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WHATCOM COUNTY

January 10, 2023

Hilary Franz, Commissioner of Public Lands
Csenka Favorini-Csorba, Senior Policy Advisor, DNR
Jay Guthrie, NW Region Manager, DNR
Laurie Bergvall, Assistant Region Manager, DNR
Bevin McLeod, Director of External Affairs & Community Engagement, DNR
Chris Hankey, Baker District Manager, DNR
Cory McDonald, Proprietary Forester, NW Region, DNR

Dear Commissioner Franz and Staff:

Thank you for providing Whatcom County the opportunity to weigh in on parcels to be included in Phase II of the Carbon Project. We understand that four parcels exist within Whatcom County and have limited our review and feedback to those four parcels. We appreciate DNR's commitment to engaging local governments, tribes, beneficiaries, and stakeholders throughout this process.

Whatcom County has received a significant community response regarding timber sales in mature forests on DNR land. We are grateful DNR included about 1,400 acres of previously unprotected forestland in Phase I of the Carbon Project, most of which is located in Bellingham's drinking watershed. Whatcom County Council and the Administration continue to engage with various stakeholders, including our County's Forest Advisory Committee and Climate Impact Advisory Committee on forestry related issues.

The Climate Impact Advisory Committee recognized the High Conservation Values of the four Phase II parcels, including their contributions to carbon storage and sequestration, and appreciated the diversity of age class being included in the proposed parcels to help inform local understanding of how forests of different ages and different species can sequester and store carbon at different rates. -The Climate Impact Advisory Committee recommended inclusion of all four parcels.

The Forestry Advisory Committee provided significant additional questions regarding how the Carbon Project interacts with other state programs, what management activities are permitted under a carbon lease, what are the quantifiable carbon sequestration benefits of leasing these parcels the carbon project, how the project will this impact to trust land beneficiaries, and what are the potential secondary social and economic impacts of leasing these lands might be.? Without answers to these questions and others, the Forestry Advisory Committee could not recommend nor reject any of the parcels identified.

Based on the input received from these two advisory committees, and considering the future of forest management in Whatcom County, and recognizing that the DNR has requested input within a limited timeframe, we recommend including all four candidate parcels proposed in Phase II that are located in Whatcom County, and further, we request that the DNR increase engagement with Whatcom County

to better understand the benefits and impacts of ensure that the Carbon Project and other DNR actions meaningfully contribute to the resilience of our local public the forestlands and the sustainability impacts to the of our local forestry economy. This recommendation is also made with the understanding that the Carbon Project will generate millions of dollars in revenue and not negatively impact local beneficiaries such as Mount Baker and Nooksack Valley School Districts. We fully encourage the proceeds from the carbon offset credits make the beneficiaries whole. If this is not the case, then we acknowledge this concern.

The Whatcom County Council recognizes the complexity of DNR's carbon project, and recommends that the agency take additional steps to quantify the positive and adverse impacts this project may have to our local forestry economy and our environment. These additional details will better help us understand the costs and benefits of this approach, and whether or not carbon monetization is an appropriate tool for further application on state lands in Whatcom County.

Whatcom County supports actively managing forestlands for multiple additional co-benefits including restoring forest ecosystems, increasing climate resilience, supporting fish and wildlife populations, and improving watershed health all while continuing to support the jobs and infrastructure necessary for a sustainable forestry economy. Through innovative, ecological forest management practices informed by today's science, we believe DNR can help Whatcom County communities adapt to climate impacts, while improving fish and wildlife habitat, increasing carbon sequestration and storage, expanding recreational opportunities, and supporting the timber economy.

We are committed to ensuring that the protection of critical forests and the expansion of climate resilient forest management practices does not burden the local timber economy and can in fact enhance our local forestry economy. We believe in order to accomplish these goals, DNR must expand its consultation with significant stakeholders, local governments, tribes, and community members. engagement is required and Whatcom County is eager to continue working with DNR to facilitate help continue facilitating community dialogue about the stewardship of our forests. and working with the DNR on forestry issues.

Thank you for considering our recommendation to include all four candidate parcels in Phase II of the carbon project. We look forward to our continued work together.

Sincerely,