

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of County Commissioners
Mark McCauley, County Administrator

FROM: Heidi Eisenhour, Commissioner

DATE: January 22, 2024

SUBJECT: DNR Natural Climate Solutions Jefferson County Allocation

STATEMENT OF ISSUE:

In addition to recent outreach to Department of Natural Resources (DNR) about the expansion of the Dabob Bay Natural Area managed by the in SE Jefferson County and this current proposal to transfer 671 acres in an expanded Natural Area boundary we will discuss other acreage proposed for transfer in Jefferson County via the Natural Climate Solutions (NCS) proviso passed by the legislature in the past session.

ANALYSIS:

Jefferson County has been an active supporter of past Dabob Bay Natural Area expansion efforts. Fundamentally, this and previous transactions – once productive timberland is purchased in Jefferson County to replace conserved areas – will make DNR Timber Trust lands more productive for beneficiaries in Jefferson County. The goal of this conversation is to get more information about the proposed acreage and reach a level of agreement the can result in a letter of concurrence to DNR as mentioned in their 12/18/23 letter (attached). I've also included an article from the PDN about recent conversations between Clallam County and DNR on this issue in their county.

FISCAL IMPACT:

None.

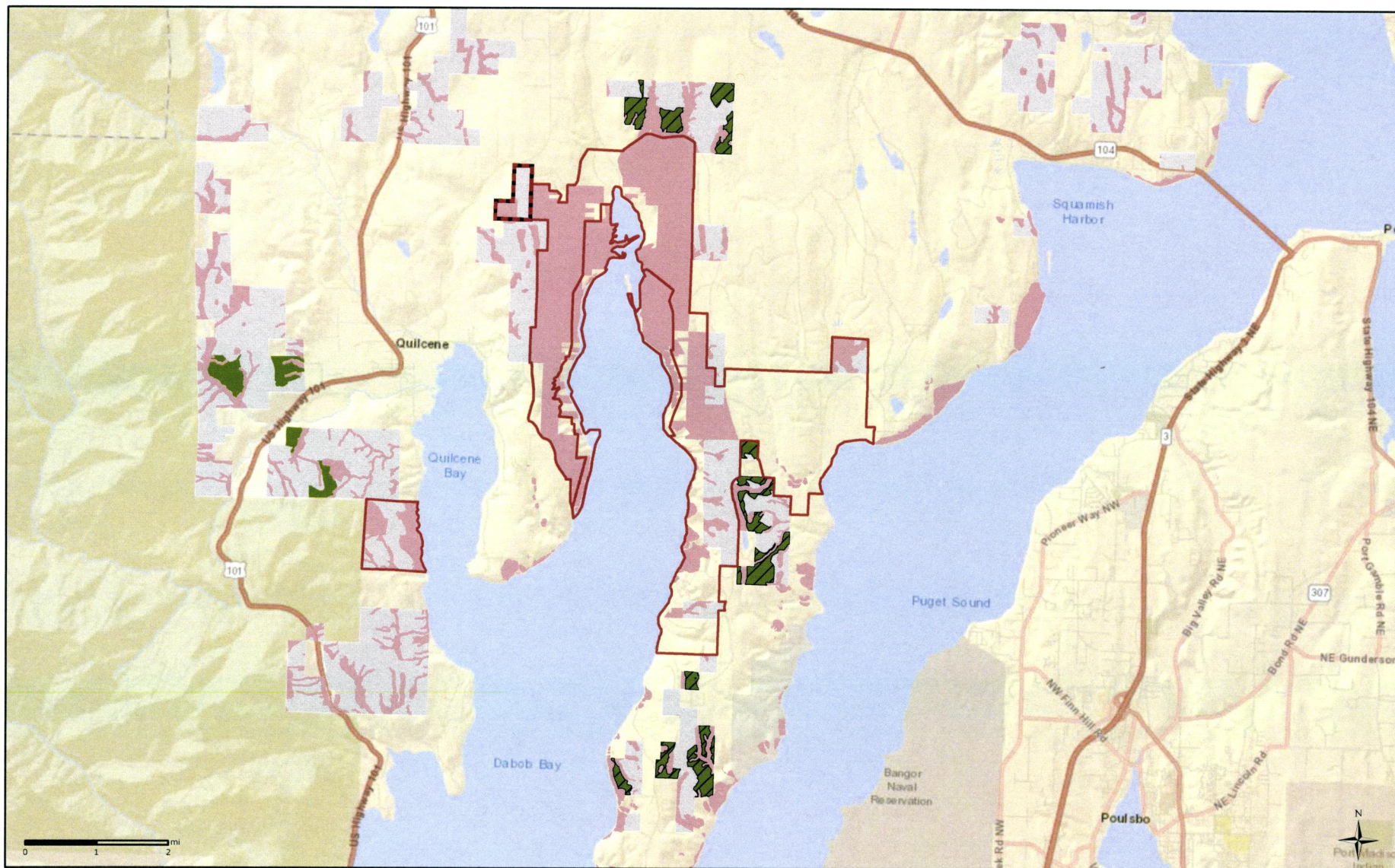
RECOMMENDATION:

Discuss acres allocated for Jefferson County, discuss potential adjustments to those acres if any are desired and ultimately get to the Jefferson County BOCC sending written concurrence on a set of parcels to be transferred into conservation status via the NCS proviso by January 31, 2024.

REVIEWED BY:


Mark McCauley, County Administrator

1/17/24
Date



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

Potential 2000 Acres Sites Dabob

Proposed Sites



Approved Natural Area Boundaries



Planned VRH/LUC (through FY26)



VRH-deferred

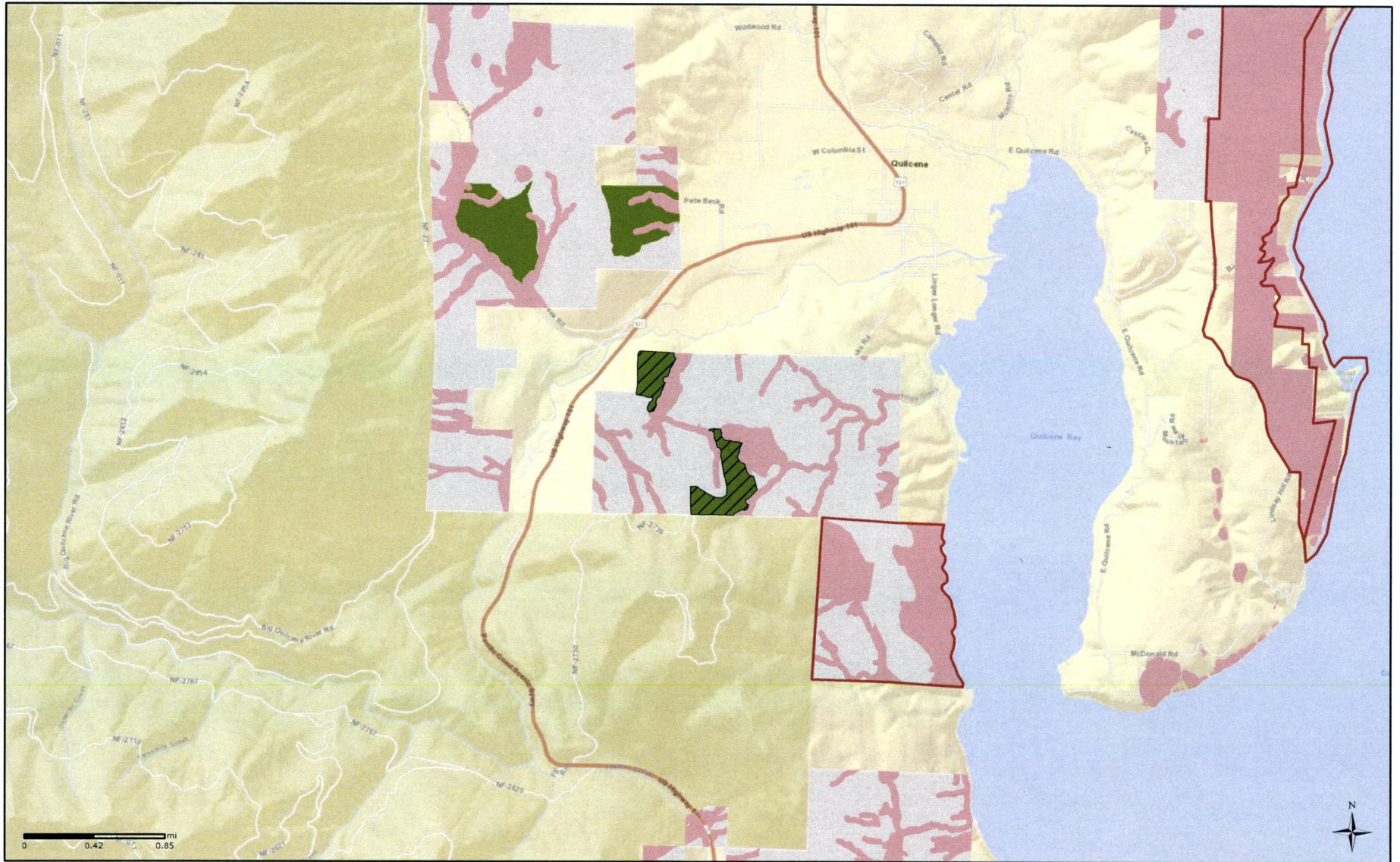


DNR-Managed Lands



All data are draft and subject to change.





WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

Potential 2000 Acres Sites Mt Walker & Notch Pass

Proposed Sites



Approved Natural Area Boundaries



Planned VRH/LUC (through FY26)



VRH-deferred



DNR-Managed Lands



All data are draft and subject to change.





HILARY S. FRANZ
COMMISSIONER OF PUBLIC LANDS

December 18, 2023

Commissioner Kate Dean, District 1
P.O. Box 1220
Port Townsend, WA 98368

Commissioner Heidi Eisenhour, District 2
P.O. Box 1220
Port Townsend, WA 98368

Commissioner Greg Brotherton, District 3
P.O. Box 1220
Port Townsend, WA 98368

Dear Jefferson County Commissioners,

I am writing to inform you that Washington State Department of Natural Resources (DNR) staff have completed the preliminary identification of the lands to be included in the 2,000 acres of structurally complex, carbon dense forestland to be set aside directed by the Legislature's Natural Climate Solutions proviso.

In Jefferson County, 952 acres have been identified as candidates to be transferred out of trust status after replacement land has been identified. Of that, 887 acres are State Forest Transfer trust, which benefits Jefferson County and the junior taxing districts where the lands are located.

The full trust breakdown is:

Dabob

Trusts	Acres
State Forest Transfer	606
Common School and Indemnity	65
Grand Total	671

Mt Walker & Notch Pass

Trusts	Acres
State Forest Transfer	281
Grand Total	281

In selecting areas for consideration, the department worked to meet multiple co-benefits. We sought to conserve areas adjacent to existing habitat, in areas to improve habitat connectivity, and to avoid isolated small fragments scattered across ownership. Areas within the Dabob parcels that you recommended in

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HILARY S. FRANZ
COMMISSIONER OF PUBLIC LANDS
CPL@DNR.WA.GOV

DEPARTMENT OF NATURAL RESOURCES
1111 WASHINGTON STREET SE
MAIL STOP 47001
OLYMPIA, WA 98504-7001

360-902-1000
FAX 360-902-1775
TRS 711
WWW.DNR.WA.GOV

your June 2023 letter (see attached maps) met those criteria, being located adjacent to the existing Dabob Natural Area Preserve.

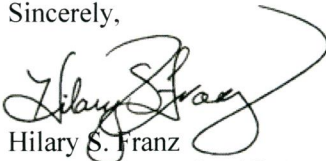
Parcels on Mt. Walker and Notch Pass are adjacent to an existing Natural Area as well as federal ownership and create larger riparian buffers and habitat connectivity.

These parcels will be added to the list of initially identified acres and will be presented to the Board of Natural Resources during its January 3rd meeting. The purpose of this presentation is to cover details of the parcels and answer any questions that the Board may have.

As the proviso states, DNR will need written concurrence on the parcels from "*the legislative authority of the county*" before they can be transferred. Ideally, that concurrence would occur before January 31, 2024 so the department can finalize parcels and work to acquire replacement lands, especially those that benefit the county and junior taxing districts.

We would be happy to meet with the Board of County Commissioners to present on the parcels listed above and answer questions that you may have. Please contact Sarah Ogden, Trust Outreach Specialist, at sarah.ogden@dnr.wa.gov and she can coordinate a discussion.

Sincerely,



Hilary S. Franz
Commissioner of Public Lands

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PENINSULA

Daily News

Jan. 9, 2024

\$1.50

Newspaper for
Port Angeles, Sequim,
the West End,
Port Townsend and
Jefferson County

Sound Publishing, Inc.

DNR looking to replace Power Plant parcels

Commissioners want impact addressed

BY BRIAN GAWLEY
Peninsula Daily News

PORT ANGELES — Clallam County commissioners urged a state Department of Natural Resources official to seek out acreage to replace the 69 acres of the canceled Power Plant sale that were moved into conservation status as part of the state's cap-and-trade program for carbon emissions.

During their Monday work session, the three commissioners told Duane Emmons, DNR's assistant deputy for state uplands, that before they give their concurrence to transferring the 69 acres, they

want more information on the revenue impact to junior taxing districts, such as school districts and fire districts, and how the timber revenue would flow to those districts.

Commissioner Mark Ozias said they want the opportunity to ensure DNR addresses those issues and that they hope to get the concurrence letter out before the end of the month.

Commissioner Randy Johnson said the letter also should go to the junior taxing districts because they need to be kept in the loop.

"Whatever we decide, we need to send a letter to junior taxing districts and explain what we are

doing and why. We absolutely need to keep them informed," he said.

DNR manages 3 million acres of timber trust lands that are an ongoing source of land-based financial support to school districts and other junior taxing districts.

"Should the (board of commissioners) provide its concurrence, DNR and the purchaser of the timber sale will work to find replacement acres for the trust," read a Dec. 18 letter to the commissioners from state Commissioner of Public Lands Hilary Franz.

"We definitely will find replacement land in the same county," Emmons told the commissioners.

Ozias said the commissioners should ask county prosecutor Mark Nichols and perhaps state Attorney General Bob Ferguson if the legislation allows keeping replacement acreage in the same taxing district.

"If the legislation doesn't allow maintaining taxing districts, that would be important to know," Ozias said.

Emmons said the legislation applies in general to junior taxing districts.

"We are simply replacing timber volume," he said. "Ideally, it is in the same taxing district. I do think the new language and authority applies to replacement lands but replacement volume."

See **PARCELS**, Page A3

Parcels: Carbon emissions

CONTINUED FROM A1

Ozias asked why DNR chose to include Power Plant acreage instead of the commissioners' preference for the Shore Thing sale south of Lake Sutherland

that is scheduled for 2028.

Johnson said, "You went through all the analysis of why this should go forward and now you are saying it should be," adding later it was a political decision, not one made by experts.

Emmons said the

legislation that provided the funding for the cap-and-trade program required them to pursue "co-benefits," such as improving habitat for the Northern spotted owl and marbled murrelet and protecting riparian areas.

FIRM 98368
CT HOUSE - COMMISS
PO BOX 1220
PORT TOWNSEND WA 98368-0920

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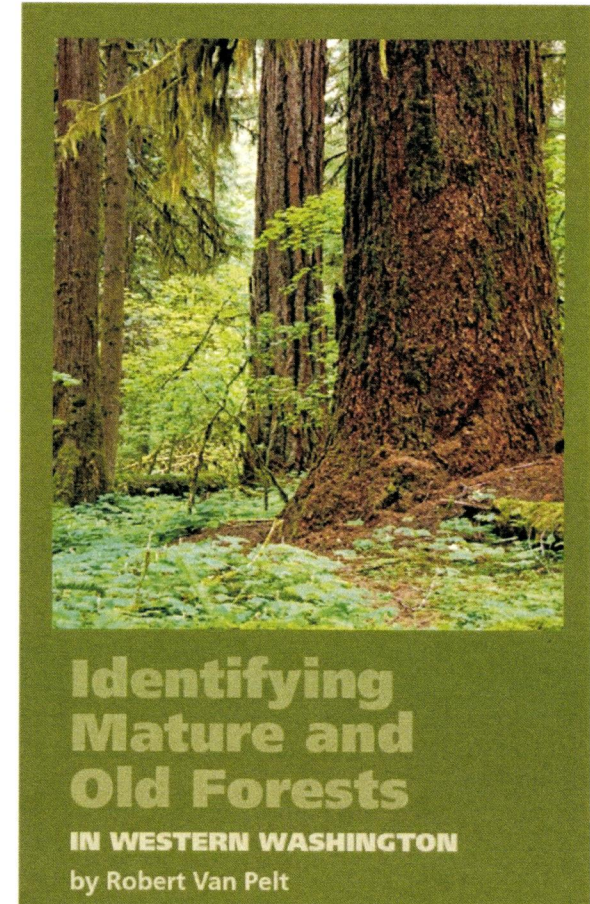
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Identification of 2000 Acres

Status

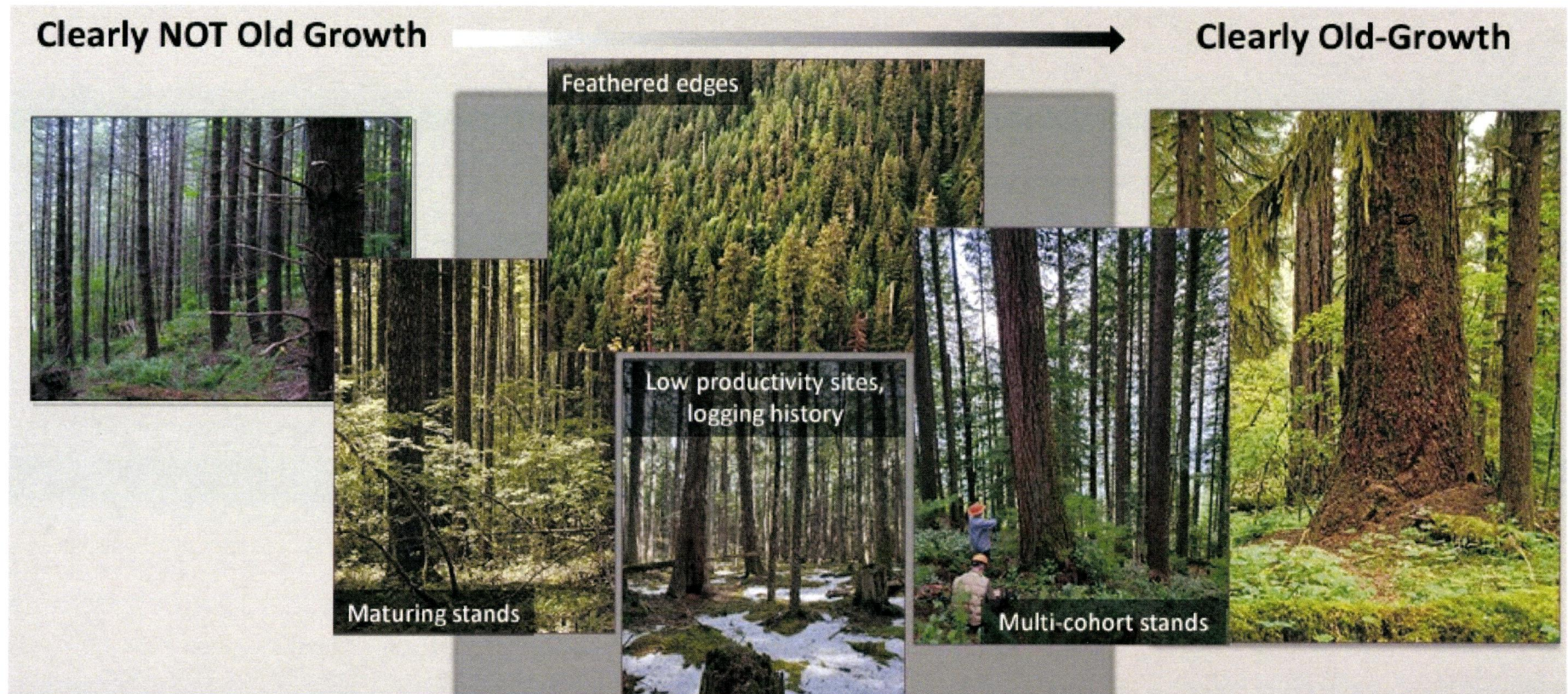
- Identification of 2000 acres
 - Utilizing Van Pelt's guide definitions of Maturation 1 and Maturation 2 to help identify "carbon dense, structurally complex" forests.
 - Seeking to conserve areas adjacent to existing habitat, in areas to improve connectivity, and to avoid isolated small fragments scattered across ownership.
- County Concurrence

Discussing the process of identification, land transaction process, and nature of federal and state forest transfer trusts with counties



Funding for Land Acquisitions

Selections based on science to ensure durable carbon storage over time



Identification of 2000 Acres

Methodology

A stand must have at least 60 metric tons per acre of live carbon and meet one or more of the following criteria:

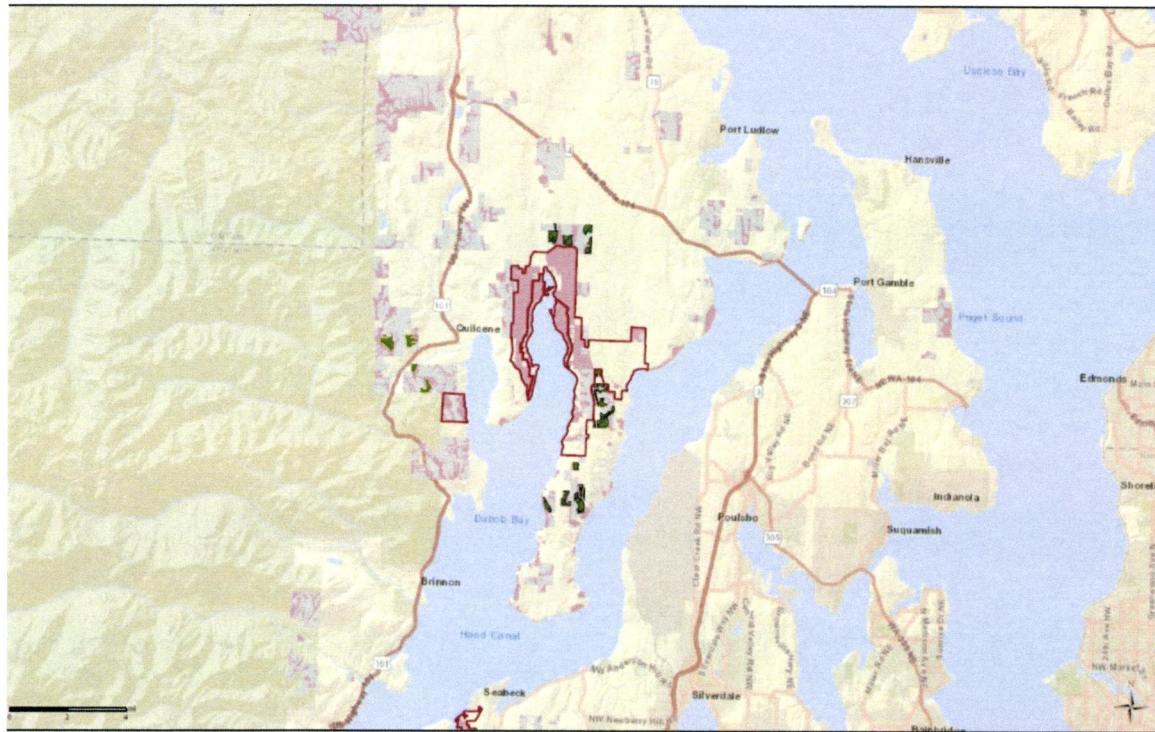
- At least 1.8 modeled canopy layers
- A Quadratic Mean Diameter* of at least 17 inches for the largest 100 trees
- At least 12 trees per acre that are in the 30 inch diameter class or larger

*The quadratic mean gives greater weight to larger trees and is equal to or greater than the arithmetic mean.

In stands with small diameters and a narrow range of diameters, the differences are slight. In stands with large diameters and a wide range of diameters present or with strongly skewed diameter distributions, the differences between arithmetic mean and quadratic mean diameters can be substantial.



Jefferson County



WASHINGTON STATE DEPARTMENT OF
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Potential 2000 Acres Sites
Dabob

Proposed Sites
VRH-deferred
Approved Natural Area Boundaries
DNR-Managed Lands

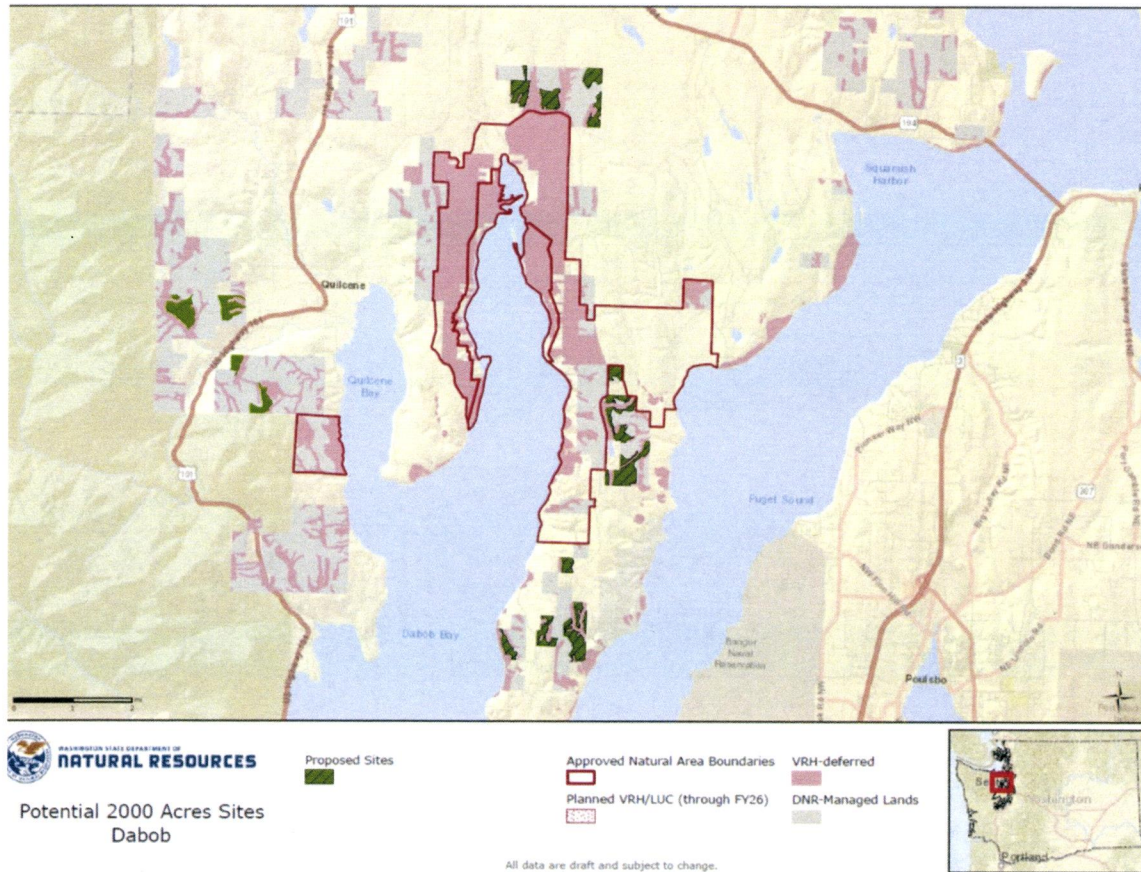
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Jefferson County



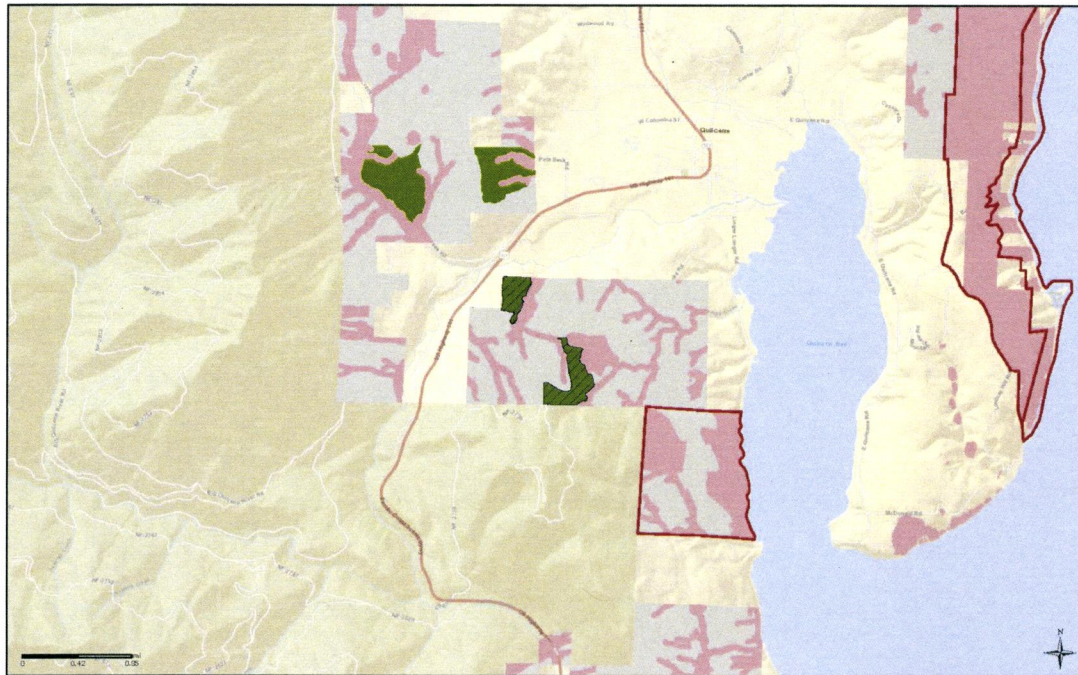
Co-benefits

Adjacent to existing Natural Area

Presence of rare plant community in the vicinity

In close proximity to federal ownership

Jefferson County



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES

Potential 2000 Acres Sites
Mt Walker

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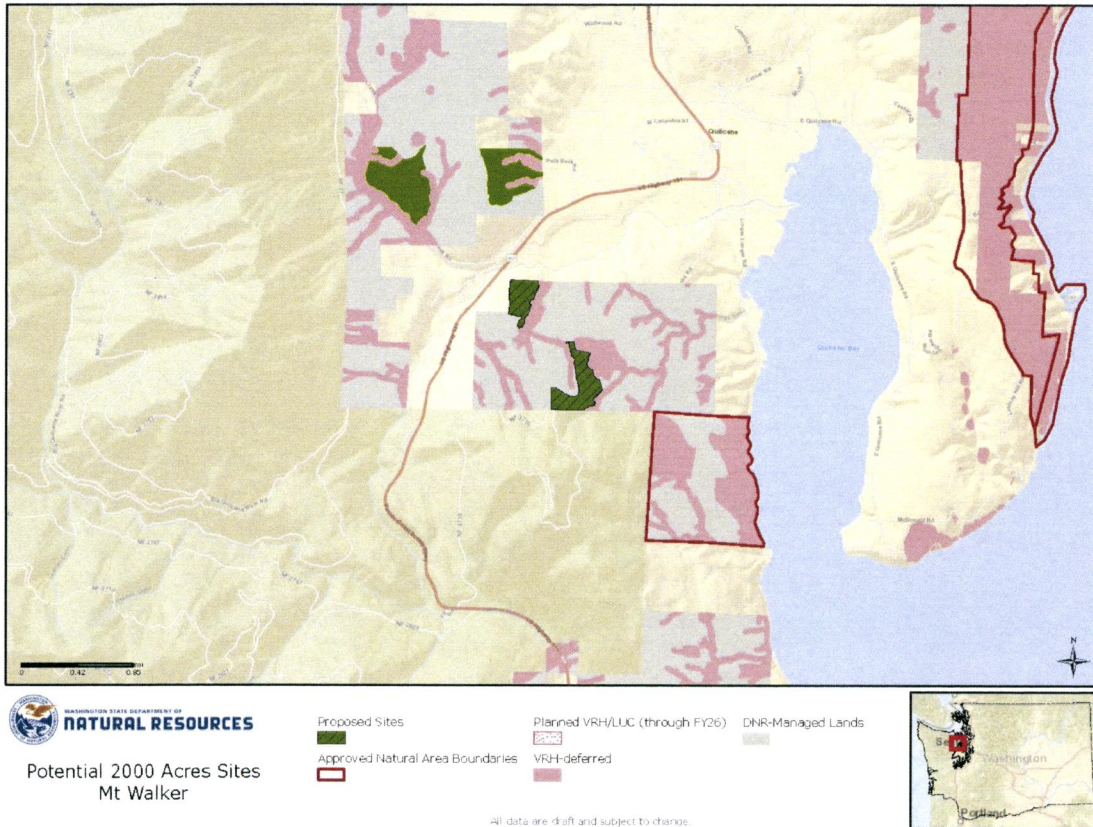
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Mt Walker & Notch Pass

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Jefferson County



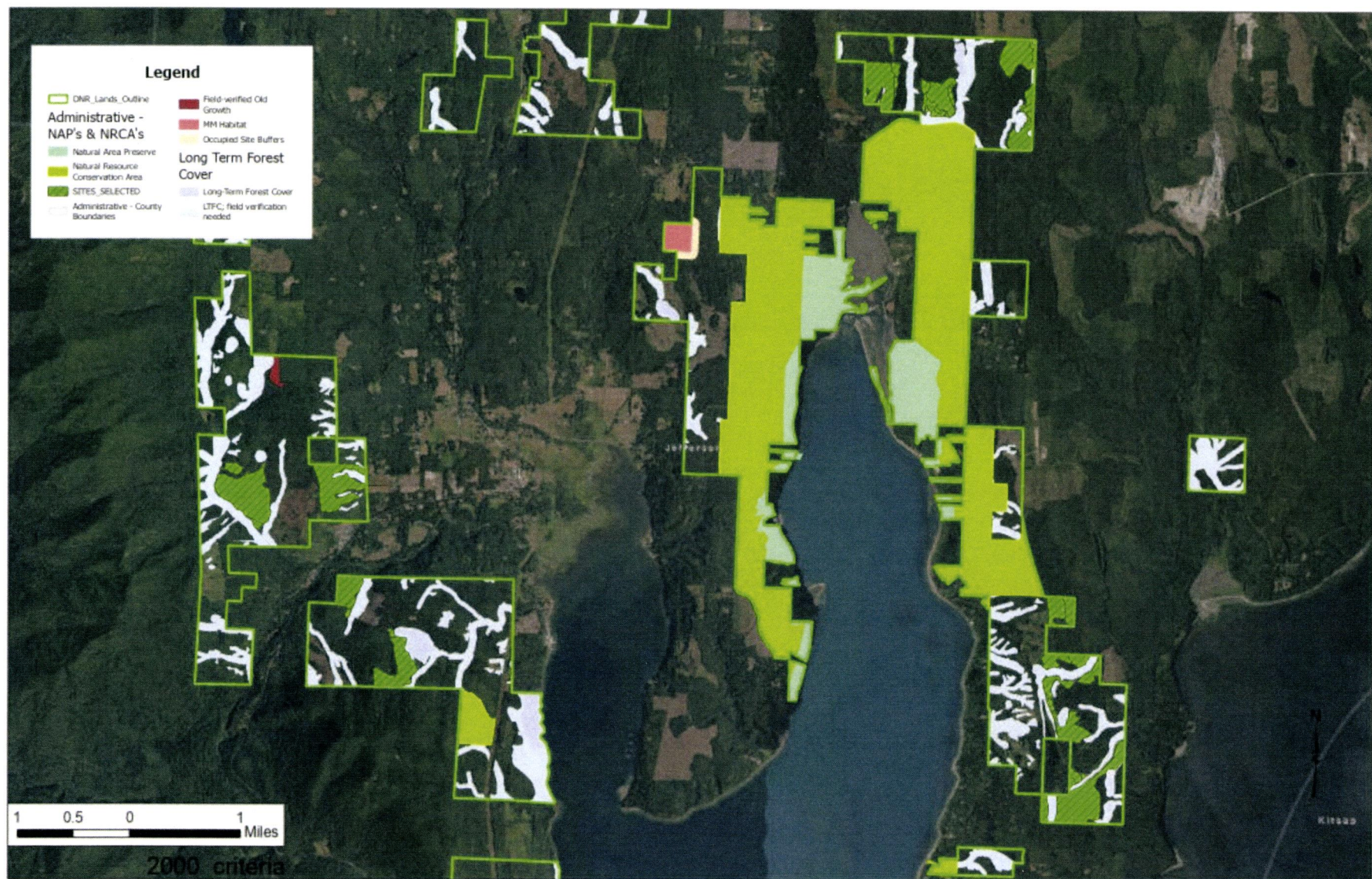
Co-benefits

In close proximity to existing Natural Area

Adjacent to habitat

Increases riparian buffers

Adjacent to federal ownership



Next Steps

County Concurrence

Letters have been sent to each county with a request for concurrence by January 31st

Land Transfers

Land transfers will occur as lands are acquired for each trust.

Transfers must be appraised for full fair market value.

Acquisitions and transfers will each be presented to the board for approval



