

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of County Commissioners
Mark McCauley, County Administrator

FROM: Heidi Eisenhour, Commissioner

DATE: December 12, 2022

SUBJECT: Comments re: DNR Carbon Project

STATEMENT OF ISSUE:

The Washington State Department of Natural Resources (DNR) is undertaking a Carbon Project that will protect "10,000 acres of Western Washington's most ecologically valuable forests into conservation status to store carbon and generate revenue for state trust land beneficiaries. The new carbon project will lease land for carbon sequestration and storage at a price that is reflective of the economic value of logging, diversifying revenue streams and providing greater financial stability and certainty to beneficiaries." At the time of the project was announced, the agency had identified the first 2,500 acres of forests to be set aside with none of those being in Jefferson County. Following this Phase One allocations, Jefferson County via correspondence from the Board of Commissioners, asked repeatedly to be considered for inclusion in this project. For Phase 2, DNR has identified 50 parcels totaling 11,726 acres as candidates for the remaining 7,500 acres for inclusion, including over 3,900 acres in Jefferson County.

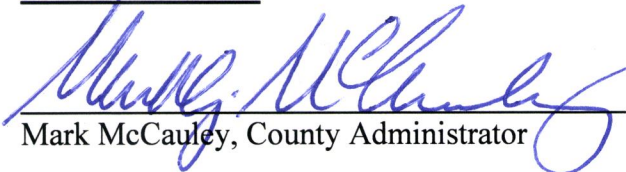
ANALYSIS:

Since announcement of Phase II of this project (More info here: [parcels being considered for inclusion including in Jefferson County](#)) we have been working to understand the financial implications to Jefferson Counties and other beneficiaries located in our county. We've also been hearing from proponents about some of the parcels included in the Jefferson County map. They are known local priorities for different management based on values included in the parcel. In the future as more detailed financial information about this project is available, in addition to discussing the inclusion of these parcels in the Carbon Project proposal, Jefferson County via our Forestry program is interested in discussing other options for potential reconveyance, Trust Land Transfer and/or co-management with DNR for some of these parcels and other known priority parcels.

FISCAL IMPACT: None. This is an informational session.

RECOMMENDATION: Send a letter stating our support for the Carbon Project and also our need for more information.

REVIEWED BY:


Mark McCauley, County Administrator

12/8/22
Date



Board of County Commissioners
1820 Jefferson Street
PO Box 1220
Port Townsend, WA 98368

Kate Dean, District 1 Heidi Eisenhour, District 2 Greg Brotherton, District 3

December 12, 2022

Board for Natural Resources
MS 47000
Olympia, WA 98504-7000

Dear DNR policy leaders,

Jefferson County remains wholeheartedly supportive of the spirit and intent of DNR's proposed Carbon Project. Since early in 2022 we have asked to be included as you move forward with the development of this important project. As we have watched this project unfold we have been heartened by the inclusion of some key tracts of land in Jefferson County.

While we support the project, we absolutely need to know the financial implications to the county and other beneficiaries before we can commit to participation. In the intervening months since we last wrote, we have received a much input from concerned junior taxing districts in Jefferson County – especially those in south county that stand to lose the most from changes to management practices. While we can digest and accept a moderate decrease in short term revenue for long term sustained income for the districts that would be generated via DNR's Carbon Project, it's not prudent at this point to even estimate what those reductions might be. Also, would a county have the option to opt out of the program if actual revenue does not meet the needs of the county and other Jefferson County beneficiaries?

We remain interested in creating and implementing a vision for the future of publicly-owned timberlands here, one which produces world-class lumber and other forest products while at the same time contributing to climate mitigation and a multitude of ecosystem functions, without penalizing those that rely on timber revenue. We have begun conversations with the Olympic Region on developing a strategy for co-management of certain tracts of trust land in east Jefferson County. In this work we will maintain our focus on reliable revenue to our beneficiaries, identifying forests with the high ecological function and potential for recreation and conservation - and exploring forest management strategies that further these goals, along with wildfire risk mitigation.

We believe DNR and Jefferson County have a unique opportunity to partner in developing new revenue models and alternatives that are less dependent on clear-cutting to fund schools, libraries and other essential services. This partnership will continue to explore the many tools that DNR has, and Jefferson County is an eager participant in, including Reconveyance, Trust Land Transfer, Community Forests and Natural Areas. We hope that the Carbon Project will be a tool in this toolbox too.

Likewise, as we've said before, our partnership will also identify lands best suited for intensive plantation management in order to avoid future conflicts and continue a consistent supply of wood necessary to support the forest industries, an important economic and cultural driver on the Olympic Peninsula.

Sincerely,

Heidi Eisenhour, District 2 and Chair

Kate Dean, District 1

Greg Brotherton, District 3

C: Senator Kevin Van De Wege, Representatives Mike Chapman and Steve Tharinger