



Protecting and restoring our Olympic forest
and aquatic ecosystems

February 24, 2009

**PROPOSED DNR / POPE RESOURCES LAND TRADE WILL HURT
EAST JEFFERSON COUNTY'S FORESTRY, HABITAT, and TAX REVENUE**

DNR is proposing to trade 4,186 acres of forest land spread throughout eastern Jefferson County to Pope Resources in exchange for 4,454 acres from Pope Resources that is located west of Hwy 101 and near Quilcene. In essence, DNR has decided to retreat from forestry management in most of eastern Jefferson County and consolidate their holdings near the Olympic National Forest boundary. In many cases, these types of exchanges can be a good thing - increasing the forestry management efficiency and potential for sustainable forestry by consolidating ownership in larger blocks. However, in this case, this is not an exchange of similar types of property. DNR proposes to give away land with much more timber on it, higher quality habitats, higher recreational values, and with a higher risk of development than the lands they would receive from Pope Resources. If approved, this trade would have severe economic and environmental impacts, as well as unravel the sustainability of forestry in eastern Jefferson County.

After a public "informational" meeting was held in 2008, DNR is now tentatively planning a public hearing in February or March. Rather than waste more public resources on an ill-fated proposal, we urge you to contact Peter Goldmark, the newly elected Public Land Commissioner, and request that he cancel this proposed trade and cancel DNR's "asset management strategy" for eastern Jefferson County. This asset management plan, put into effect last year with no opportunity for public comment, restricts DNR's commitment to long-term forestry to an area west of Hwy 101 and the south end of the Coyle Peninsula. Contact Mr. Goldmark at cpl@dnr.wa.gov

You can also contact Jacque Encarnacion at DNR jacque.encarnacion@dnr.wa.gov and request to be placed on the email list for the public hearing announcement for the proposed East Jefferson Land Exchange.

1. Reducing Jefferson County's tax revenues for decades

This proposed trade will severely reduce the tax revenue to Jefferson County generated by DNR timber sales. DNR is giving away lands that still have substantial standing timber volumes (second growth) in exchange for Pope owned lands with little timber value (third growth plantations). It will be decades before most of these third growth plantations are ready to harvest and provide tax revenue for junior taxing districts. In addition, very little DNR land will remain at all in the Port Ludlow area, eliminating an important source of funding for this fire district.

2. Fiscally irresponsible use of public funds

DNR staff have already initiated an expensive appraisal process for the 8,640 acres under consideration in the land exchange, without a public hearing or receiving approval for the trade.

3. A financial boon for Pope Resources and loss to the public

DNR is proposing to trade away land with extensive standing timber (second growth) in exchange for lands with little timber value (third growth plantations) at a time when timber values are extremely low. There is no compelling reason for DNR to trade away trees when their value is low so that Pope Resources can cut and sell them when the value is high and then convert them.

DNR is also planning to trade away land with much higher development values that may not be adequately valued in the appraisal. Most of the DNR properties are located in areas zoned for Forestry, but are located in areas at risk of development, especially if they can be rezoned, including Port Ludlow and along Hwy 104. In exchange DNR would receive land west of Hwy 101 near the Olympic National Forest Boundary that has low development potential. Some of the land traded to Pope Resources near Port Ludlow could possibly be re-zoned for mining purposes, exponentially increasing its value. This may be a major driver of the effort. Although DNR states that the appraisal they are having done by a contractor will take into account the higher development potential of the DNR land, this is only partially true. By law, the appraiser estimates only the current value under current zoning; the appraiser cannot consider the likelihood that the property could be rezoned to a higher density or for mining sometime in the future.

4. Retreating from DNR's commitment under their Habitat Conservation Plan

DNR has been managing its lands in East Jefferson County for over a decade under a state Habitat Conservation Plan that requires much larger buffers and protected areas for streams and wetlands and unstable slopes than required of private timber companies. In addition, on DNR timber lands in East Jefferson County, almost all of the remnant old growth "legacy"

trees, some as much as 500 years old, are protected even if the rest of the area has been cut. Some DNR lands are not clearcut, but thinned to encourage the forest to retain multi-age older forest habitats. When this DNR land is given to Pope Resources, the enhanced protection of the HCP rules will no longer apply. One can expect that all of the remaining old growth legacy trees, thinned forests, and other HCP protected areas and wider buffers will be clearcut in accordance with the forest practice rules for private lands.

In exchange for trading away lands with relatively well protected habitats, DNR will receive mostly third growth plantations, with few old growth legacy trees and minimal stream and wetland protection typical of private industrial timber lands. Arguably, this exchange allows DNR to consolidate its ownership - and big blocks of protected habitat are good for wildlife. However, there is no guarantee that after several decades of managing these newly exchanged lands, that DNR will not trade out of East Jefferson County all together, once again erasing a long-term habitat protection commitment.

DNR has no obligation to maintain the protections of the HCP with a sale, but they may do so. The federal agencies that administer the Endangered Species Act requirements cannot veto a sale. "DNR, at its sole discretion, may require that the recipient of the disposed land commit to managing the disposed land in accordance with the HCP and this Agreement." (HCP, ITP 17.4).

5. Increasing the risk of conversion of East Jefferson County's forest lands

The DNR properties being proposed for exchange include many large blocks of several hundred acres or more in size spread throughout the lowlands of East Jefferson County. In exchange, DNR wants to consolidate its ownership in remote areas west of Hwy 101 near the Forest Service Boundary and at the south end of the Coyle Peninsula. The DNR lands proposed for exchange are mostly adjacent to private timber lands and represent the pillars holding up a viable forest land base in East Jefferson County. Although most of these and surrounding lands are zoned Forestry (1 house per 80, 1 house per 40), they are located in areas, such as near Port Ludlow and along Hwy 104, that are at risk of conversion. Once Pope Resources owns these properties, they can sell them outright for large lot development. Also, Pope Resources, or future owners, can apply for increased zoning density under the county's comprehensive plan. Conversion of these properties for development increases the risk of more conversions on adjacent properties, eroding the forest land base that is necessary for a timber industry in Eastern Jefferson County. DNR and Jefferson County should be trying to bolster forestry in the lowland Puget Sound region, not be the first to retreat. The probable conversion of this land will increase the carbon footprint and make achieving the State goals of carbon reduction more difficult to achieve. DNR has some obligation, at least as a State Agency, to further the State goals of carbon reduction.

6. Reducing the opportunities for public use and recreation

Because the DNR properties are distributed throughout the county, closer to where people live, they are accessible to the public for recreational activities such as walking, biking, fishing, and hunting. The DNR land near Port Ludlow is heavily used. Silent Lake includes public access from DNR land for fishing. If these properties are traded away and DNR lands consolidated west of Hwy 101 near Quilcene, it will greatly reduce the amount of easily accessible public land in Eastern Jefferson County.

7. Expanding the mining near Port Ludlow

DNR lands form the bulwark against an expansion of mining near Port Ludlow. Once Pope Resources owns these properties, there is no guarantee that they will keep them in forestry. Given the recent proposed mining expansions in this area, this is of great concern to the residents of Port Ludlow in particular.

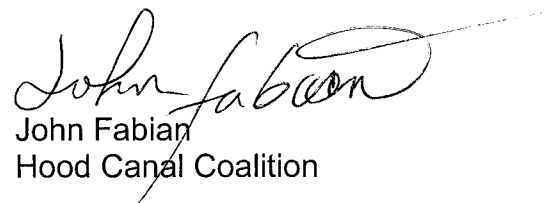
8. Eliminating opportunities for maintaining and growing sustainable forestry in Eastern Jefferson County.

In 2008, DNR Asset Management staff decided that the only viable area for DNR to invest in long-term forestry is west of Hwy 101 and at the south end of the Coyle Peninsula. This was the only area identified as an asset management priority area that would merit additional land acquisitions and long term management. The plan was decided by DNR with no public input or consultation with Jefferson County. In effect, DNR decided to retreat from the lowland forests of eastern Jefferson County deeming it too risky for long term forestry, even though most of this area is zoned forestry. Because of the proposed land exchange tying up most of this "priority area", there is a shortage of land that DNR can purchase for forestry in East Jefferson County. Thus, DNR is having trouble using Trust Land Transfer funds to buy replacement lands for conservation projects in Eastern Jefferson County since they have severely limited their eligible land area. Unless the asset management plan is overturned, eastern Jefferson County will lose opportunities to maintain the forest land base by purchase of new and replacement properties in many excellent locations throughout the county.

Submitted by:



Connie Gallant
Vice Chair
Olympic Forest Coalition



John Fabian
Hood Canal Coalition



Julie Jaman
Olympic Environmental Council

Andrea Mitchell
HOOD CANAL ENVIRONMENTAL COUNCIL