

**Executive Office suggested edits (from 1/3/2024) highlighted in gray**

**FAC Chair suggested edits highlighted in yellow**

**CLERK OF THE COUNCIL**

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**COUNTY COURTHOUSE**

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**WHATCOM COUNTY COUNCIL**

January 23, 2024

Hilary Franz, Commissioner of Public Lands  
Department of Natural Resources  
111 Washington Street SE  
MS 47001  
Olympia, WA 98504

Dear Commissioner Franz,

The Whatcom County Council is supportive of the efforts of the Department of Natural Resources (DNR) to increase ecological, watershed, and community resilience to future climate impacts through the safeguarding of structurally complex, carbon dense forestland. Furthermore, we appreciate the incorporation of County Council input in the identification of forestland for conservation through the state's Climate Commitment Act (CCA), as requested in a letter to the Whatcom County Council from Hilary Franz, Commissioner of Public Lands, on December 18, 2023.

DNR selected 650 acres of mature forestlands in Whatcom County for potential inclusion in the 2,000 acres to be set aside statewide with funding from the Natural Climate Solutions proviso.

Whatcom County lands identified as candidates by DNR include:

| <u>Anderson Creek Trusts</u> | <u>Acres</u> | <u>Brokedown Palace Trusts</u> | <u>Acres</u> |
|------------------------------|--------------|--------------------------------|--------------|
| State Forest Transfer        | 190          | State Forest Transfer          | 42           |
| Scientific School            | 83           | Common School                  | 33           |
| State Forest Purchase        | 64           |                                |              |
| Common School and Indemnity  | 233          |                                |              |
| Agricultural School          | 4            |                                |              |
| Capitol Grant                | 1            |                                |              |

We understand these parcels were selected by DNR for their structural complexity and proximity to existing protected habitat. The conservation of the Anderson Creek parcels will enable the creation of a large Natural Resource Conservation Area (NRCA) within the Lake Whatcom Watershed, and protection of the Brokedown Palace parcels will help ensure the continued health of adjacent old growth reserves as well as the nearby Middle Fork Special Habitat Area. The strategic conservation of these forestlands will provide benefits to Whatcom County residents for generations to come.

The Whatcom County Council concurs with DNR's plan to transfer the selected 650 acres areas of Whatcom County forestland from trust status for conservation purposes once replacement lands have been identified, with the following caveats

1. -We do not support the inclusion of forests which do not meet the proviso definition of "structurally complex, carbon dense", such as previously harvested, young plantations. It is our understanding, based on the January 9 presentation from Duane Emmons, Deputy Supervisor for Uplands, that a portion of the Brokedown Palace candidate area comprising plantation forest was erroneously included on the December 18 maps and acreage totals but that these younger forests will be excluded from the final area to be preserved.
2. Council provisionally concurs with the plan to transfer the lands in the Scientific School Trust, Common School and Indemnity Trust, Agricultural School Trust, and Capitol Grant Trust (estimated 354 acres of the 650 acres total) provided that the primary beneficiaries to each of these trusts first agrees in writing to the transfer. Alternately, Council would be interested in pursuing a Trust Land Transfer by which these lands would first be exchanged to the State Forest Transfer Trust, at which time we would endorse their inclusion in the program.

We are fully supportive of DNR's efforts to locate and acquire replacement parcels better suited for continued commercial timber production. Our expectation is these acquisitions will fully offset any negative revenue impacts to junior taxing districts. This would include mitigating for negative impacts arising from delays, disruptions or postponement of expected revenue. This valuation should also include explicit assessment of currently operable acreage that is adjacent to, but outside the proposed CCA parcel boundaries, that would become too isolated for future harvests with the withdrawal of the CCA parcels. Council specifically requests that DNR consider retaining a qualified, third party consultant to appraise the subject areas. Some of the beneficiaries have expressed severe budget challenges and getting the answers to the valuation questions during this legislative session is of utmost importance.

We request DNR to notify the Whatcom County Council and Whatcom County Executive if this understanding is inaccurate and if the agency forecasts any negative revenue impacts to local trust beneficiaries associated with this mature forest set-aside, including delay in forecasted payment. If DNR does anticipate negative impacts, Whatcom County requests further conversation with the agency and legislature to find solutions. We remain committed to finding ways to offset any negative impacts the removal of these lands creates for local trust beneficiaries, and we are fully supportive of DNR's efforts to locate and acquire replacement parcels better suited for continued commercial timber production that will benefit Whatcom County's trust beneficiaries.

Thank you for your work. We look forward to our continued collaboration.

Sincerely,

Barry Buchanan, Council Chair  
Whatcom County Council