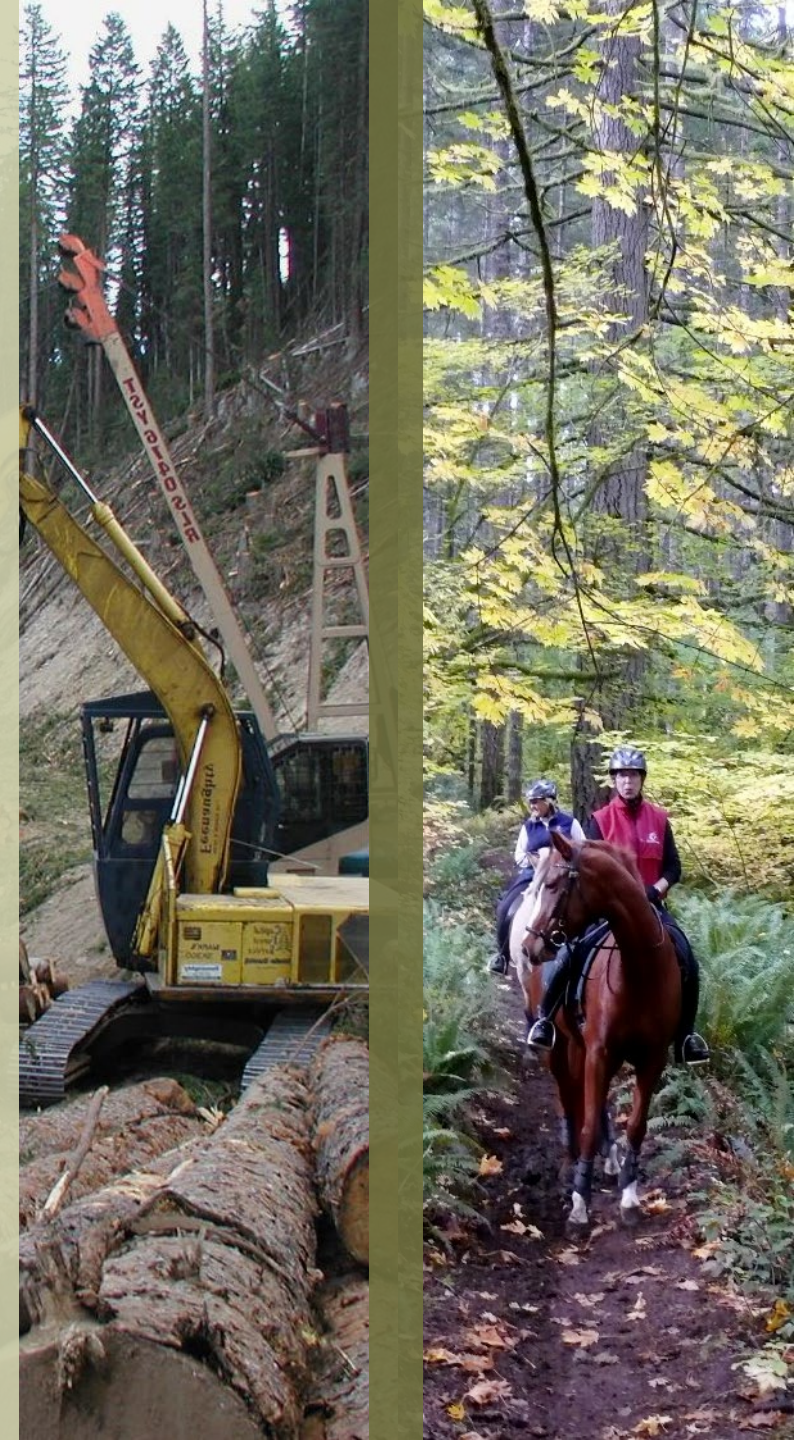
Collaborative Engagement

Department of Natural Resources
and
Whatcom County

Duane Emmons, Assistant Deputy Supervisor
for State Uplands



September 12th, 2023



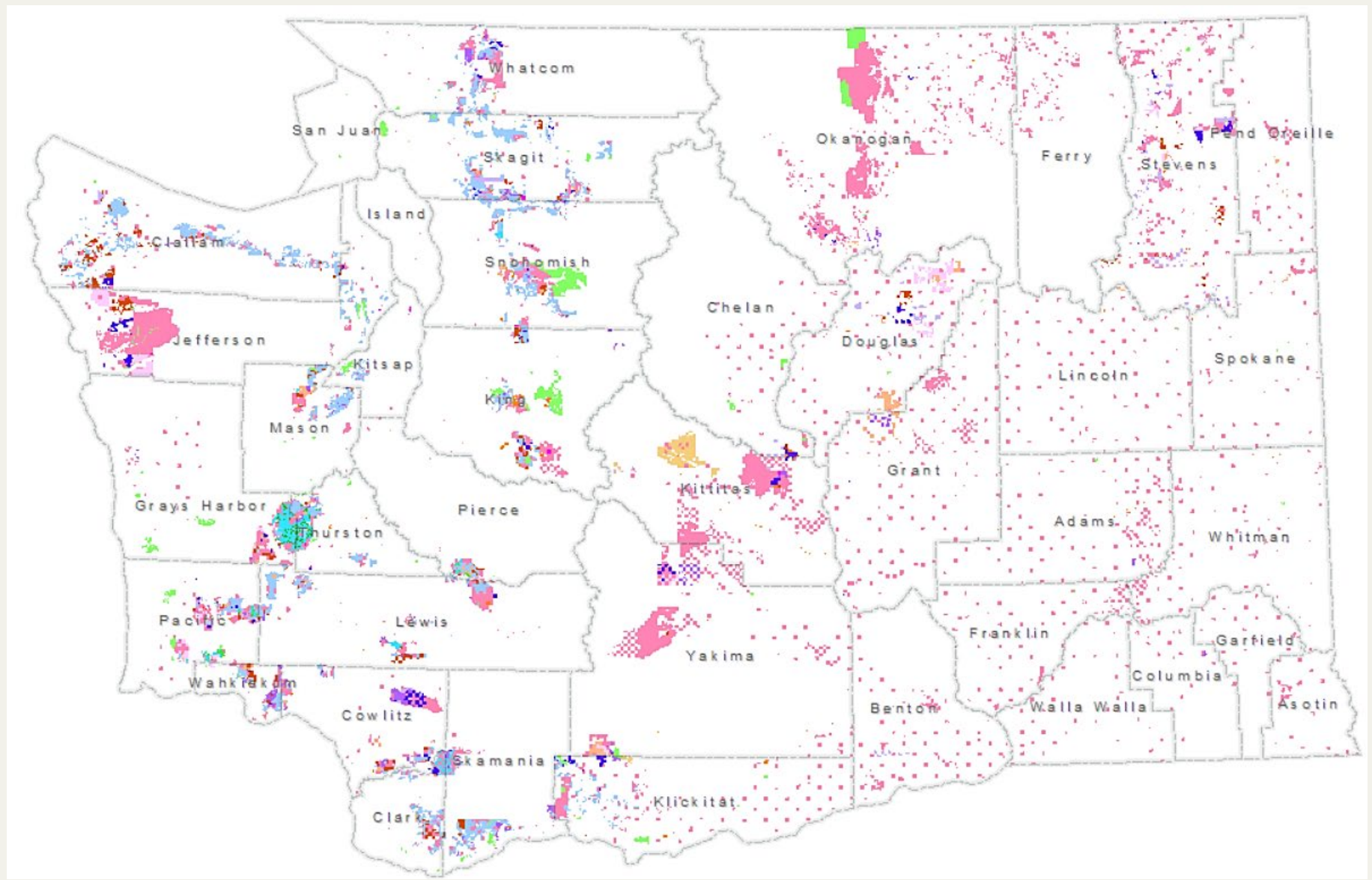
Department of Natural Resources

- Manages 5.6 million acres of forest, range, agricultural, aquatic, and commercial lands.
- ~2.9 million acres is State Trust Lands
- DNR is the Trust Manger
- State of Washington is the Trustee
- Whatcom County and its junior taxing districts are the Trust Beneficiaries of ~30,000 acres of trust lands.



DNR Managed Lands

- Common School (3)
- Agricultural School (4)
- Scientific School (10)
- Normal School (8)
- University - Transferred (5)
- University - Original (11)
- CEP and RI (6)
- Capitol Grant (7)
- State Forest Transfer (1)
- State Forest Purchase (2)
- Community Forest Trust (48)
- NAP / NRCA (74 / 75)
- Other DNR-Managed Lands
- University Repayment (41)
- Forest Board Repayment (42)



State Trust Lands

State Lands

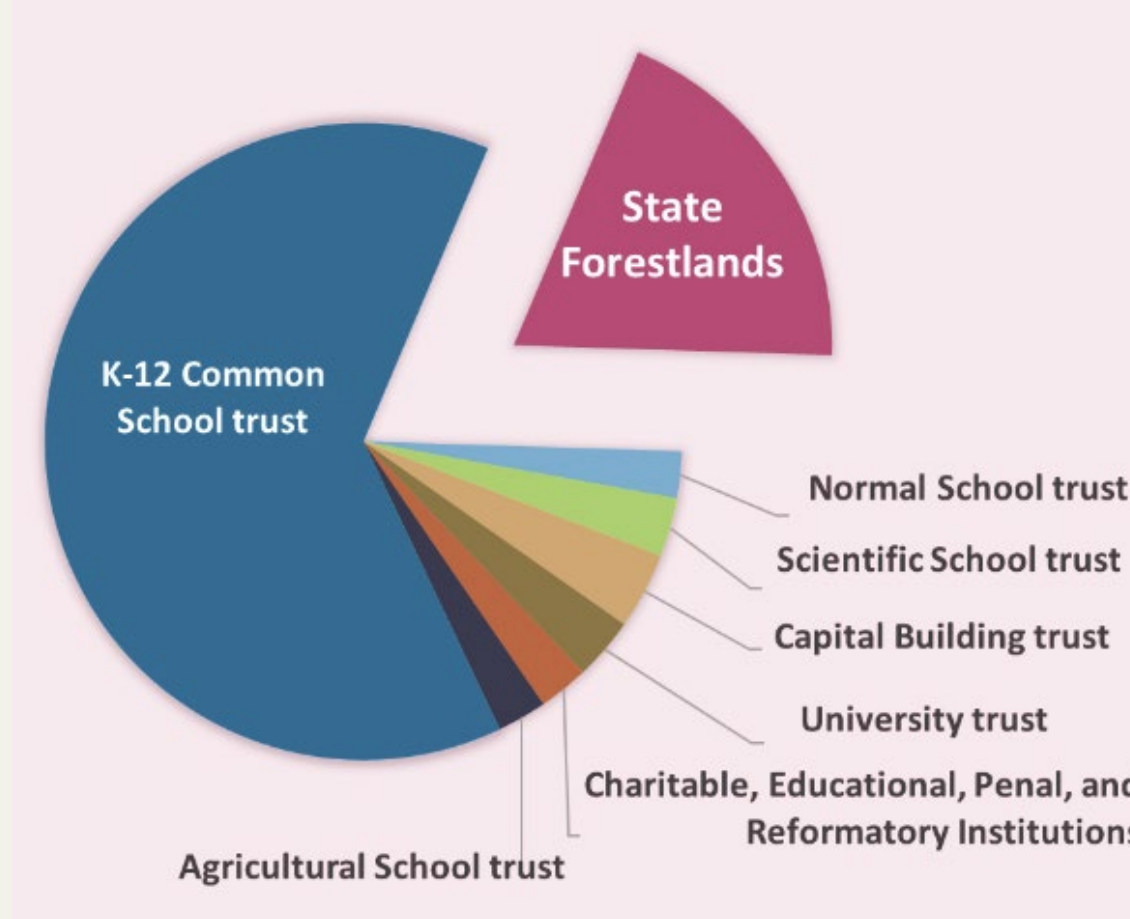
Federally granted

Enabling Act (25 U.S. Statutes at Large, c 180 p. 676)

State Constitution

Revenue is generated from a variety of sources

Source of financial support, primarily for public schools and colleges



State Forestlands

Transfer and purchase

> 617,000 acres in 21 counties

Transfer lands acquired by counties through tax foreclosures.

Statutory Trusts

Revenue helps fund county services, state schools, and junior taxing districts

Trust Obligations

As manager of state trust lands, DNR has legal fiduciary responsibilities to:

- Generate revenue and other benefits for each trust, in perpetuity
- Preserve the corpus of the trust
- Exercise reasonable care and skill
- Act prudently to reduce the risk of loss for the trusts
- Maintain undivided loyalty to beneficiaries
- Act impartially with respect to current and future beneficiaries

Board of Natural Resources

Board of Natural Resources shall establish policies ensuring land management is based on sound principles and designed to achieve maximum development and use of lands consistent with applicable laws.

(summarized from [RCW 43.30.215](#))



Board Policies and Applicable Laws

Policy for Sustainable Forests (Multiple state and federal laws)

- Economic Performance
- Forest Ecosystem Health and Productivity
- Social and Cultural Benefits
- Implementation

Multiple Use Concept (RCW 79.10.120)

Habitat Conservation Plan (ESA) (16 U.S.C. 1531 et seq.)

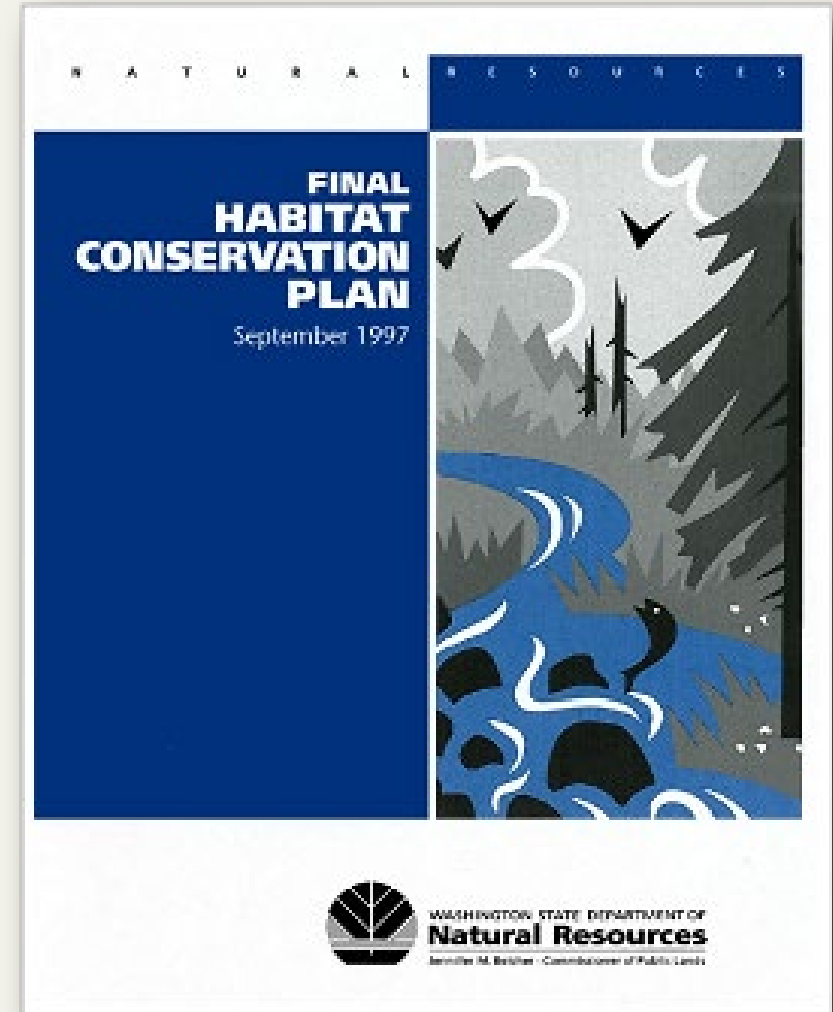
Sustainable Harvest Level (RCW 79.10.300-340)



Habitat Conservation Plan

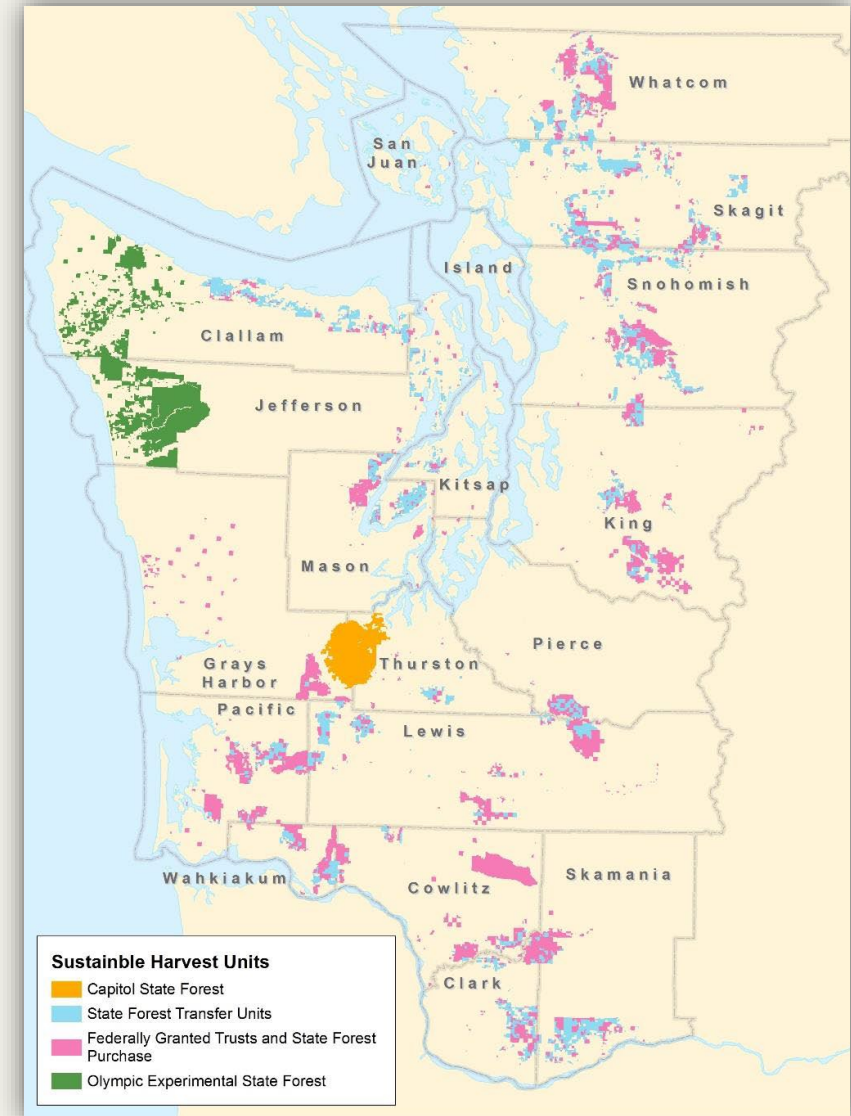
Four components:

- Northern spotted owl
- Marbled murrelet
- Riparian-dependent species
- Other uncommon habitats



Sustainable Harvest Level

- The volume of timber scheduled for sale for a planning decade
- Calculated by DNR and approved by the Board of Natural Resources
- Sustainable Harvest Units in western Washington: **20**



Responsible Forestry



Good for you. Good for our forests.®

www.sfiprogram.org

SFI-00071

All DNR-managed forested state trust lands and natural areas across Washington State (approximately 2.4 million acres) are certified under the SFI® 2015-2019 program Standard.

DNR's SFI certificate number: PwC-SFIFM-513



The mark of
responsible forestry

Approximately 176,000 acres of DNR-managed forested state trust lands and natural areas within the South Puget Planning Unit are certified under the FSC® US Forest Management Standard.

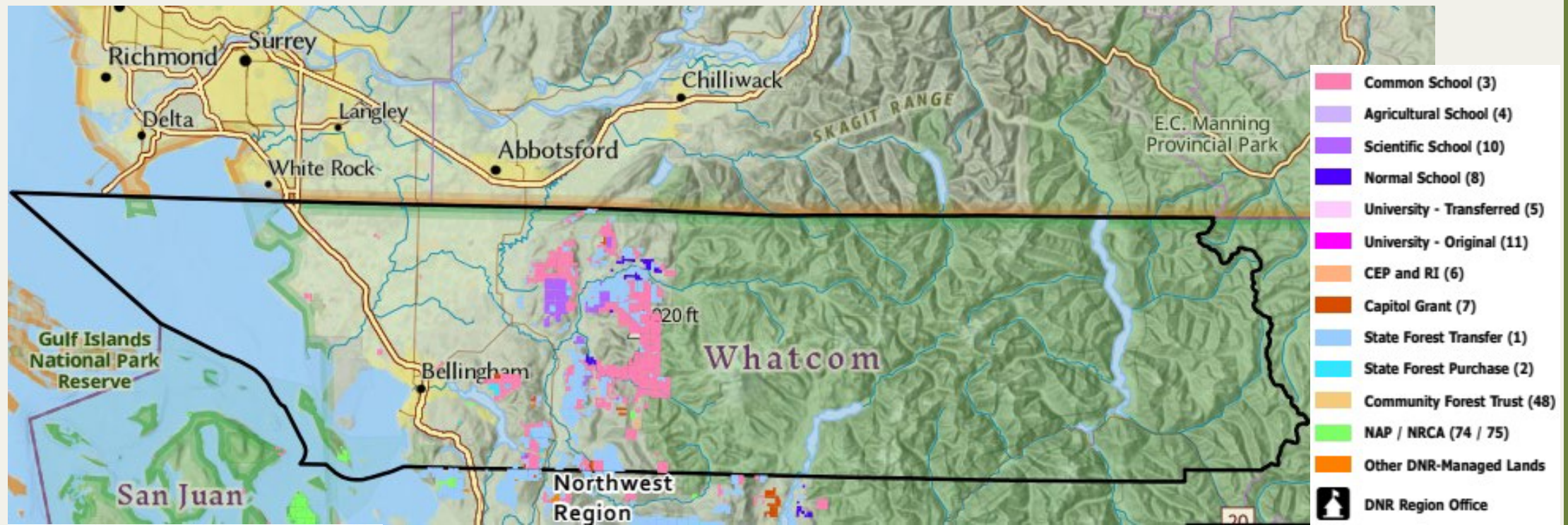
DNR's FSC certificate number: BV-FM / COC-080501

DNR and Multiple Use

- DNR can support other types of activities and management of state trust lands, as long as the agency is able to meet the financial obligations to trust beneficiaries.
- Approximately \$1.4 billion in overall economic activity are generated by DNR's working forests annually.
- The more uses on the land, the more potential there may be for conflict between them.
- Forestland loss is coinciding with an increase in recreation since the pandemic. As a result, increased and varied usage is concentrated on fewer acres of forest land.



DNR Managed Lands in Whatcom County

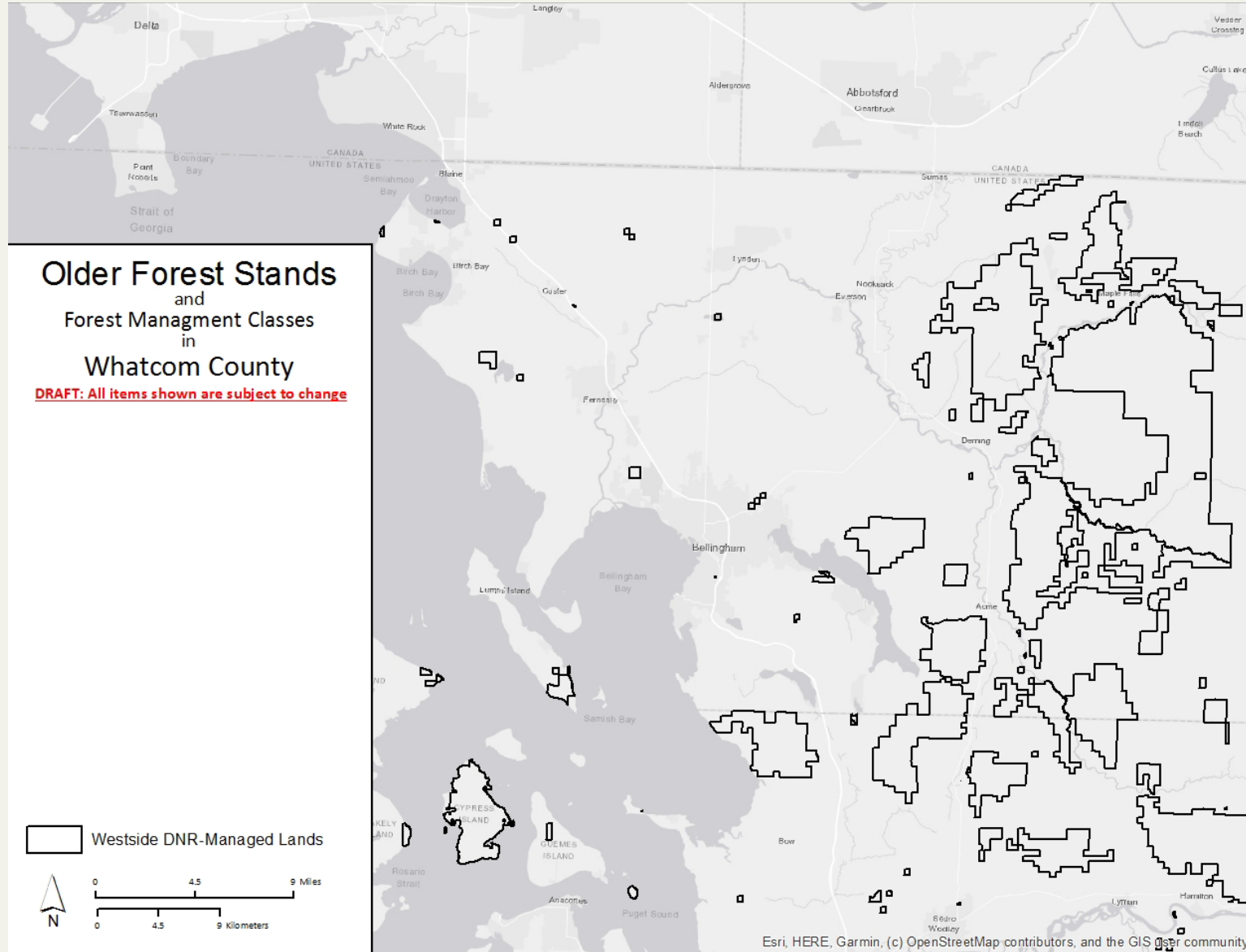


Surface Trust Land Acreage by County

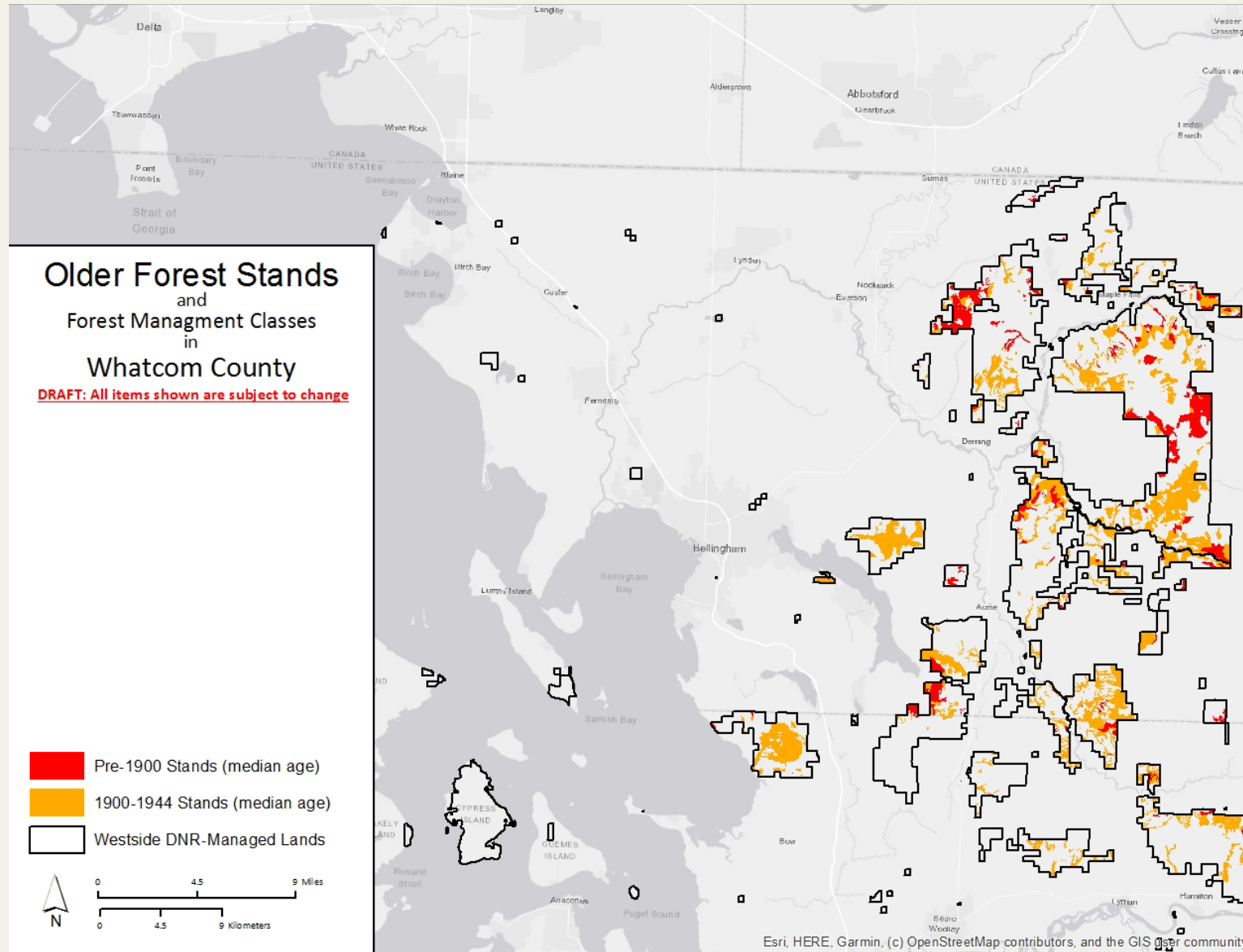
SURFACE TRUST	ACRES
State Forest Transfer (1)	29,232
NAP (74)	229
NRCA (75)	804



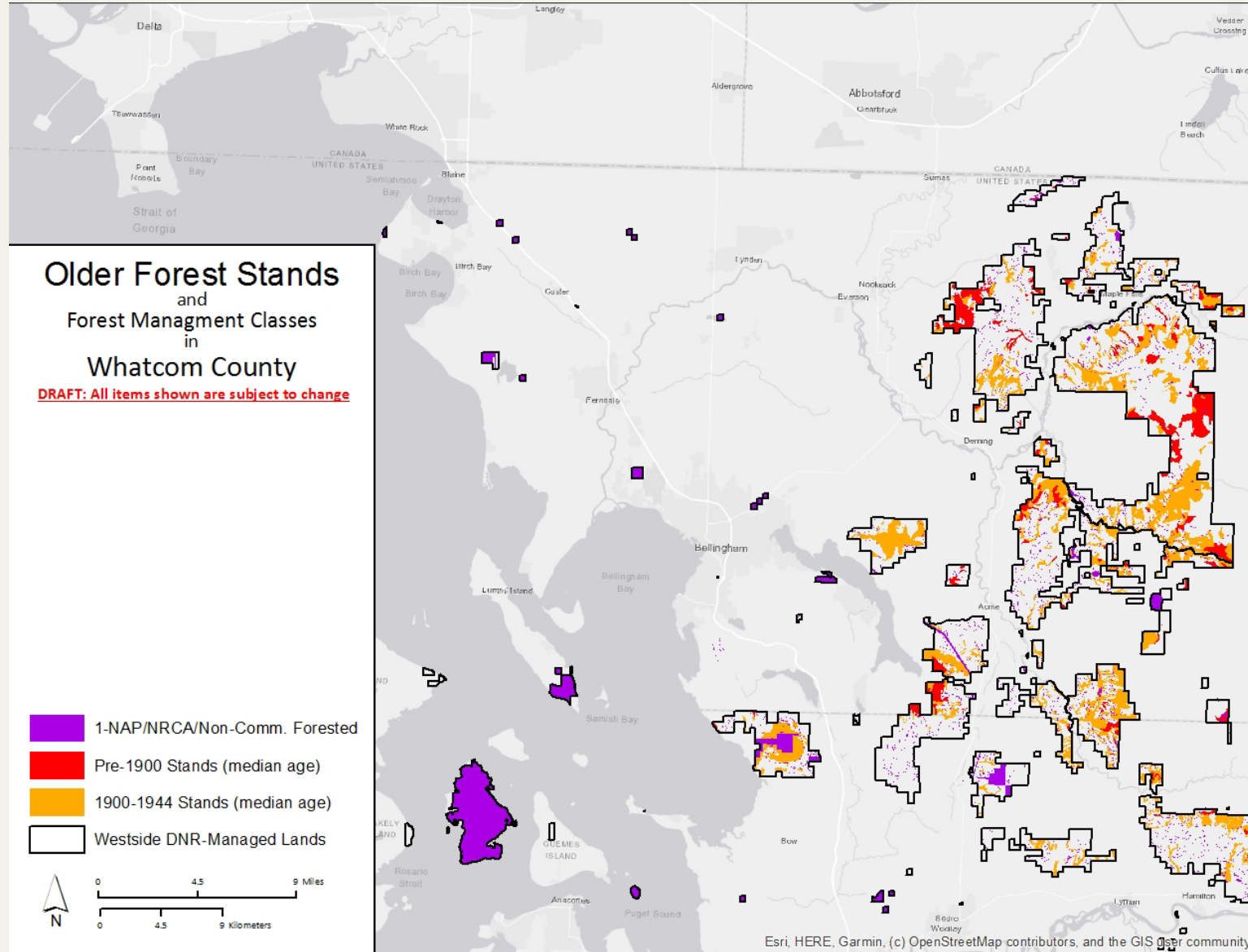
Conservation Acres in Whatcom County



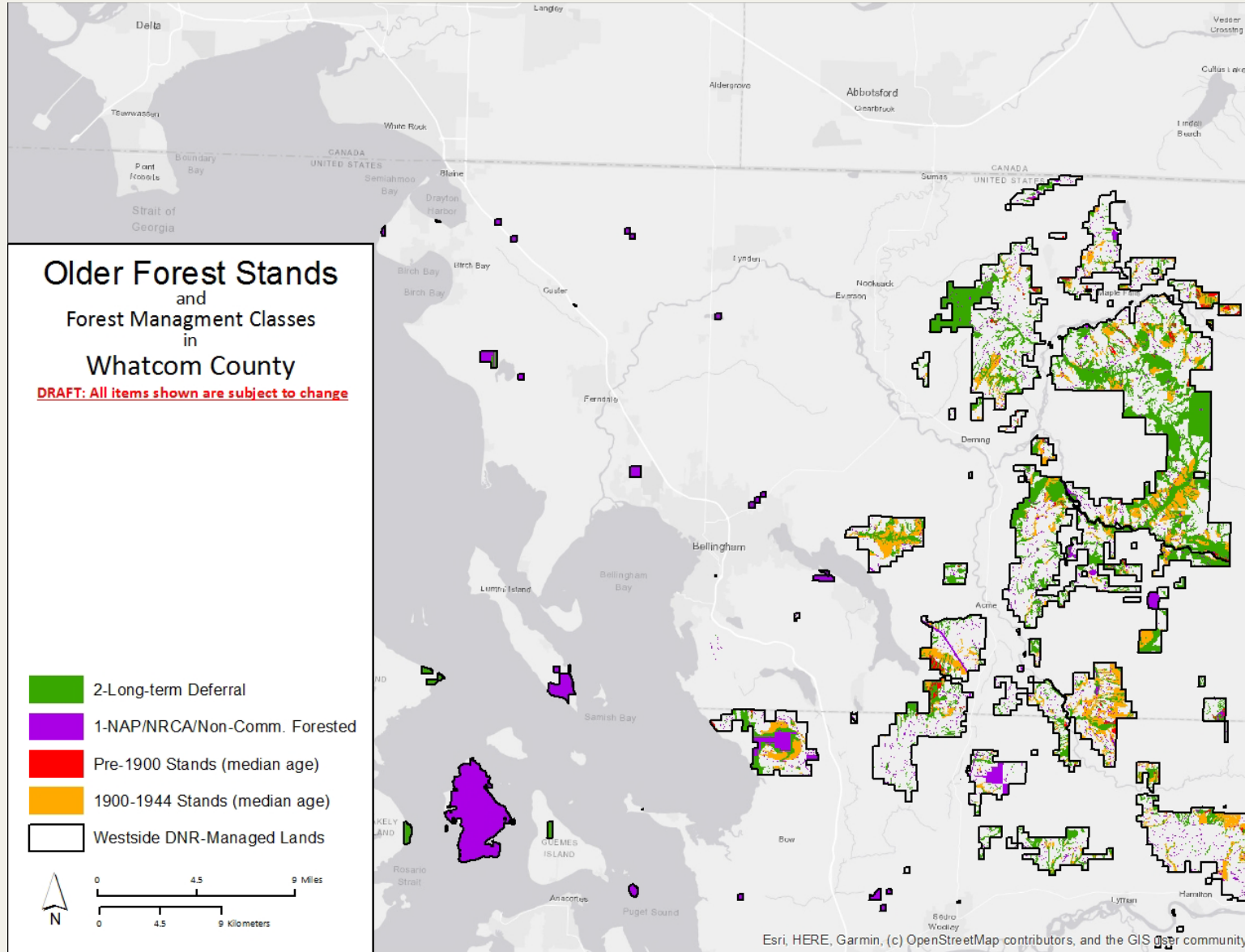
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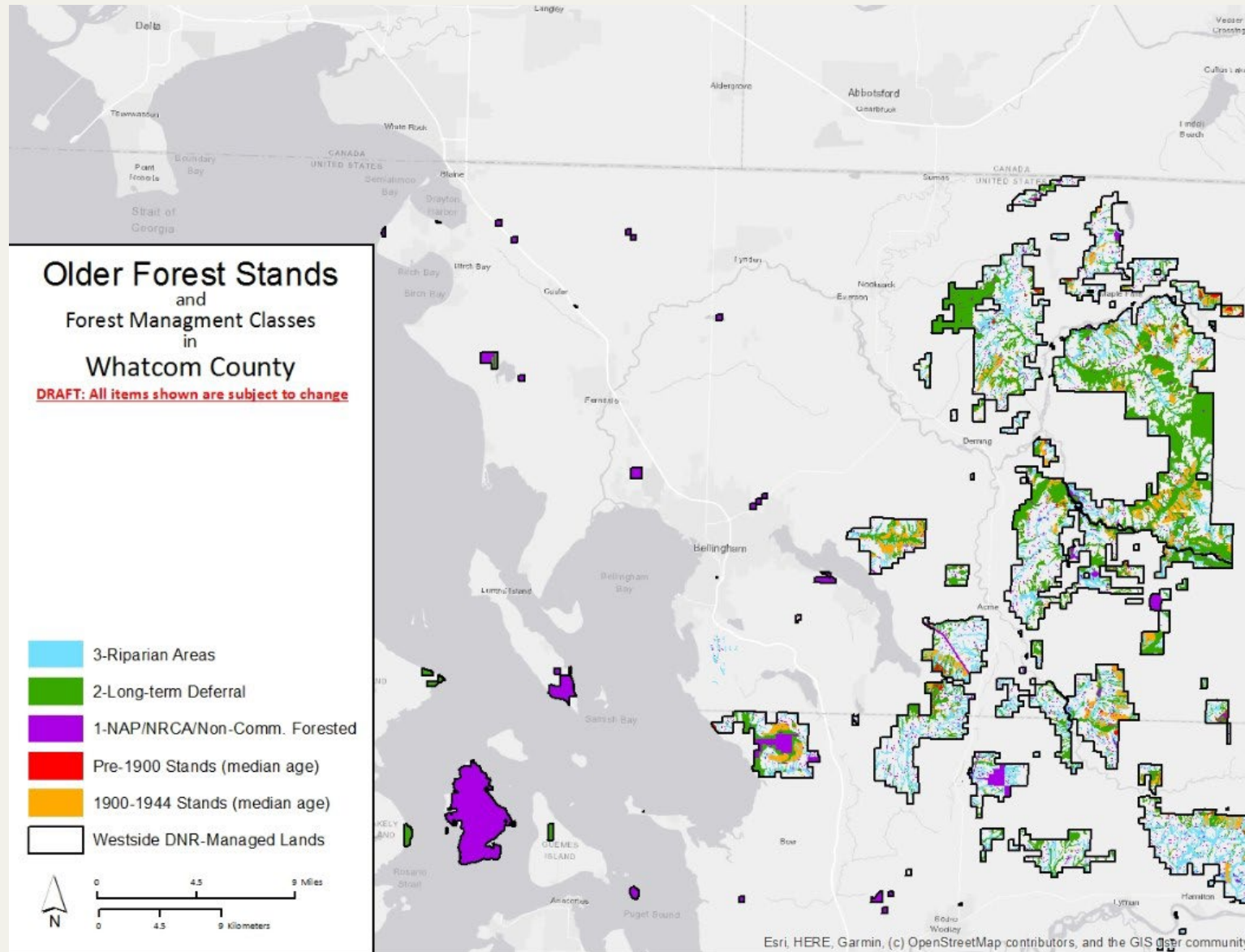
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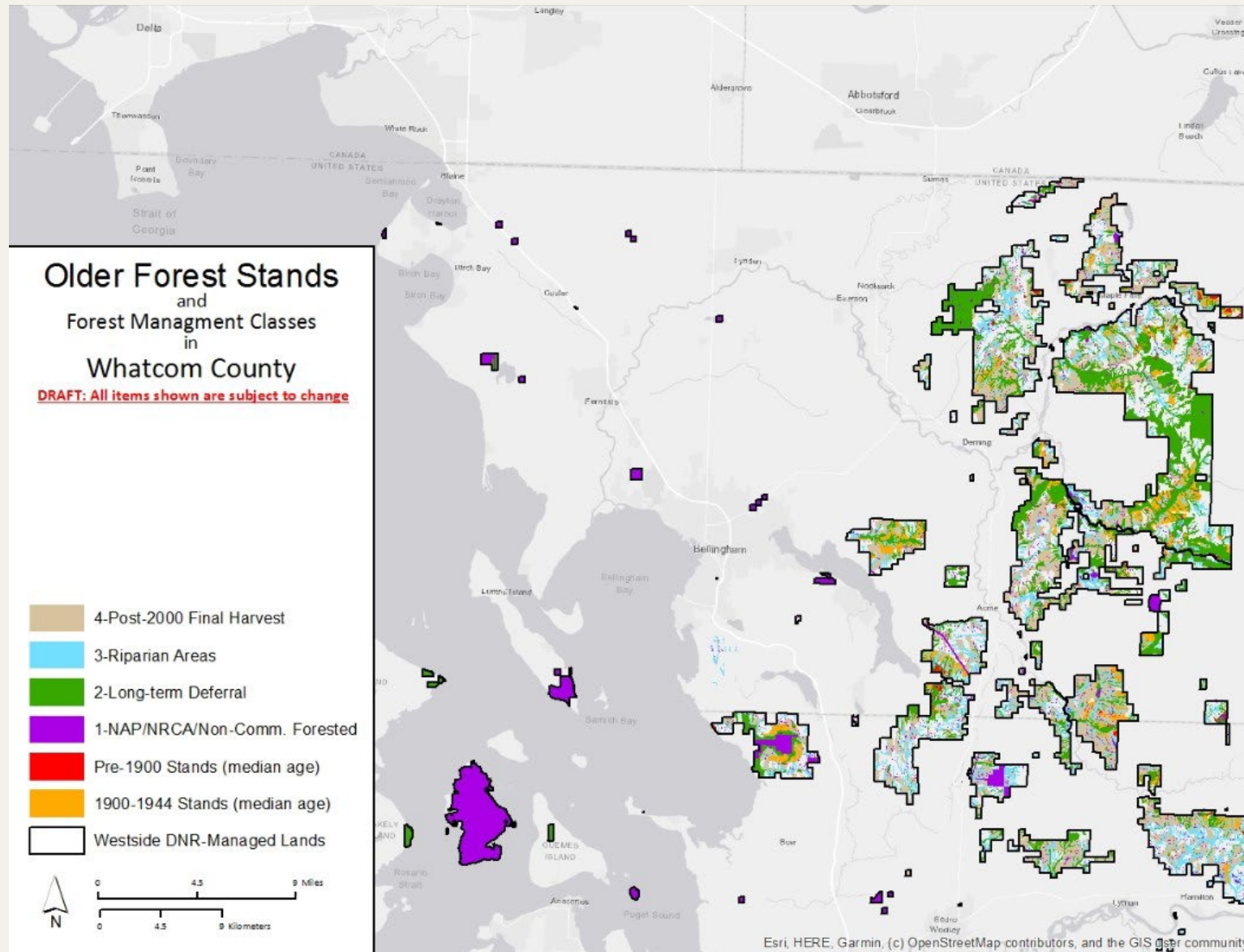
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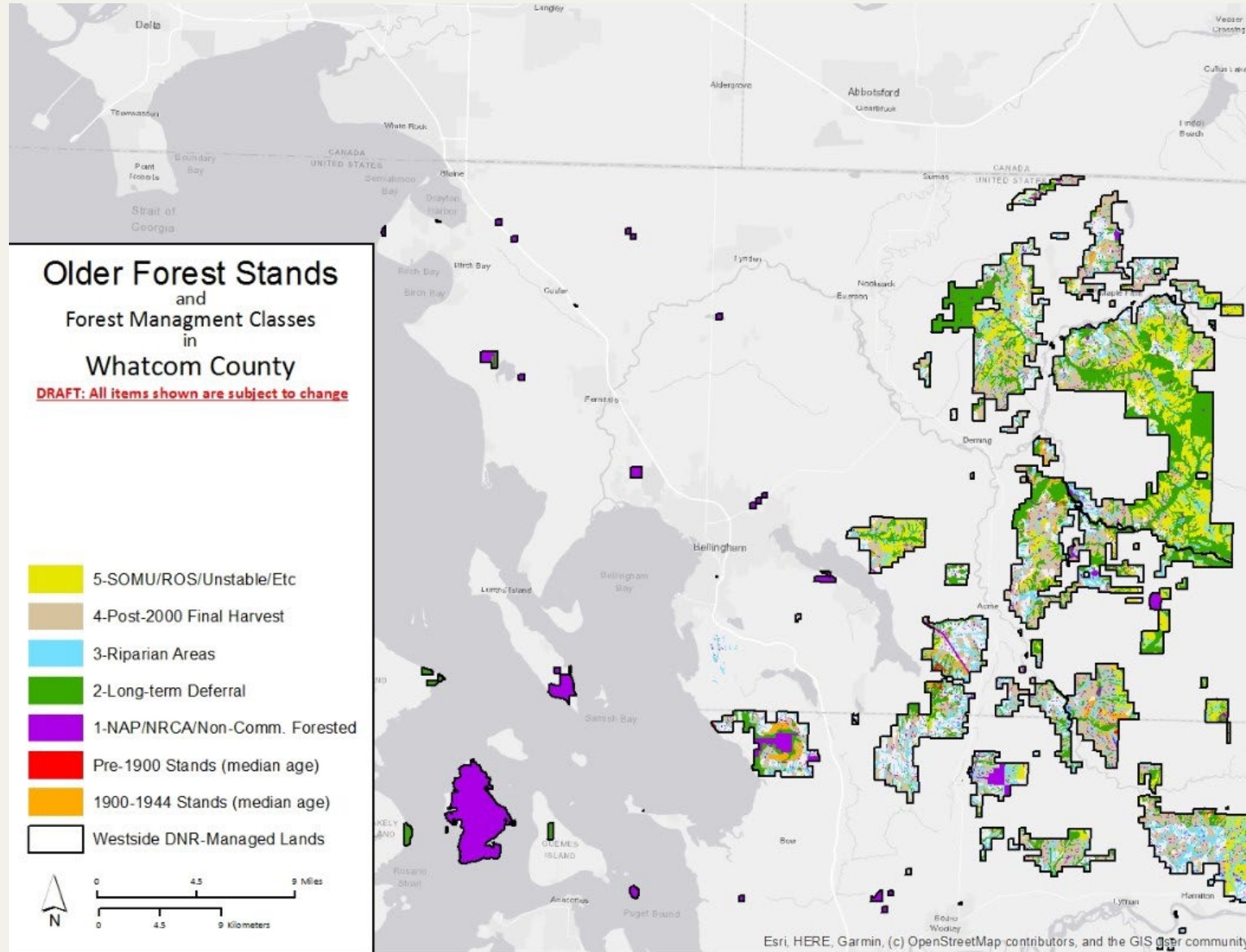
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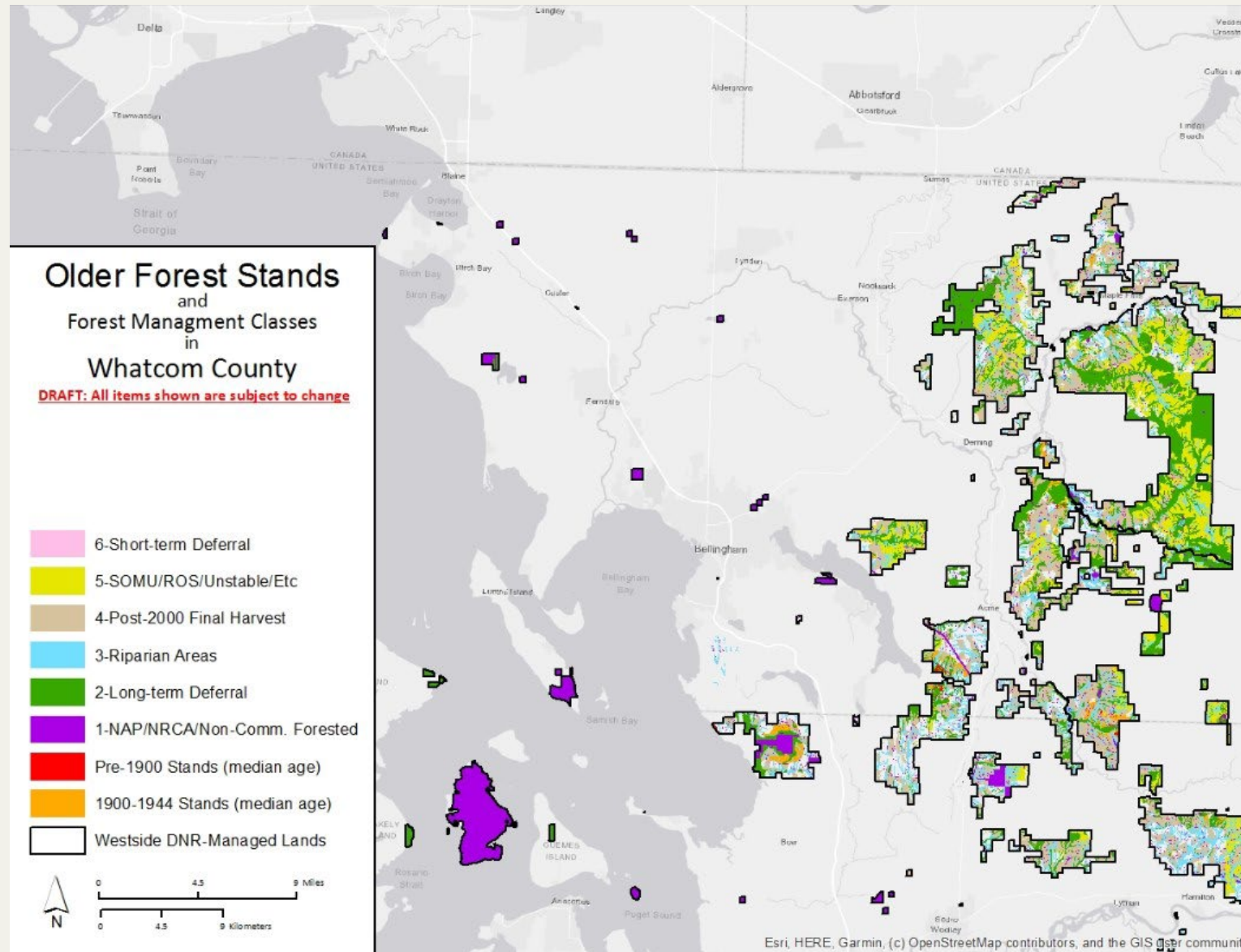
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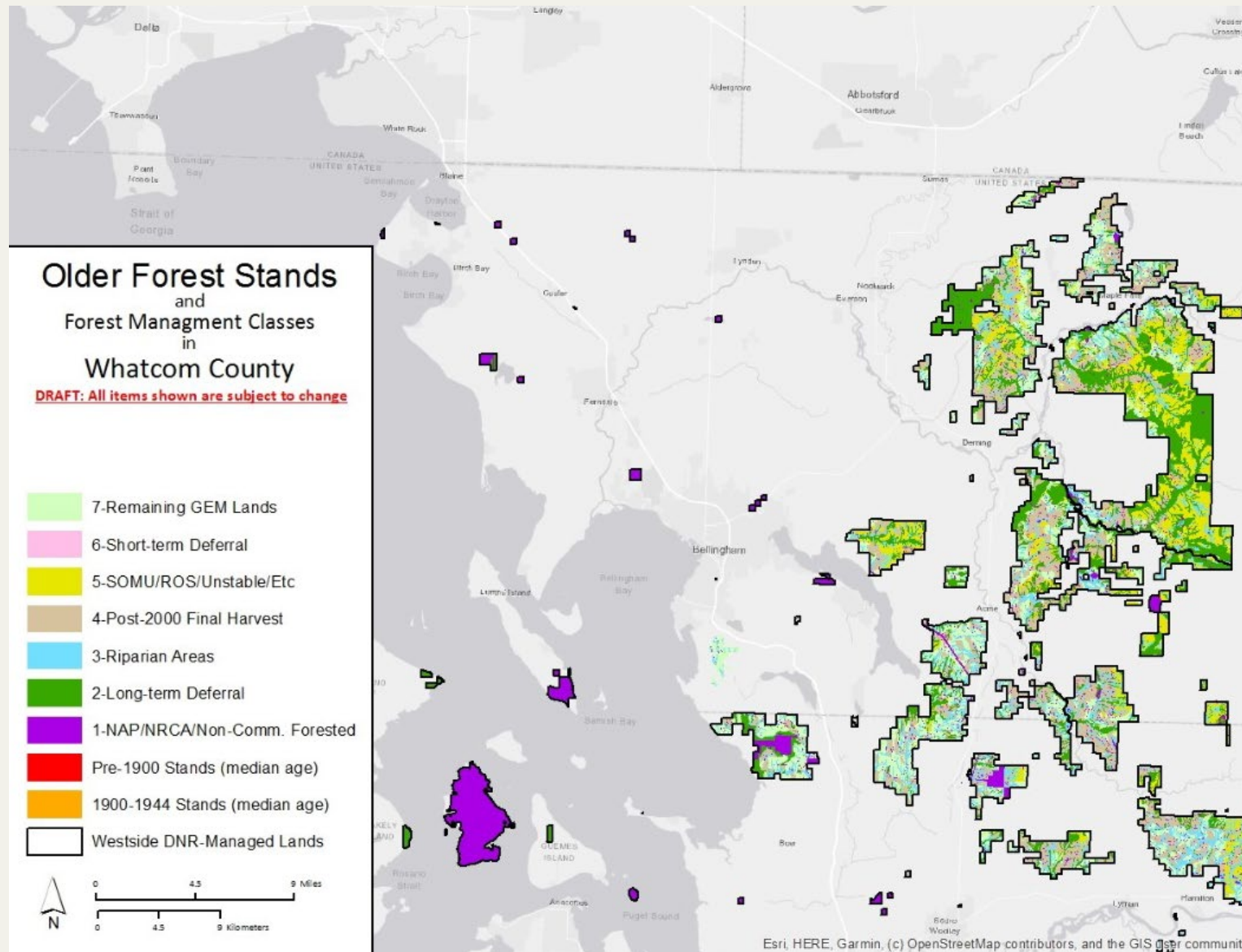
Conservation Acres in Whatcom County



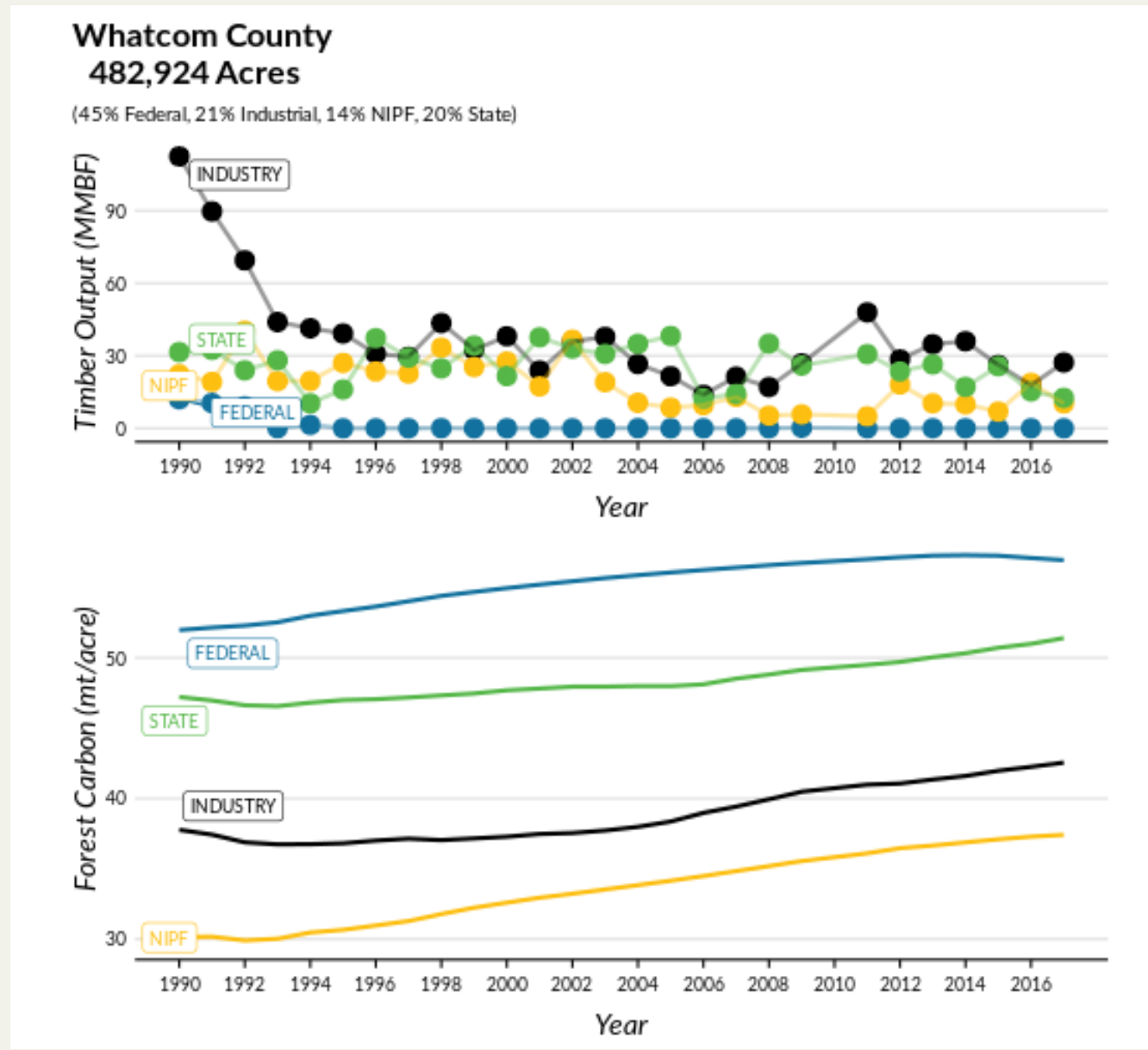
Conservation Acres in Whatcom County



Conservation Acres in Whatcom County



Carbon in Whatcom County

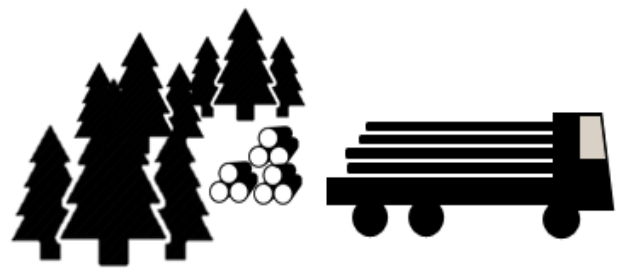


DNR Managed Trust Lands in Whatcom County

	Forested	Non-forested	Total Acres
01 - State Forest Transfer	28,209	1,063	29,271
02 - State Forest Purchase	945	51	996
03 - Common School and Indemnity	43,382	2,153	45,535
04 - Agricultural School	350	2	353
06 - Charitable/Ed/Penal & Reformatory Inst.	380	18	397
07 - Capitol Grant	945	23	968
08 - Normal School	1,871	122	1,993
10 - Scientific School	7,409	234	7,643
Total Acres	83,491	3,665	87,156

State Forest Transfer Trust Distribution

Timber harvest on State Forestlands



Gross Revenue



Forest Development Account (FDA)



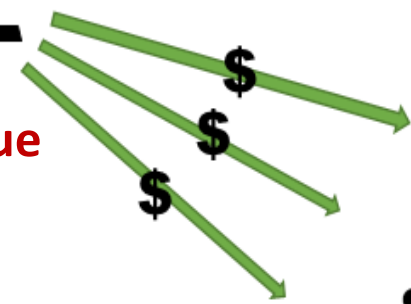
Office of the State Treasurer



County Treasurer(s)
(where State Forestlands are located)



Net Revenue



Treasurer further distributes the revenue to taxing districts within the county in accordance with **RCW 79.64.110**.



Example Timber Sale

Timber Sale Information		
County	Acres	Sale Price
Whatcom	40	\$2,000,000

Trust Distribution		
County	Trust 01	Trust Levy Codes
37 - Whatcom	100%	7002-507

Revenue Distribution		
	Distribution %	Amount
DNR Forest Development Account (FDA)	25%	\$500,000
State Forest Transfer Distribution	75%	\$1,500,000

Example Revenue Distribution

Example Timber Sale			
	Tax Rate	% of Sale	Total to Fund
Conservation Futures	0.02	0.004	\$5,265
Flood Control Zone	0.12	0.017	\$25,742
Port of Bellingham Go Fund	0.02	0.002	\$3,370
Port of Bellingham General Fund	0.13	0.019	\$28,324
Port of Bellingham RDA	0.00	0.000	\$43
County Road Diversion	0.05	0.007	\$10,232
County Road Fund	0.84	0.118	\$176,969
Rural Library	0.30	0.042	\$62,958
Mt Baker School #507 Bond	0.00	0.000	\$0
Mt Baker School #507 Capital Projects	0.52	0.073	\$108,819
Mt Baker School #507 Enrichment	1.62	0.227	\$340,799
State School Part 1	1.58	0.222	\$332,977
State School Part 2	0.84	0.119	\$178,044
County Current Expense	0.59	0.082	\$123,566
Children's Initiative	0.19	0.027	\$40,518
County Mental Health	0.01	0.002	\$2,637
County Developmental Disability	0.01	0.002	\$2,637
County Election Reserve	0.01	0.001	\$1,447
County Veterans Relief	0.01	0.002	\$2,373
Whatcom County EMS	0.25	0.036	\$53,281
Total			\$1,500,000

Collaborative Engagement with DNR

- At each Board of Natural Resources meeting, DNR hears a wide variety of opinions and concerns about specific timber sales, and our management in general
- Each choice DNR makes has **complicated trade-offs**
- Each county has **different thresholds** for the risks and trade-offs that they are willing to consider
- DNR would like to work with counties to better understand those thresholds, and learn how we can better tailor our lands management to suit them