



2023 Jefferson County Conservation Futures Program Property Acquisition Project and/or Operations and Maintenance Project Application

Please complete the following application in its entirety. Be sure to answer "N/A" for questions that don't apply to the project. Incomplete applications will not be accepted for consideration.

Unless directed otherwise, use as much space as needed to answer each question.

Contact program staff at 379-4498 or tpokorny@co.jefferson.wa.us with questions.

Background and Eligibility Information

1. Project Title **Schmidt Farm – Schmidt Farm - Phase II of Quilcene Headwaters to Bay project**

2. Conservation Futures Acquisition Request: \$55,000

Conservation Futures O&M Request: \$5,000

3. Total Conservation Futures Request: \$60,000

4. Please indicate the type of interest contemplated in the acquisition process.

☐ Warranty Deed

☒ Easement

☐ Other (Please describe below.)

In whose name will the property title be held after acquisition?

Paul and Mary Schmidt with a conservation easement held by Jefferson Land Trust, and a REPI easement held by the US Department of Defense.

5. Applicant Information

Name of Applicant or Organization: Jefferson Land Trust

Contact: Sarah Spaeth

Title: Director of Conservation & Strategic Partnerships

Address: 1033 Lawrence St. Port Townsend, WA 98368

Phone: (360) 379-9501, ext. 101 Fax: () - , ext.

Email: sspaeth@saveland.org

6. Sponsor Information: (if different than applicant) _____

Organization Name: _____

Contact: _____

Title: _____

Address: _____

Phone: () - , ext. Fax: () - , ext.

Email: _____

This application was approved by the sponsor's legally responsible body (*e.g., board, council, etc.*) on February 21, 2023

7. Project Location

Street Address or Description of Location: 255 Jakeway Rd. Quilcene 98376

Driving Directions from Port Townsend: Take Center Road south to East Quilcene Road. Head east to Jakeway Road (just past head of Quilcene Bay). Turn left onto Jakeway Road and follow to 255 Jakeway at the end.

Section: 18

Township: 27 N

Range: 1W

Assessor's Parcel Number(s): 701 182 005, 701 183 003

Please differentiate current and proposed ownership of each APN and indicate if the parcel is to be acquired with CF funds or used as match.

Both parcels listed above are to be preserved with a conservation easement held by Jefferson Land Trust, along with a Navy Readiness and Environmental Protection Integration (REPI) easement.

Please list the assessed values for each property or APN, as applicable.

701 182 005 - \$716,423 current market value assessed (includes improvements), and the total current use taxable value at \$554,358

701 183 003 - \$182,175 current market value, with total current use taxable value at \$6,334

8. Existing Conditions

New Site: Yes No ☒

Number of Parcels: 2

Addition to Existing Site: Yes ☒ No

Acres to Be Acquired: 67

Total Project Acreage (if different): ~195-acres (adjacent Jefferson Land Trust Preserve on Donovan Creek + Mahan conservation easement property + Schmidt project)

Current Zoning: AP1:20

Existing Structures/Facilities: One residence, a loafing shed/shop, hay barn, silo, covered bridge and other small outbuildings.

Any current covenants, easements or restrictions on land use: None

Current Use: Residential and agricultural uses

Waterfront (*name of body of water*): Jakeway Creek

Shoreline (*linear feet*): Approximately 2068 ft of Jakeway Creek

Owner Tidelands/Shorelands: Directly adjacent to Quilcene Bay estuary and Donovan Creek riparian habitat

9. Current Property Owner **X** is ___ is not a willing seller.

Project Description

10. In 1,000 words or less, provide a summary description of the project, the match, overarching goal, and three top objectives. For each objective, identify the metric(s) that will be measured to determine if the objective is being achieved and the timeframe for meeting the identified metric. Include information about the physical characteristics of the site that is proposed for acquisition with Conservation Futures Program funds including: vegetation, topography, surrounding land use, and relationship to parks, trails, and open space. Describe the use planned for the site, any development plans after acquisition (including passive development), characteristics of the site which demonstrate that it is well-suited to the proposed use, and plans for any structures currently on the site. If applicable, describe how the site project relates to a larger conservation program (please identify), and whether the project has a plan, schedule and funding dedicated to its completion. Please also list any important milestones for the project or critical dates, e.g. grant deadlines. List the dates and explain their importance. Please attach a spreadsheet of the budget.

Jefferson Land Trust is seeking Conservation Futures funding in the amount of \$60,000 for Phase II of the Quilcene Headwaters to Bay project, located at the head of Quilcene Bay. The goal of the project is to protect valuable farmland with prime soils and riparian habitat along Jakeway Creek as it flows from the forested headwaters on the adjacent Mahan property, preserved in 2020, through the Schmidt Farm to the Land Trust's Lower Donovan Creek Preserve and tidal areas of Quilcene Bay (please see attached maps for full project geography). The Schmidt property consists of mostly pastureland, is one of the largest agricultural parcels in the Quilcene area, and the gently sloped topography and prime agricultural soils contribute to its economic viability as a farm, making it a desirable addition to the larger conserved acreage of both farmland and habitat at the head of Quilcene Bay. Quilcene Bay (less than 500ft from the Schmidt Farm) provides rich habitat for salmonids including federally-threatened Hood Canal summer chum salmon, Puget Sound Chinook salmon, steelhead trout and coastal Puget Sound bull trout, as well as Strait of Georgia coho salmon (federal species of concern), pink salmon, and cutthroat trout. The salt marshes and Quilcene Bay also support eelgrass and dune grass beds that provide cover and habitat for spawning forage fish, native shellfish, crabs, beavers, river otter, harbor seals and numerous shore and water birds including at least nine federal or state listed species. The Land Trust and other partners including the Hood Canal Salmon Enhancement Group, Jefferson County Conservation District (JCCD), Jefferson County, and private landowners have been working on preserving and restoring upland forests, wetland, riparian and estuarine habitat of Quilcene Bay for nearly 30 years, and this project represents a unique chance to preserve a missing puzzle piece of prime agricultural land and habitat and expand on those earlier efforts. Phase I of the Quilcene Headwaters to Bay project was the permanent protection of the Mahan conservation easement which closed in 2020 with funding from Jefferson County Conservation Futures Funds.

In Phase II of this Headwaters to Bay project, we have the opportunity to work with the Schmidts to preserve their 67 acres of historic, prime farmland and Jakeway Creek habitat. The property is zoned Agricultural Production 1 development right per 20 acres. The pastureland that comprises most of the Schmidt Farm has been in agricultural use for nearly 100 years, almost exclusively for raising dairy cows and more recently for beef cattle and hay production. In addition to the one residence located in the NE corner of the farm,

agricultural infrastructure includes one hay shed (former dairy barn), one concrete silo, a finished barn "loafing shed" that includes shop space, all of which supports the agricultural viability and production potential of this farm. The pastures are currently set up with 6 large fenced areas, allowing for livestock rotation, each of which provides restricted access for cattle to drink out of Jakeway Creek. According to WDFW, Jakeway Creek hosts coho, cutthroat, waterfowl concentrations, trumpeter swans (plus fall chum and steelhead trout in Donovan Creek) and includes Priority Freshwater Emergent and Freshwater Forested/shrub Habitat and a spotted owl management buffer. This project will also fill a gap in the protection of a continuous corridor from the marine waters of Quilcene Bay to the forested uplands, a connection that enables species movement from day to day and over time as the climate changes, thereby increasing resilience and supporting biodiversity.

Located within the middle of the southern Schmidt parcel, a private inholding of 1.28 acres is owned by another landowner, but the Schmidts (or any future landowners of the Schmidt property) have the first right of refusal to acquire the small inholding when it comes up for sale. The Schmidts are of retirement age and are ready to sell the farm as soon as possible. They are anxious to have their farm permanently protected so that they know that the agricultural and habitat values are protected when they sell the property, which they aim to do within the year.

Jefferson Land Trust was successful in applying for the Recreation and Conservation Office's (RCO) Washington Wildlife and Recreation Program's (WWRP), a State Farmland Preservation Program grant in 2022 for protecting Schmidt Farm with a conservation easement; our strong ranking indicates that we will receive funding in September 2023. This farmland grant program conducts a thorough review of farmland viability including soils, infrastructure, water rights, and threat. This project ranked highly amongst several statewide projects. In 2021 Jefferson Land Trust applied to the County Conservation Futures Fund and while we were not awarded funding that year, the committee vocalized their support for this project and encouraged us to apply again when the project was closer to closing. The Land Trust now aims to have this conservation easement completed before the end of 2023, and CFF funds will provide essential funding toward this goal. Additionally, funding from the Navy REPI program for the REPI easement will also provide a substantial amount of the funding for this project, matching the funds from the CFF program. These state and federal grant dollars contributing to this project have reduced the amount of funding needed from the CFF program.

To date, Jefferson Land Trust protects over 128 acres of riparian, wetland, and estuarine habitat at the head of Quilcene Bay through two conservation easements and fee ownership of two nature preserves. Extensive restoration efforts have been undertaken over the past decade on Jakeway and Donovan Creeks by Jefferson County Conservation District (JCCD), Jefferson County, Jefferson Land Trust, and the Hood Canal Salmon Enhancement Group (HCSEG). Subsequent to the 2007 replacement of a 5-ft. culvert (identified as a fish barrier) under East Quilcene Road with a 70-ft. concrete bridge by Hood Canal Salmon Enhancement Group and Jefferson County Public Works, Jefferson Land Trust worked with project partners on a major restoration project to restore lower Donovan Creek to its historic channel. We replanted the riparian buffer and wetlands with thousands of native plants in 2016 and have been managing the restoration site since. Additionally, project partners are working with nearby landowners to permanently protect an additional 51-acre farm and 33 acres of estuary which will allow for restoration actions on upper Donovan Creek and on the Little Quilcene River as it enters Quilcene Bay.

Other adjacent lands are owned by Pope Resources, Department of Natural Resources and private landowners. Protection of the Jakeway Creek tributary represents an important expansion of these investments and is being developed in close partnership with the Jefferson County Conservation District.

Top objectives:

1. Secure CFF funding to match the State Farmland Preservation Program and Navy REPI funding – summer/autumn 2023
2. Develop the terms of the permanent conservation easement in collaboration with landowners; get the value of the easements appraised by certified appraiser – throughout 2023
3. Purchase and close on the conservation easement and restrictive easement which provides permanent protection of the agricultural and habitat values– late 2023

The overarching goal of this project is to restrict further residential development by retiring the estimated two additional development rights and will protect the pastureland for agricultural uses and the Jakeway Creek buffer area for habitat values by utilizing two permanent easements. The sale of a conservation and REPI easements will help keep this farmland affordable for the next landowners – a goal that the Schmidts and the Land Trust share.

11. Estimate costs below, including the estimated or appraised value of the property(ies) or property right(s) to be acquired, even if Conservation Futures funds will only cover a portion of the total project cost. In the case of projects involving multiple acquisitions, please break out appraisals and estimated acquisition costs by parcel. Estimated or Appraised Value of Property(ies) to be Acquired:

Total Estimated Acquisition-related Cost (*see Conservation Futures Manual for eligible costs*): \$564,600

Total Operation and Maintenance Cost: \$10,000

Total Project Cost: \$574,600

Basis for Estimates (include information about how the property value(s) was determined, anticipated acquisition-related costs, general description of operation and maintenance work to be performed, task list with itemized budget, and anticipated schedule for completion of work):

Quilcene Headwaters to Bay Preserve Phase II Project related costs	Timeline	Est. Total Cost	CFF Request	Match
Easement acquisition	2023	\$500,000	\$55,000	\$445,000
Land acquisition related costs, i.e. appraisal, survey, Baseline document, Stewardship Plans, closing costs	Late 2023	\$44,600	\$0	\$44,600
Project management, admin and legal fees	ongoing	\$20,000	\$0	\$20,000
O&M	ongoing	\$10,000	\$5,000	\$5,000
Total		\$574,600	\$60,000 (10%)	\$514,600 (90%)

The estimate for the value of the easement acquisition is based on the current Jefferson County fair market value assessment of the property, combined with our knowledge of the appraised value of other conservation easements on local farmland recently. Similarly, Jefferson Land Trust completes multiple acquisition projects a year which helps us provide experienced estimates for project management and other administrative costs that will be needed for this project.

O & M only go to question #15:

Scored Questions

1. To what degree does the project leverage contributions for acquisition from groups, agencies or individuals?

1 a. Sponsor or other organizations X will ___ will not contribute to acquisition of proposed site and/or operation and maintenance activities.

1 b. If applicable, please describe below how contributions from groups or agencies will reduce the need to use Conservation Futures program funds.

1 c. Matching Fund Estimate	Acquisition	O&M	%
Conservation Futures Funds Requested	<u>\$55,000</u>	<u>\$5,000</u>	<u>10%</u>
Matching Funds/Resources*	<u>\$504,600</u>	<u>\$5,000</u>	<u>90%</u>
Total Project Acquisition Cost	<u>\$564,600</u>	<u>\$10,000</u>	<u>100%</u>

* If a prior acquisition is being proposed as match, please describe and provide documentation of value, location, date of acquisition and other information that would directly link the match to the property being considered for acquisition.

1 d. Source of matching funds/resources	Amount of contribution	Contribution approved?	If not, when?	Contribution available now?	If not, when?
<u>Navy REPI</u> _____	<u>\$234,600</u> ___	<u>Yes</u> No	_____	<u>Yes</u> No	_____
<u>State Farmland Preservation</u> _____	<u>\$280,000</u> ___	<u>Yes</u> No	_____	Yes <u>No</u>	<u>9/23</u> _____
_____	\$ _____	Yes No	_____	Yes No	_____
_____	\$ _____	Yes No	_____	Yes No	_____

NOTE: Matching funds are strongly recommended and a higher rating will be assigned to those projects that guarantee additional resources for acquisition. Donation of property or a property right will be considered as a matching resource. Donation of resources for on-going maintenance or stewardship ("in-kind" contributions) are not eligible as a match.

2. To what degree does the project sponsor commit to provide long-term stewardship for the proposed project?

2 a. Sponsoring agency X is ___ is not prepared to provide long-term stewardship (easement monitoring, maintenance, up-keep, etc.) for the proposed project.

Protection and stewardship actions for this property are designed to protect the agricultural vitality of the region along with the habitat needs for declining salmonid populations and estuary functions in Quilcene Bay, which are aligned with regional salmon recovery priorities. Jefferson Land Trust has developed a rigorous program for stewardship and monitoring of conservation easement terms over the 34 years since we were formed, including at least annual on-the-ground monitoring of the property by professional staff and trained volunteers, extensive data collection and management, help with stewardship, enhancement, and restoration goals, as well as legal defense of the conservation easements should it become necessary. As of 2023, Jefferson Land Trust has a legal defense fund of over \$832,000 and continues to build this fund with each new easement acquisition, recognizing the legal obligation and responsibility of protecting conservation values in perpetuity. In addition, Jefferson Land Trust carries legal defense insurance for conservation easements through a program called Terrafirma, developed through the national Land Trust Alliance (the national umbrella organization for land trusts). This program covers up to \$500,000 in legal enforcement costs per conservation easement that Jefferson Land Trust holds and stewards.

2 b. Describe any existing programs or future plans for stewardship of the property, including the nature and extent of the commitment of resources to carry out the stewardship plan.

In addition to our regular easement monitoring program described above, our close partners, the Jeff. Co. Conservation District (JCCD) and the Hood Canal Salmon Enhancement Group (HCSEG) have worked with landowners in the Quilcene Bay watershed to implement best management practices on agricultural land and to restore salmon, riparian, and wetland habitats. These partners provided technical expertise, support, and on the ground oversight of restoration activities. We expect that the Schmidt project provides a potential future partnership opportunity for the JCCD or HCSEG to conduct additional restoration and enhancement activities on Jakeway Creek, which would reduce sediment buildup and improve salmon habitat.

3. To what degree has the project sponsor demonstrated effective long-term stewardship of a similar project?

3 a. Describe the sponsoring agency's previous or on-going stewardship experience.

Over the 34 years since it was formed, Jefferson Land Trust has managed many acquisition projects with several project partner organizations, including Jefferson County, The Trust for Public Land, Northwest Watershed Institute, North Olympic Salmon Coalition (NOSC), JCCD, HCSEG, the Navy and others, and we have been responsible for conducting or coordinating restoration activities in partnership with many of those same agencies and organizations. We hold 68 conservation easements on 4,526 acres and have helped with the preservation and stewardship of another 12,528 acres in Jefferson County. The Land Trust also holds title to over 864 acres of preserves, including the nearby Donovan Creek preserves as well as the Big Quilcene and Duckabush Rivers south of this project site which directly affect Quilcene Bay and the Hood Canal.

Jefferson Land Trust stewardship and monitoring protocols were developed with the guidance of the national Land Trust Alliance, and adherence to those protocols is one of the requirements for our formal land trust accreditation. Collaboration is at the heart of our approach to conservation. We engage with partners in the "Chumsortium" to bring back vibrant salmon runs on Hood Canal, and in the Jefferson LandWorks Collaborative to support big-picture thinking around the ongoing economic viability of local farms and working forests. We partner with regional government, local and national agencies, Tribes, peer

organizations, and individual citizens to safeguard the places we love and that are crucial to the health of our community, now and into the future.

3 b. Has the project sponsor and/or applicant been involved in other projects previously approved for Conservation Futures funding?

☐ No, neither the sponsor nor applicant has been involved in a project previously approved for Conservation Futures funds.

☒ Yes, the sponsor and/or applicant for this project has been involved in a project previously approved for Conservation Futures funds. Please provide details:

Jefferson Land Trust has worked with many willing landowners and has sponsored 37 CFF applications over the years since Jefferson County approved collection of the conservation futures property tax and developed the program in 2003. These projects are found in almost all areas of East Jefferson County and range from fee simple acquisition of nature preserves that are held by Jefferson Land Trust, or by other entities such as the City of Port Townsend, Jefferson County or the Jamestown S'Klallam Tribe, to permanent conservation easements held by Jefferson Land Trust on privately owned properties.

4. To what degree is the acquisition feasible?

4 a. Property ☒ can ☐ cannot feasibly be acquired in a timely fashion with available resources.

4 b. Necessary commitments and agreements ☐ are ☒ are not in place.

4 c. All parties ☐ are ☒ are not in agreement on the cost of acquisition.

If "not" to any of the above, please explain below.

We have begun drafting the conservation easement and REPI restrictive easement documents in partnership with the landowners. The landowners are eager to complete the preservation effort and are in general agreement with the Land Trust on the provisions of the easements. We will work out the details, followed by the appraisal process and we will hire a surveyor to delineate building envelope(s). The Land Trust will offer the Schmidts the fair market value purchase price of the higher-valued conservation easement.

The Schmidt Farm and neighboring Humbleberry Farm ranked fourth out of 18 applications statewide for the State Farmland Preservation Program funding and we expect to be awarded funding through that program in July 2023. We hope to close on the Schmidt project in late 2023.

5. To what degree is the project a part of an adopted open space, conservation, or resource preservation program or plan that was open to public review and comment, or identified in a community conservation effort that provided opportunities for public input?

The proposed acquisition ☒ is specifically identified in an adopted open space, conservation, or resource preservation program or plan, or community conservation effort, that is publicly available. *Please describe below, including this project's importance to the plan. Please also reference the website of the plan if available or include the plan with this application.*

☒ complements an adopted open space or conservation plan, but is not specifically identified. *Please describe below, and describe how the proposed acquisition is consistent with the plan.*
☐ is a stand-alone project.

The Jefferson Co. Comprehensive Plan says that "It is Jefferson County's intent to protect and foster opportunities for the successful practice of agriculture. Land with prime agricultural soils clearly must be preserved" and a soil productivity classification of 12 Animal Month Units puts the soils of Schmidt Farm in

the highest-ranking class. The Agricultural Production zoning of the property also reflects the County's goals for this land.

The American Farmland Trust's 2012 report *Losing Ground: Farmland Protection in the Puget Sound Region* includes a Jefferson County Scorecard which identifies the need for additional farmland protection and acknowledges the important role of the Conservation Futures Fund in that effort.

A 2009 State Office of Farmland Protection Report notes "The legislature finds that the retention of agricultural land is desirable, not only to produce food, livestock, and other agricultural products, but also to maintain our state economy and preferable environmental conditions." and this report also documents decreasing farmland acreage and land prices rising with development pressure.

The Olympic Peninsula Resource Conservation & Development proposed Adaptation Strategies in their "Climate Change Preparedness Plan for the North Olympic Peninsula" (2015). In this plan, they suggest to "acquire and preserve existing vegetated, unprotected areas adjacent to river systems" and to "designate and prioritize funding for additional land designated for agriculture".

Jefferson Land Trust's community-vetted Conservation Plan articulates the importance of preserving agricultural lands with the community vision - *A thriving, sustainable agricultural industry is prominent in the local economy, culture, and landscape and is supported by a greater demand for local food.*" (pg. 29, Jefferson Land Trust Conservation Plan, 2010). It also identifies "prime farmland soils and/or proven productivity" and "proximity to population centers" as priorities for agricultural lands to be protected.

The Land Trust's Conservation Plan also states the importance of healthy rivers and streams that enter into Hood Canal - "Many salmonid species spend a large part of their early life stages in the estuaries, and water quality conditions in Hood Canal are essential to their continued survival" (pg.14 and pg.17). It also states that we should "integrate aquatic corridor and watershed scale conservation tactics".

One of the most significant and unique features of this project is the opportunity to protect a waterbody that directly feeds into Quilcene Bay, where clean water is critical for ecosystem health. Because of substantial intact tidal marsh habitat, Quilcene Bay has been recognized as a priority ecosystem for protection and restoration by many groups. It is a priority nearshore conservation area according to The Nature Conservancy's *Willamette Valley-Puget Trough-Georgia Basin Ecoregional Assessment* (Floberg et al. 2004) because of its importance for conservation targets such as surf smelt (an important forage fish) and Olympia oysters. Priority Conservation Areas are defined as areas of biodiversity concentration that contain target species, communities and ecosystems and are considered the highest priorities for conservation. It is also a priority zone for the recovery of threatened Hood Canal summer chum salmon (*Summer Chum Recovery Plan* 2007) and Puget Sound bull trout (*USFWS Draft Recovery Plan for the Coastal-Puget Sound Distinct Population Segment of Bull Trout* 2004).

Furthermore, Quilcene Bay and its estuarine and palustrine wetlands nearby provide many habitat and foraging values that are recognized by national and regional plans aimed at conserving shorebirds, waterfowl and water birds.

Finally, the Schmidt property is specifically identified on Jefferson Land Trust's Climate Resiliency Spatial Conservation Planning maps that were recently created with resiliency data gathered and analyzed by an independent consultant.

6. To what degree does the project conserve opportunities which are otherwise lost or threatened?

- 6 a. The proposed acquisition site **X** does ___ does not provide a conservation or preservation opportunity which would otherwise be lost or threatened.

6 b. If applicable, please carefully describe the nature and immediacy of the opportunity or threat, and any unique qualities about the site.

Farmland in Jefferson County continues to be a desirable commodity and property values are escalating to a point that farmer/buyers are priced out of access to available farmland. We have a window of opportunity to work with willing sellers to preserve and steward their 67 acres of working land and habitat conservation values on site; the conservation easement will help make the property more affordable for the next landowner. This is key, as the Schmidts plan to sell the farm as soon as the easements are in place. They are anxious to sell the property as soon as they can, giving this project a high sense of immediacy.

The Schmidts demonstrated a commitment to conservation with the sale of over 20 acres of their lower pasture to the Land Trust in 2011 for habitat values. With its central location and dramatic views of mountains and bay, future subdivision and development seem highly likely if this property is not protected, since we are seeing the development pressure growing in this scenic area nearby the large urban areas of Puget Sound.

7. Are the conservation values of the project commensurate with or greater than the amount of CF funds requested, and will both the timeframes for meeting project objectives and associated metrics demonstrate achievement of the conservation objectives?

7 a. Summarize the project's conservation values and how the CF funds requested support these values.

Conservation values of the Phase II Quilcene Headwaters to Bay project include an integrated approach to protection of a continuous corridor between the marine waters of Quilcene Bay and forested uplands, and the prime farmland soil acreage of the Schmidt property is a critical piece of that effort. Moreover, the project will support reducing sedimentation of salmon and shellfish habitat, and herring spawning grounds, as well as connecting estuarine shoreline and low-lying agricultural lands with forested uplands in the Jakeway Creek watershed. Conservation Futures Funds will contribute to the purchase of a conservation easement that will protect this significant agricultural parcel from subdivision and further development, allow for continued agricultural production and potential future restoration and enhancement activities on Jakeway Creek.

7b. Summarize how the project's conservation values are related to the project's specific objectives.

The primary conservation values of the property include the prime agricultural soils, Jakeway Creek and riparian buffer habitat, and scenic vistas. The primary objectives of this project are to purchase two easements that will protect the availability of the farm for agricultural uses into the future and ensure that Jakeway Creek habitat is permanently protected for salmon and other wildlife and for water quality coming into Quilcene Bay. The objectives listed in Project Description above were created to ensure the success of protecting the project's conservation values.

The conservation easement (which will be drafted based on the State Farmland Preservation Program template) and the REPI easement will include provisions that help preserve the prime soils of the farm by reducing development potential and limiting the area of impervious surfaces. The conservation easement will also specify the area available for current and future residential infrastructure and will restrict future industrial, commercial and recreational uses. It will also include provisions that designate a permanent buffer along Jakeway Creek and allow for future restoration potential of the riparian area.

8. To what degree does the project preserve habitat for flora and fauna other than habitat for anadromous fish species?

8 a. ☒ provides habitat for State of Washington Priority Habitat specific to the project and/or State or Federal (NOAA and USFWS) Candidate, Endangered, Threatened or Sensitive species (provide list and references).

8 b. ☒ provides habitat for a variety of native flora or fauna species.

8 c. ☒ contributes to an existing or future wildlife corridor or migration route.

If affirmative in any of the above, please describe and list the Priority Habitat(s) and Threatened, Endangered, or Sensitive species below, and cite or provide documentation of species' use.¹

According to WDFW Priority Habitat and Species Report, Jakeway Creek hosts coho and cutthroat trout, and the project area includes WDFW Priority Freshwater Emergent and Freshwater Forested/shrub Habitats, and spotted owl management buffer. Water quality from the property is important to the health of Quilcene Bay and the conservation values of this tidal estuarine habitat as indicated in #5 above.

Ecological values identified by the Land Trust include a riparian habitat corridor connecting upland forest to Quilcene Bay through the Mahan CE (to the east) and the Land Trust's Lower Donovan Creek Preserve (to the west and south). This property presents an important opportunity to fill in the gap of protection that the Land Trust and other partners have been working on at the head of Quilcene Bay for decades. Diverse species are found here including nesting wood ducks, black bear families, coho, cutthroat trout, nesting bald eagles, and proximity to spotted owl and trumpeter swan habitats.

8 d. Does the current owner participate in conservation programs that enhance wildlife habitat? If so, please provide details.

In 1995, the Schmidts worked with the JCCD to enhance the Jakeway Creek riparian corridor. It was improved (in its current adjusted location) by the JCCD through a cost-share program with the Schmidts. Buffer plantings, a silt pond, and weirs were installed to retard down cutting in the creek as an effort to improve water quality and the Jakeway Creek habitat for salmonid species and other wildlife use. Additionally, in 2002 the Schmidts worked with Jefferson Land Trust to sell us 20 acres of their farmland that they realized was better fit was estuarine and riparian restoration, rather than farming.

9. To what degree does the project protect habitat for anadromous fish species?

9 a. Describe to what degree the project protects habitat for anadromous fish species (for example: marine shorelines, stream or river corridors including meander zones, and riparian buffers). Please provide documentation and maps that demonstrate the location, quality and extent of the existing buffer and adjoining habitat.

Approximately 2,000 feet of Jakeway Creek transects the property traveling from the NE corner of the property to the SW corner as it feeds into Donovan Creek and the Quilcene Bay estuary. The JCCD restoration project in 1995 included planting a 10-15 foot buffer with conifer species to provide shade for salmonid species. The restoration efforts also included a remeander of the creek in the lower reaches near Donovan Creek and out into the salt marsh area from the E Quilcene Rd bridge on property that was previously owned by the Schmidts but is now in permanent protection as a Jefferson Land Trust Preserve.

While the buffer plantings have increased shading of the creek, one section of trees has mostly died, Jakeway Creek has become more incised in some stretches, and the silt pond is filling up. The landowners have been frustrated with required permitting and delays to remove silt that has accumulated in the pond and to

¹ See, for example, http://www.dnr.wa.gov/researchscience/topics/naturalheritage/pages/amp_nh.aspx
<http://www.wdfw.wa.gov/conservation/phs/list/>
<http://www1.dnr.wa.gov/nhp/refdesk/plants.html>
http://www1.dnr.wa.gov/nhp/refdesk/pubs/wa_ecological_systems.pdf

perform other maintenance which they believe may be responsible for making it more difficult for salmonids to get very far up Jakeway Creek in the last few years. There is the potential for further riparian restoration to address the described issues, but only with a subsequent landowner who is willing to work with local conservation experts such as JCCD, HCSEG, and WDFW again.

10. To what degree does the project preserve farmland for agricultural use OR forestland for silvicultural use?

10 a. Describe the extent and nature of current and planned agricultural or silviculture use of the proposed acquisition, including any anticipated changes to that use once the property, or property right, is acquired with Conservation Futures funds.

The Schmidt Farm is currently producing hay crops and is also used for grazing cattle. The landowners have leased the desirable farmland to various local farmers including Keith Kisler, Martin Mills and the Mahan neighbors, who currently hay the property and partner with Martin Mills to graze cattle. The soils include Wapato silty clay loam and Casey silt loam, both classified by NRCS as Prime Farmland soils if drained (and "if protected from flooding" for Wapato silty clay loam). The pasture is currently set up with 6 large, fenced pastures, each of which provides restricted access for cattle to drink out of Jakeway Creek. There is a 15 gpm well for domestic and garden use.

The larger size of this property contributes to its economic viability as a farm, and the Phase 2 aspect of this project provides further benefits to the Mahan neighbor's 80-acre protected property that was protected as Phase I in 2020. It is anticipated that animal production will likely be the primary agricultural use in the future, but other crop potential, such as grain, orchard, and vegetable production has been considered by lessees of the property and would likely be explored by any future farmer/owner.

As older family farms get subdivided and sold off, fewer and fewer larger agricultural properties are available, and the 67 acres here provides more options for working farmers. Jefferson LandWorks partners and the Washington Farmland Trust could play a role in linking the Schmidt Farm opportunity with a potential farmer/buyer.

10 b. Describe the current owner's record of implementing management practices that preserves and/or enhances soil, water quality, watershed function and wildlife habitat.

The JCCD and landowner restoration partnership on Jakeway Creek as described in question #8d above was focused on improving water quality, watershed function and wildlife habitat. At the time that the restoration took place the best management practices for animal husbandry was for controlled access for creek watering. These are now several other watering options that future landowners can explore to keep livestock out of the Creek, with technical assistance from the JCCD on current best management practices.

10 c. Describe how the acquisition or proposed easement will likely preserve and/or enhance soil, water quality, watershed function and wildlife habitat.

The acquisition of the conservation easement and REPI easement on the entire farm will provide protection against any subdivision of the property and limit the number of residences to the current one along with ADUs allowed under county code within a designated building envelope. Additionally, the conservation easement will include impervious surface limitations designed to preserve the prime soils and agricultural viability. The continuation of BMPs on the farm and continued protection and enhancement of the buffers on Jakeway Creek will preserve soil, water and habitat quality. Continued agricultural use will also reduce the likelihood of

increased impermeable surfaces that often accompany development—surfaces that increase runoff and reduce groundwater recharge.

All of this will enhance the watershed function and contribute to the larger effort to connect the headwaters of Jakeway Creek to Quilcene Bay. Continued responsible farming will help control runoff that could erode soils and add sediment to the Creek and be detrimental to habitat.

10 d. Does this project preserve a mix of quality farmland and forestland?

The Schmidt property does not include forestland, but the overall Headwaters to Bay project and protection effort is designed to connect the forested headwaters on the adjacent property through the Schmidt's acreage down to Quilcene Bay.

11. Climate change:

11 a. To what degree does this project increase resiliency to and/or mitigate climate change, and is the project's scale significant in regards to increasing climate resiliency?

Jefferson Land Trust and the North Olympic Land Trust has continued to assess and implement the climate resiliency spatial data and planning effort for the North Olympic Peninsula since 2020. This study included working with a GIS consultant to develop a set of shared climate resilience metrics that can help structure programming in both partner organizations, shape future collaboration and These metrics were focused on the four pillars of our work, including working farmland, working forestland, habitat and biodiversity, and community opportunity areas. The Schmidt Farm and neighboring properties were identified as have agricultural resiliency indicators, including prime soils that retain water.

12. What area does the project serve?

12 a. Describe how the proposed acquisition benefits primarily a local area X broad county area including the area served, the nature of the benefit, the jurisdictions involved, and the populations served.

Preservation of the Schmidt Farm through purchase of a conservation easement and REPI easement benefits our community on many levels. The scenic Schmidt Farm property is visually accessible from East Quilcene and Center Roads and is a missing link in the larger efforts spearheaded by local agencies and organizations to protect important agricultural lands in Washington State and specifically this Headwaters to Bay project. Preservation is the first significant step, as this is one of the largest agricultural parcels containing prime soils in the Quilcene area. Once protected and acquired by the next farmer, the project partners will then have an opportunity to help the next landowners operate successful and viable businesses that will contribute to the local economy and secure food systems. Partners have worked on significant agricultural landscapes in the Center and Beaver Valleys as well as with farms on the Highway 101 corridor like the Boulton, Kawamoto, Midori and Serendipity Farms. Jefferson County is fortunate in having farmers whose average age is below that of the national average, which bodes well for our future, and this could be tied to efforts like conservation to keep farmland relatively affordable.

Quilcene Bay is recognized nationally as a critical estuary for commercial shellfish production, and good water quality from the watersheds above is paramount for this industry. Salmonid populations also benefit from preservation of pastureland (and potential restoration) of Jakeway Creek, and are critical species of concern in the Hood Canal and Puget Sound regions. The REPI (Readiness and Environmental Protection Integration) program is a national land-conservation funding source available through the Department of Defense. The Hood Canal region is of great strategic importance to the Department of Defense. As such, the Navy works with conservation partners to identify areas with common interest for preservation of working forests, farmland, and high-value wildlife habitat. The Schmidt Farm project represents an

opportunity for the Navy and the Land Trust to work with willing landowners to conserve land, thus protecting and buffering military installations and operating areas from development.

12 b. Is the project located in an area that is under-represented by CF funded Projects? *Areas that Conservation Futures has not been able to support to date include, Toandos Peninsula, Dosewallips Valley, Bolton Peninsula, and the West End.*

Yes - the project is located at the top of the Bolton Peninsula.

13. To what degree will the acquisition provide educational opportunities, interpretive opportunities, and/or serve as a general community resource that does not reduce the conservation value(s) of the project?

13 a. Describe the educational or interpretive opportunities that exist for providing public access, educational or interpretive displays (signage, kiosks, etc.) on the proposed site, including any plans to provide those improvements and any plans for public accessibility that will not reduce the conservation value(s) of the project.²

The Schmidt Farm represents an excellent opportunity to educate the public on a variety of sustainable land management practices in the Quilcene Bay watershed. Subsequent owners may be willing to allow access for educational programs, supervised tours, field science surveys, and research. The conservation easement reserves the right for the land trust to conduct such educational and scientific research with landowner permission.

14. To what degree does the project preserve historic or culturally significant resources³?

14 a. The proposed acquisition ___ includes historic or culturally significant resources⁴ and

___ is registered with the National Register of Historic Places, or an equivalent program.

☒ is recognized locally as having historic or cultural resources.

___ is adjacent to and provides a buffer for a historic or cultural site.

___ none of the above.

If affirmative in any of the above, please describe below, and cite or provide documentation of the historical cultural resources.

The Schmidt Farm has not been archaeologically surveyed by the local tribes, but it's location is referenced on an 1856 map prepared by a member of Isaac Stevens treaty party as the site of a S'Klallam Indian village. Jefferson Land Trust was informed that there is a recognized cultural site nearby that dates back 8,000- 10,000 years. The cultural site is located along a travel route in the Donovan Creek watershed as it moves from the Center Road area down to the head of Quilcene Bay. Jamestown S'Klallam staff indicated that the Schmidt Farm was very likely included in that travel route.

O & M Stand Alone Projects

² The words "education" and "interpretation" are interpreted broadly by the CF Committee.

³ Cultural resources means archeological and historic sites and artifacts, and traditional religious ceremonial and social uses and activities of affected Indian Tribes and mandatory protections of resources under chapters 27.44 and 27.53 RCW.

15. Applications for Operation and Maintenance funding only to be scored on a scale of 1-100 based on information provided. Consider the CF Manual and the topics below, for example:

15 a. Please describe in detail, the reason O & M funds are needed, proposed O & M activities, and how they protect resources cited in the original acquisition project. Attach additional information such as up-to-date stewardship plan, maps, field reports, work plan, budget, timeline, etc., to support the application, if appropriate. O & M projects must address a compelling, immediate need. Specifically include whether the project has an up-to-date stewardship plan. If there is such a plan, is it being implemented and is the proposed O & M work specifically included in the plan? Also, describe any unforeseen or urgent threats to the resource conservation values of the site and whether the proposed O & M activities will mitigate those threats and/or prevent potential future threats.

Annual monitoring is a standard practice to ensure conservation easements are honored, and O&M support for the first few years of stewardship helps ensure the integrity of CFF investments. Ongoing monitoring after the O&M funds have been fully expended is covered by other sources of funds raised by the Land Trust. O&M funds will be dedicated to annual monitoring, riparian habitat improvements consultation and planning, Stewardship Plan implementation, and consultation including connecting landowner with agency partners.

We have not developed a specific stewardship plan for this property, but if we are awarded funds and if negotiations are successful with the landowner, we will provide the Stewardship Plan for the CE once completed.

Infestation of invasive plants is a primary concern for pastureland such as this, and the Stewardship Plan will specifically address this threat. Stream improvements for salmon recovery are also an urgent concern that will be addressed in the Stewardship Plan and associated O & M work.

Verification

16. Sponsor commitments:

16 a. Sponsors of projects that are approved for funding by the Board of County Commissioners are required to submit a brief progress report by October 30 every year for three years after the award is approved, or three years after the acquisition funds are disbursed to the applicant, whichever is later. The progress report must address any changes in the project focus or purpose, progress in obtaining matching funding, and stewardship and maintenance. Sponsors receiving O & M funds will also submit an annual report for each year that O&M funds are expended. The Committee will use the information to develop a project "report card" that will be submitted annually to the Board of County Commissioners.

16 b. If this project is approved for funding, I understand the sponsor is required to submit progress reports for three years and for any year in which O & M funds are expended. SS Initials 3/23/23 Date

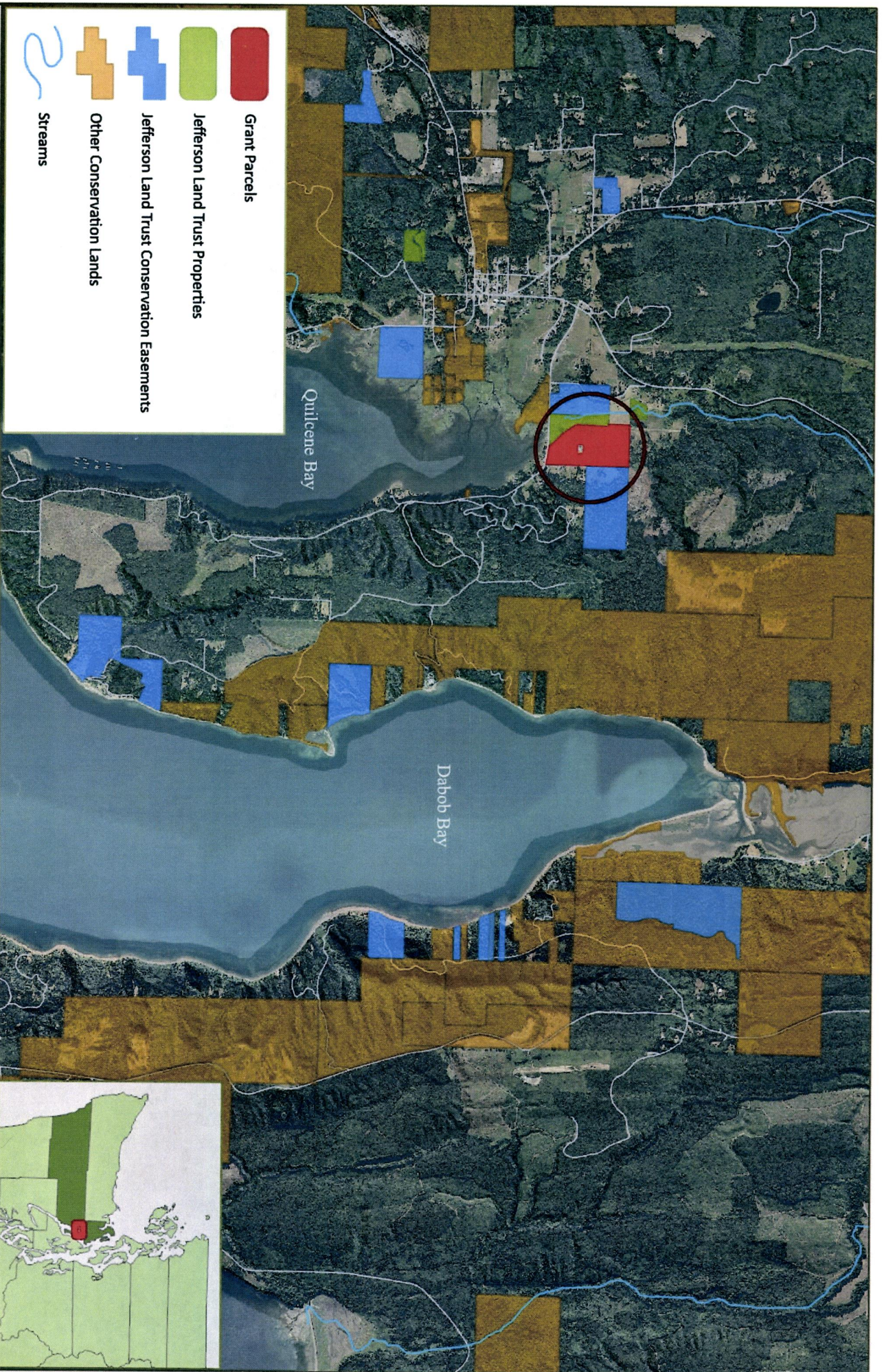
16 c. If, three years after the date funding is approved by the Board of County Commissioners, the project sponsor has not obtained the required matching funds, the Committee may request the Board of County Commissioners to nullify their approval of funds, and may require the project to re-apply.

If this project is approved for funding, I understand that we may be required to re-submit the application if the project sponsor does not obtain the necessary matching funding within three years.

SS Initials 3/23/23 Date

16 d. The applicant has reviewed all project requirements and all information in the application is accurate to the best of their knowledge. SS Initials 3/23/23 Date

16 e. The sponsor commits to providing long-term stewardship to achieve the conservation and protection goals of the project as proposed in this application or as may be modified with recommendation of the CF Committee and approval of the BoCC. SS Initials 3/23/23 Date

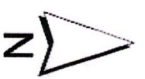


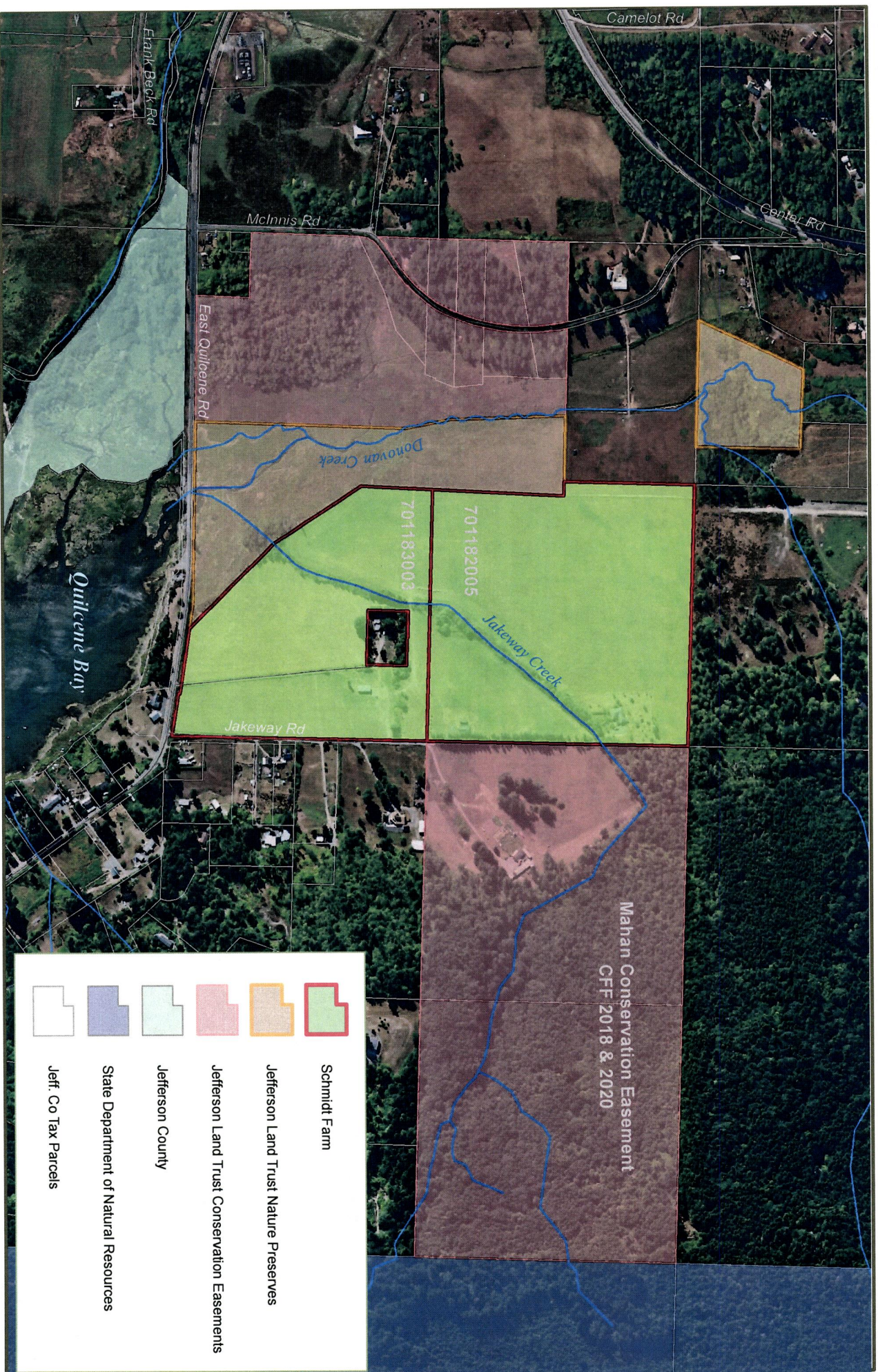
Schmidt Farm Site Locator

0 2,000 4,000 8,000
Feet

2021 Aerial Image (NAIP)

For informational purposes only. All data represented are from varying sources and approximate.
Map created in March 2023





Schmidt Farm Project Boundary

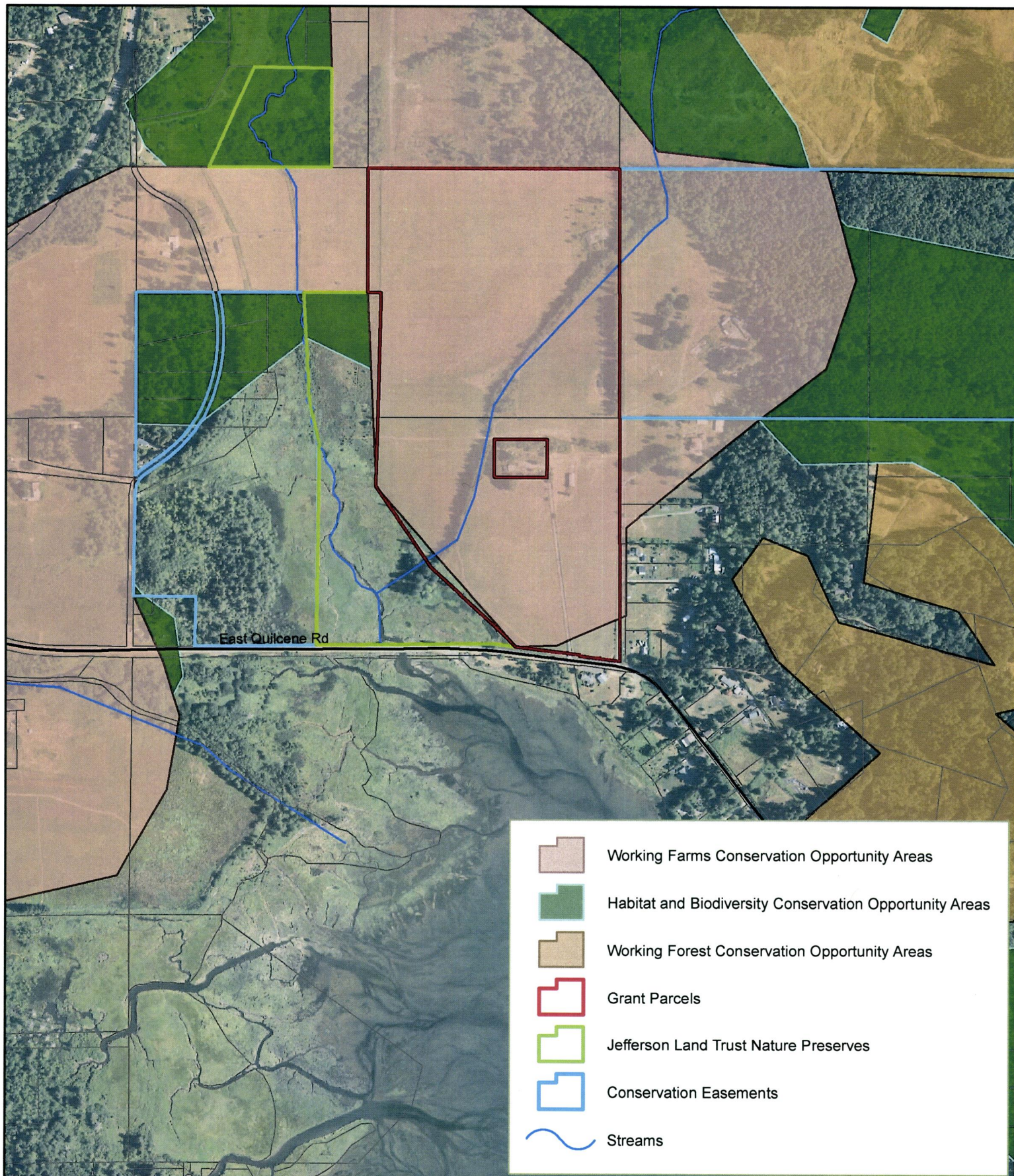
0 250 500 1,000
Feet

For informational purposes only. All data represented are from varying sources and approximate.

Map created in April, 2021

N

JEFFERSON LAND TRUST



Schmidt Farm - Climate Resiliency Opportunity Area



Schmidt Farm Soils

NRCS Classification:

CEB = Prime farmland soils if drained

Wa = Prime farmland soils if drained & protected from flooding



2017 Aerial Image (NAIP)

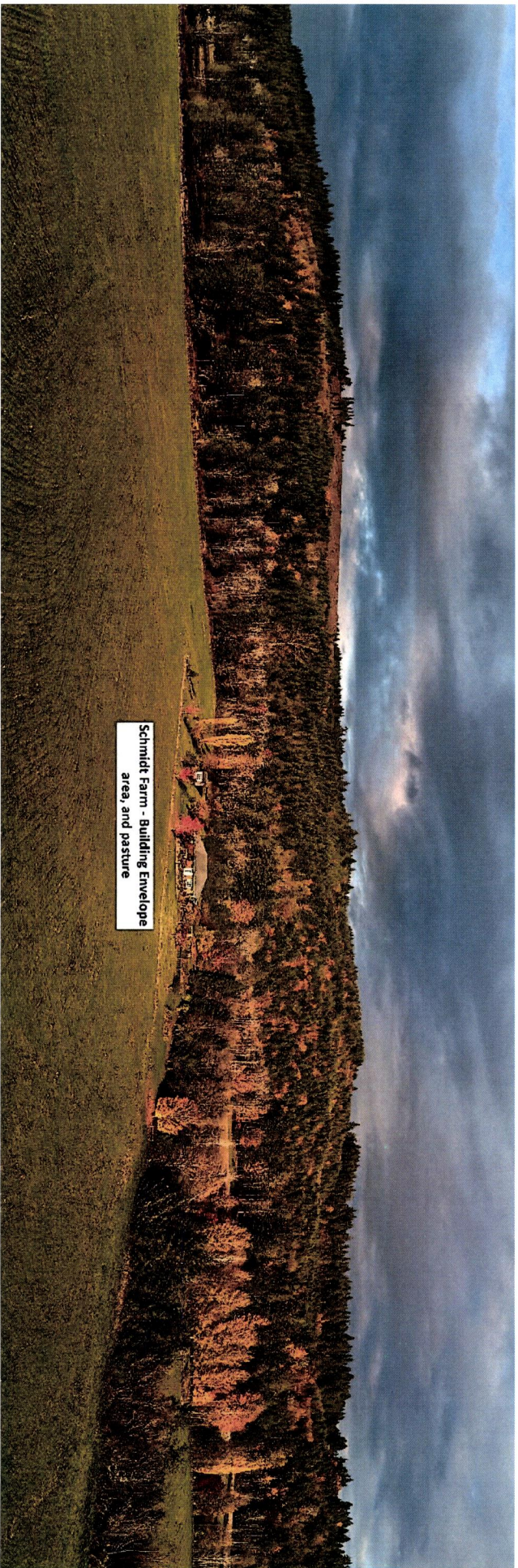
For informational purposes only. All data represented are from varying sources and approximate.

Map created in July 2022



Schmidt Farm
Application Photos





Schmidt Farm - Building Envelope
area, and pasture

Schmidt Farm silo and haybarn







Schmidt Farm - Jakeway Creek



Schmidt Farm - shop, and livestock barn



JEFFERSON COUNTY CONSERVATION DISTRICT

205 W. Patison St., Port Hadlock, WA 98339 - Phone (360) 385-4105

March 15, 2021

Jefferson County Conservation Futures Program

Dear Jefferson County Conservation Futures Citizens Advisory Committee and County Commissioners:

I am happy to endorse the efforts by the Jefferson Land Trust to work with the Schmidt Farm landowners to protect their Quilcene farmland for long-term agricultural production and valuable wildlife habitat. The Schmidts are interested in a selling conservation easement on their farm that will help preservation of the prime soils and habitat of nearly 67-acres of prime farmland near the head of Quilcene Bay. Grant support for purchase of the easement will reduce future development and allow for a successful transfer of the farm on to the next generation at a reduced price.

The Schmidt Farm property is one of the largest remaining agricultural parcels in the Quilcene area. It was a dairy farm for many years and more recently has been leased for cattle grazing and hay production.

While working for the Jefferson Co. Conservation District I worked with the Schmidts on several occasions. Using the Wild Olympic Salmon crew of displaced loggers in 1995 we helped them stabilize the stream channel and plant a riparian buffer. Though narrow, the buffer had immediate positive effects on water quality – see page 2. We also worked with them and the Jefferson Land Trust to make salmon habitat improvements on Donovan Creek, on the west side of their property. Preservation of this farm will add to previously protected property nearby and continue to help protect the water quality in Quilcene Bay.

Jefferson Co. Conservation District non-regulatory sub-division of state government created in 1946 to help land users conserve natural resources. JCCD provides technical and financial assistance to help all landowners meet sustainable land use goals. Funding for our services is provided primarily through county, state and federal grants.

The Schmidt Farm conservation project provides a great opportunity to preserve 67 acres of prime farmland and build on previous successes in support of our agricultural landscape, economy and culture in Jefferson County. With 16 agricultural easements protecting nearly 1200 acres of local, prime farmland and agricultural projects in the works that will protect another 400 acres, Jefferson Land Trust has a history of successful efforts to protect our agricultural heritage. Federal, State and County farmland preservation funding has been critical to that success, and we hope your approval of this project expands efforts to preserve the best farmland left in Jefferson County. We strongly urge you to consider and approve Jefferson Land Trust's conservation easement grant request.

Sincerely,

Al Latham

Board member, Jefferson Co. Conservation District

Technical Assistance + Cost Share = Water Quality & Habitat Improvements

By Al Latham, Jefferson Co. Conservation District

Water quality data collected in 1987-88 documented high bacteria counts (436 FC/100mL) in Donovan Cr. In 1989 Donovan Cr. was fenced in the lower reach and in 1995 a tributary, Jakeway Cr., was fenced. Both creeks were fenced at the "top of bank" creating a narrow (10' from water) buffer. Instream and riparian habitat improvements were also made. The chart below shows water quality improvements (fecal coliform) related to the fence construction. Other benefits are reduced sediment input, improved water temperature and dissolved oxygen levels.



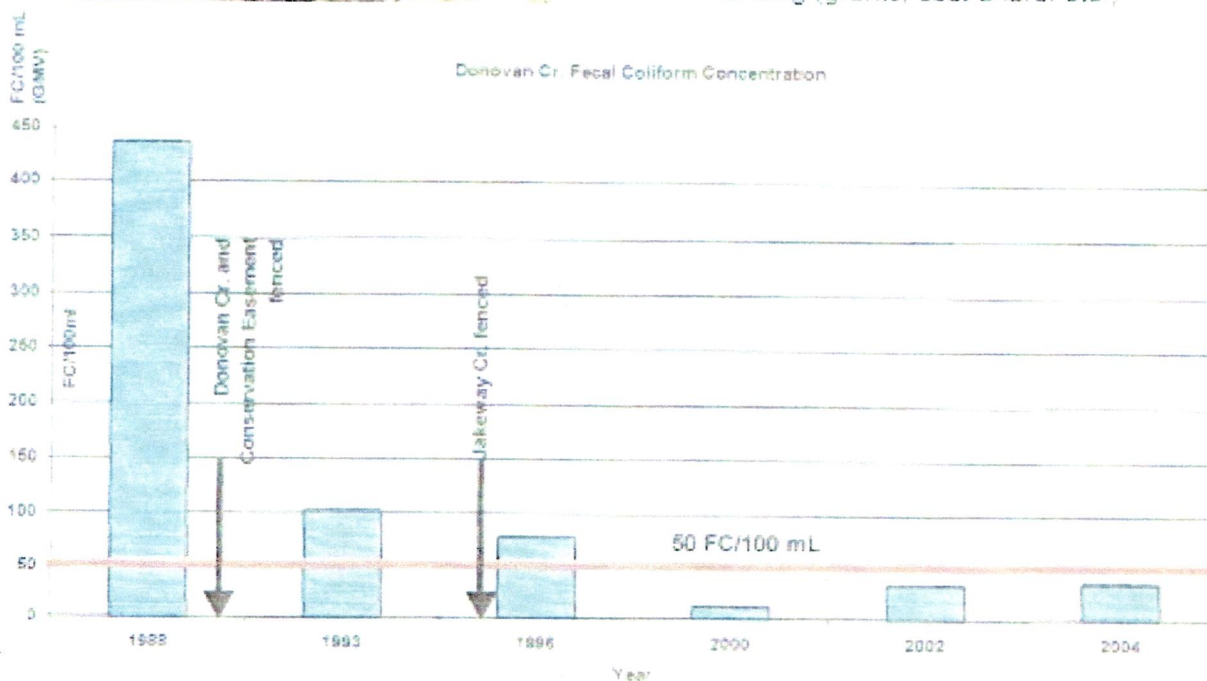
Jakeway Cr. before (1993) & after fencing (1995)



Jakeway Cr. 2006



Jefferson Co. Conservation District provided technical assistance and water quality monitoring for these projects. Funding was provided by Dept. of Ecology, USDA, Jefferson Co. and the DNR "Jobs for the Environment" program. This demonstrates the improvements to water quality and fish/wildlife habitat that results from a combination of technical assistance and project funding (grants, cost-share, etc.).



Landowner Acknowledgement Form¹

Project Applicant Information

Applicant Name: **Jefferson Land Trust**

Project Number/Name: **Schmidt Farm**

Contact: ☐ Mr. ☒ Ms. First Name: **Sarah** Last Name: **Spaeth**

Title: **Director of Conservation and Strategic Partnerships**

Mailing Address: **1033 Lawrence St. Port Townsend, WA 98368**

E-Mail Address: **sspaeth@saveland.org**

Property Information

Address or Location: **255 Jakeway Road, Quilcene WA 98376**

County/Parcel Number: **701182005, 701183003**

Landowner Information

Landowner Name: **Paul A. and Mary Schmidt**

Representative: ☐ Mr. ☐ Ms. First Name: Last Name:

Title:

Mailing Address: **PO Box 440 Quilcene, WA 98376-0400**

E-Mail Address:

1. Schmidt (landowner name) is the legal owner of property described in the grant application being submitted to the Recreation and Conservation Office by the project applicant.
2. I am aware that the project being proposed in the grant application is on my property.
3. If a grant is successfully awarded, I will be contacted and asked to engage in negotiations.
4. My signature does not represent authorization of project implementation.
5. If I am affiliated with the project applicant, I will recuse myself from decisions made by the project applicant to work on or purchase my property.
6. There are are not (circle one) tenants on the property. Tenants displaced as a result of this project may be eligible for relocation assistance.

Mary Schmidt
Landowner/Representative Signature

2/15/21
Date

